

**Kentucky Public Pensions Authority  
Special Called Board Meeting  
October 17, 2023 at 11:30 a.m. EST  
Live Video Conference/Facebook Live  
AGENDA**

- |                                    |                      |
|------------------------------------|----------------------|
| <b>1. Call to Order</b>            | <b>Keith Percy</b>   |
| <b>2. Legal Opening Statement</b>  | <b>Michael Board</b> |
| <b>3. Roll Call</b>                | <b>Sherry Rankin</b> |
| <b>4. Public Comment</b>           | <b>Sherry Rankin</b> |
| <b>5. Chief Auditor Contract**</b> | <b>Michael Board</b> |
| <b>6. Closed Session**</b>         | <b>Keith Percy</b>   |
| <b>7. Adjourn*</b>                 | <b>Keith Percy</b>   |

*\*Board Action Required*

*\*\*Board Action May Be Required*

PERSONAL SERVICE CONTRACT FOR  
CHIEF AUDITOR  
BETWEEN  
KENTUCKY PUBLIC PENSIONS AUTHORITY  
AND  
KRISTEN COFFEY

This Personal Service Contract (PSC) is entered into, by and between the Kentucky Public Pensions Authority ("Authority" or "KPPA") and Kristen Coffey ("the Employee") to establish a contract for the Chief Auditor of the Kentucky Public Pensions Authority.

No solicitation was issued for these services. Employee's appointment to this position was determined under the statutory authority of KPPA. Per KRS 61.505(8)(a), "The Kentucky Public Pensions Authority shall appoint or contract for the services of and executive director and an internal auditor and fix the compensation & other terms of employment for these positions without limitation of the provisions of KRS Chapters 18A, 45A and KRS 64.640."

This PSC is effective 10/16/23 and expires 6/30/2025. The Board reserves the right to renew this agreement per the authority granted to them in KRS 61.505.

KPPA and Employee agree to the following:

**I. Scope of Agreement**

Services required

Employment Duties, Contract Term and Application of Personnel Policies.

1. Duties.

The Board of the Kentucky Public Pensions Authority ("KPPA") agrees to employ Kristen Coffey ("Employee") as Chief Auditor. Employee will report to the Board of the Kentucky Public Pensions Authority Board and shall perform her duties and discharge her responsibilities competently, carefully and faithfully as required herein and in the KPPA Policies, as applicable. Employee will devote her full time and best efforts to the affairs of KPPA and shall complete all assigned tasks to the satisfaction of the Board and within any prescribed timeframe.

2. Contract Term.

The term of Employee's employment with KPPA shall be for the period from October 16, 2023 through June 30, 2025 (the "Contract Term"), unless earlier terminated pursuant to this Agreement. Nothing in this Agreement shall be construed to create any commitment, guarantee, agreement or understanding of any kind that the Authority shall continue to employ Employee after the end of the Contract Term.

3. Policies.

The Employee is subject to the Commonwealth of Kentucky Employee Handbook, any Personnel Policies, Conflict of Interest Policies, Confidentiality Policies or any other personnel related policies or statutes which apply to KPPA employees except to the extent her unclassified position is exempted therefrom in any statute, or exempted as set forth in this Agreement.

4. Compensation.

A. Salary.

The Authority shall pay Employee, as compensation for the performance of her obligations under this Agreement, an annual salary of \$100,170. If the Commonwealth of Kentucky grants all employees an increase in pay during the term of this contract, Employee shall receive those pay increases without the need to amend this contract. Employee understands that no variable or performance linked compensation is envisioned during the term of this agreement. The salary shall be, paid in such periodic installments as the Authority may pay its other employees.

B. Benefits.

The Authority shall provide Employee for the duration of the Contract Term with all benefits received by other employees of the KPPA as set forth in the Commonwealth of Kentucky Employee Handbook.

It is understood and agreed by Employee that the annual salary and benefits set forth above shall not be changed during the Contract Term.

5. Early Termination of Employment.

A. Termination for Cause.

The Authority may immediately terminate Employee's employment with KPPA at any time prior to the end of the Contract Term for "Cause" as defined in 3(b) below. The decision to terminate the Employee for Cause shall require a majority vote of the full KPPA Board. The existence of Cause shall be determined in the sole and absolute discretion of the KPPA Board.

Definition and Determination of "Cause."

As used herein, "Cause" shall include but not be limited to the following:

Failure or neglect by Employee to satisfactorily perform the duties of the Employee's position.

Failure of the Employee to obey lawful orders or to comply with lawful directives to her.

Misconduct in connection with the performance of any of her duties, including but not limited to misappropriations of funds or property of KPPA, misrepresentations to KPPA or any regulatory authority, the violation of any laws, regulations or policies to which KPPA is subject or the

Employee's position is subject, violation of a provision of the Kentucky Executive Branch Code of Ethics or any policies of the Kentucky Public Pensions Authority.

Commission by Employee of an act involving moral turpitude, dishonesty, theft, unethical business conduct, or conduct that impairs or injures the reputation of, or harms, KPPA.

The performance of any act outside the authority of the Chief Auditor.

Failure to cooperate fully in any investigation by KPPA or by any regulatory or law enforcement authority that may properly investigate the KPPA.

Disclosure of any confidential or proprietary information.

Use or abuse of alcohol or drugs which interferes with the Employee's performance of her duties.

The Authority shall provide Employee with written notice of termination for Cause citing the specific reasons for the termination. The Employee is non-classified and therefore Employee does not have the right to appeal any termination in any manner to a neutral decision maker. Consequently, Employee shall have no rights to the Grievance and Appeal Procedures set forth in the Commonwealth of Kentucky Employee Handbook and shall have no right of appeal to the Kentucky Personnel Board. The Employee's only rights of recourse are set forth in this Agreement.

B. Termination without Cause.

The Board of KPPA may terminate Employee's employment with KPPA prior to the end of the Contract Term at any time without Cause by providing written notice of the same.

C. Voluntary Termination.

Employee shall have the right to terminate her employment with KPPA voluntarily, at any time, by giving at least sixty (60) days written notice to the Chair of the KPPA Board. Under the terms of a voluntary termination, Employee is entitled to her contractual compensation, as set forth herein, through the date of resignation.

6. Miscellaneous.

A. Notices.

Any notice or other communication required or which may be given to any party hereunder shall be in writing and shall be delivered personally, or sent by certified, registered or express mail, postage prepaid, and shall be deemed given when so delivered personally, or if mailed, five days after the date of mailing to the respective party as follows:

To KPPA:	Kentucky Public Pensions Authority
Attention:	KPPA Board Chair
	1260 Louisville Road
	Frankfort, KY 40601

To Employee: Kristen Coffey

B. Successors and Assigns.

This Agreement shall inure to the benefit of and be binding upon KPPA and its successors and assigns, and Employee and her heirs and personal representatives, but Employee's rights hereunder are personal to her and shall not be subject to voluntary or involuntary alienation, assignment or transfer. For the purposes of this Agreement, the term "successors and assigns" shall mean any person, firm, corporation, or other entity which at any time, whether by change in law, merger, purchase or otherwise, shall manage or acquire all, or substantially all, of the assets or business of KPPA.

C. Governing Law.

This Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Kentucky.

D. Entire Agreement.

This Agreement is the entire and exclusive agreement between Employee and KPPA with regard to the subject matter hereof and supersedes all previous oral and written agreements or understandings, and all contemporaneous oral and written negotiations, commitments, understandings and communications between the parties, relating to the subject matter of this Agreement. Either KPPA or Employee may terminate the employment relationship at any time for any reason pursuant to the terms of this Agreement. Nothing in this Agreement is intended, nor should be construed, to limit or modify this mutual right. This Agreement was negotiated between the Employee and representatives of the KPPA Board.

E. Waivers and Amendments.

This Agreement may be amended, modified, superseded, cancelled, renewed or extended, and the terms and conditions hereof may be waived, only by a written instrument signed by the Chair of the KPPA Board of Trustees and Employee or, in the case of a waiver, by the party waiving compliance. No delay on the part of the KPPA Board or Employee in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of KPPA Board or Employee of any right, power or privilege hereunder, or any single or partial exercise of any right, power or privilege hereunder, preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder. The rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies that KPPA Board or Employee may otherwise have at law or in equity, except as expressly excluded herein.

F. Severability.

The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof.

G. Counterparts.

This Agreement may be executed in two (2) or more Counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

H. Headings.

The headings in this Agreement are for reference purposes only and shall not in any way affect the meaning, construction or interpretation of this Agreement. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement. The language in all parts of this Agreement is to be construed according to its fair meaning, and not strictly for or against any party hereto.

I. Jurisdiction.

KPPA and Employee hereby irrevocably consent and submit to the jurisdiction of (A) the Circuit Court of Franklin County, Commonwealth of Kentucky or (B) the United States District Court sitting in and for the district which includes the City of Frankfort, Commonwealth of Kentucky in any dispute, action, claim or proceeding arising out of or relating to this Agreement, and irrevocably agree that any and all claims arising out of or relating to this Agreement shall be heard and determined in these Courts, without regard to the principle of conflicts of law.

J. Conflict-of-Interest Laws and Principles.

The Employee certifies that she is legally entitled to enter into this Agreement with KPPA, and by holding and performing this Agreement, she will not be violating any Conflict of Interest Statute or Policy, or KRS 11A.040 of the Executive Branch Code of Ethics.

K. Survival.

This Agreement shall survive the termination of Employee's Employment with KPPA.

**II. Contract Components and Order of Precedence**

KPPA's appointment of the Employee as its Chief Auditor shall create a valid contract between the Parties consisting of the following:

1. Any written Agreement between the Parties.
2. Any Addenda to the Agreement.

In the event of any conflict between or among the provisions contained in the Agreement, the order of precedence shall be as enumerated above.

### III. Pricing

1. Salary.

Kentucky Public Pensions Authority shall pay Employee, as compensation for the performance of her obligations under this Agreement, a base annual salary of \$100,170 and benefits as determined and set forth herein. Employee understands that no variable or performance linked compensation may be paid during the term of this agreement. Any and all changes to this Agreement must be processed in the same manner as the original Agreement. The salary shall be paid in such periodic installments as KPPA pays its other employees.

### IV. Invoicing

1. Payment.

Payment is processed through the Commonwealth of Kentucky's KHRIS system.

2. Travel Expenses.

Kentucky Public Pensions Authority may reimburse the Employee for travel expenses in accordance with the state regulations established by the Finance and Administration Cabinet and in compliance with Kentucky Revised Statutes and Kentucky Administrative Regulations upon receipt of approved documentation.

3. Other Expenses.

The Employee shall be reimbursed for no other expenses of any kind, unless and except as specifically authorized within the specifications of this Agreement or authorized in advance and in writing by the Chair of the KPPA Board.

If reimbursement of such expenses is authorized, the reimbursement shall be only on an out-of-pocket basis. Request for payment of same shall be processed upon receipt from the Employee of valid, itemized statements submitted periodically for payment at the time any fees are due. The Employee shall maintain supporting documents that substantiate every claim for expenses and shall furnish the same if requested by KPPA.

**IN WITNESS WHEREOF**, KPPA has caused this Agreement to be subscribed on its behalf by its duly authorized agent, and Employee has caused this Agreement to be subscribed on her behalf, as of the \_\_\_ day, \_\_\_\_\_, 2023. By affixing signatures below, the parties verify that they are authorized to enter into this Agreement and that they accept and consent to be bound by the terms and conditions stated herein. In addition, the parties agree that (i) electronic approvals may serve as electronic signatures; and (ii) this Agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all counterparts together shall constitute a single contract.

KPPA:

KENTUCKY PUBLIC PENSIONS AUTHORITY

By: \_\_\_\_\_  
Name: Keith Percy  
Title: KPPA Board Chair  
Date: \_\_\_\_\_

Employee:

KRISTEN COFFEY

By: \_\_\_\_\_  
Name: Kristen Coffey  
Title: Chief Auditor  
Date: \_\_\_\_\_

APPROVED AS TO FORM AND LEGALITY:  
KPPA's Office of Legal Services

By: \_\_\_\_\_  
Name: Michael Board  
Title: Executive Director, Office of Legal Services