

161.340 Officers of board -- Personnel of system -- Contracting for services and commodities -- Liability insurance -- Leave balances.

- (1) (a) The board of trustees shall elect from its membership a chairperson and a vice chairperson on an annual basis as prescribed by the administrative regulations of the board of trustees. The chairperson shall not serve more than four (4) consecutive years as chairperson or vice chairperson of the board. The vice chairperson shall not serve more than four (4) consecutive years as chairperson or vice chairperson of the board. A trustee who has served four (4) consecutive years as chairperson or vice chairperson of the board may be elected chairperson or vice chairperson of the board after an absence of two (2) years from the position.
- (b) The board of trustees shall employ an executive secretary by means of a contract not to exceed a period of four (4) years and fix the compensation and other terms of employment for this position without limitation of the provisions of KRS Chapters 18A, 45A, 56, and KRS 64.640. The executive secretary shall be the chief administrative officer of the board. The executive secretary, at the time of employment, shall be a graduate of a four (4) year college or university, and shall possess qualifications as the board of trustees may require. The executive secretary shall not have held by appointment or election an elective public office within the five (5) year period next preceding the date of employment.
- (2) The board shall employ clerical, administrative, and other personnel as are required to transact the business of the retirement system. The compensation of all persons employed by the board shall be paid at the rates and in amounts as the board approves. Anything in the Kentucky Revised Statutes to the contrary notwithstanding, the power over and the control of determining and maintaining an adequate complement of employees in the system shall be under the exclusive jurisdiction of the board of trustees.
- (3) (a) Except as provided by KRS 161.430(7), the board shall contract for actuarial, auditing, legal, medical, investment counseling, and other professional or technical services, insurance, and commodities, as are required to carry out the obligations of the board in accordance with the provisions of this chapter, subject to KRS Chapters 45, 45A, 56, and 57 but without the limitations provided by KRS Chapters 12 and 13B.
- (b) The board shall provide for legal counsel and other legal services as may be required in defense of trustees, officers, and employees of the system who may be subjected to civil action arising from the performance of their legally assigned duties if counsel and services are not provided by the Attorney General. The hourly rate of reimbursement for any contract for legal services under this paragraph shall not exceed the maximum hourly rate provided in the Legal Services Duties and Maximum Rate Schedule promulgated by the Government Contract Review Committee established pursuant to KRS 45A.705, unless a higher rate is specifically approved by the secretary of the Finance and Administration Cabinet or his or her designee.

- (4) The board of trustees may expend funds from the expense fund as necessary to insure the trustees, employees, and officials of the Teachers' Retirement System against any liability arising out of an act or omission committed in the scope and course of performing legal duties. Insurance may be obtained or provided by contracting with an insurance carrier, by self-insurance, by indemnification, or by any combination thereof.
- (5) Notwithstanding any statute to the contrary, employees shall not be considered legislative agents as defined in KRS 6.611.
- (6) Notwithstanding any statute to the contrary, the executive branch of government shall accept from the Teachers' Retirement System all accrued annual and sick leave balances and service credits of employees leaving the Teachers' Retirement System and accepting appointments within the executive branch. These leave balances shall be attested to by the Teachers' Retirement System and shall not exceed those limits established by statute or administrative regulation for employees of the executive branch.

Effective: June 29, 2021

History: Amended 2021 Ky. Acts ch. 192, sec. 5, effective June 29, 2021. -- Amended 2017 Ky. Acts ch. 12, sec. 7, effective March 10, 2017. -- Amended 2012 Ky. Acts ch. 75, sec. 11, effective April 11, 2012. -- Amended 2010 Ky. Acts ch. 164, sec. 4, effective July 1, 2010. -- Amended 2008 Ky. Acts ch. 78, sec. 4, effective July 1, 2008. -- Amended 2004 Ky. Acts ch. 121, sec. 3, effective July 1, 2004. -- Amended 2002 Ky. Acts ch. 275, sec. 6, effective July 1, 2002. -- Amended 1998 Ky. Acts ch. 515, sec. 4, effective July 1, 1998. -- Amended 1996 Ky. Acts ch. 359, sec. 3, effective July 1, 1996. -- Amended 1994 Ky. Acts ch. 369, sec. 3, effective July 1, 1994. -- Repealed and reenacted 1990 Ky. Acts ch. 476, Pt.V, sec. 493, effective July 13, 1990. -- Amended 1988 Ky. Acts ch. 363, sec. 2, effective July 1, 1988. -- Amended 1986 Ky. Acts ch. 440, sec. 3, effective July 1, 1986. -- Amended 1984 Ky. Acts ch. 253, sec. 5, effective July 1, 1984. -- Amended 1982 Ky. Acts ch. 326, sec. 5, effective July 15, 1982. -- Amended 1980 Ky. Acts ch. 206, sec. 1, effective July 1, 1980. -- Amended 1978 Ky. Acts ch. 110, sec. 103, effective January 1, 1979. -- Amended 1976 Ky. Acts ch. 351, sec. 3, effective July 1, 1976. -- Amended 1972 Ky. Acts ch. 82, sec. 7. -- Amended 1964 Ky. Acts ch. 43, sec. 2. -- Amended 1962 Ky. Acts ch. 64, sec. 2. -- Amended 1960 Ky. Acts ch. 44, sec. 4. -- Amended 1958 Ky. Acts ch. 8, sec. 1. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 4506b-12.

Legislative Research Commission Note (3/10/2017). 2017 Ky. Acts ch. 12, sec. 12 provided that amendments made to subsection (3) of this statute in 2017 Ky. Acts ch. 12, sec. 7 governing placement agents and contracts or offerings entered into by the state-administered retirement systems shall apply to contracts and offerings established or contracts or offerings renewed on or after July 1, 2017.

Legislative Research Commission Note (3/10/2017). 2017 Ky. Acts ch. 12, sec. 13 provided that amendments made to subsection (3) of this statute in 2017 Ky. Acts ch. 12, sec. 7 governing the application of the Model Procurement Code, KRS Chapter 45A, and related statutes to the state-administered retirement systems, shall apply to contracts and offerings established or contracts or offerings renewed on or after July 1, 2017.