

**MINUTES OF MEETING
KENTUCKY PUBLIC PENSIONS AUTHORITY
SPECIAL CALLED AUDIT COMMITTEE
JUNE 21, 2023, 1:00 P.M., E.T.
VIA LIVE VIDEO TELECONFERENCE**

At the June 21, 2023 Special Called Meeting of the Audit Committee of the Kentucky Public Pensions Authority, the following Committee members were present: William O'Mara (Chair), Betty Pendergrass, Lynn Hampton, and William Summers, V. Staff members present were CERS CEO Ed Owens, III, KRS CEO John Chilton, David Eager, Erin Surratt, Michael Board, Victoria Hale, Lori Casey, Steve Willer, Ann Case, Michael Lamb, Connie Davis, Elizabeth Smith, Kristen Coffey, Madeline Perry, William Prince, Melinda Wofford, Matthew Daugherty, Riley Morris, Ashley Gabbard, Shaun Case, Katie Park, and Sherry Rankin.

Mr. O'Mara called the meeting to order.

Mr. Board read the Opening Video Teleconference Statement.

Ms. Rankin called roll.

There being no *Public Comment* received, Mr. O'Mara introduced the agenda item *Approval of Minutes – May 25, 2023, and June 1, 2023* (Video 00:08:22 to 00:08:57). Ms. Hampton made a motion to approve the minutes as presented. The motion was seconded by Mr. Summers and passed unanimously.

Mr. O'Mara introduced the agenda item *Implementation of HB 587* (Video - Part 1 - 00:08:58 to 01:44:17). Mr. Board recapped the progress of the implementation of HB 587 and advised of the remaining action items required to implement the legislature.

Ms. Kristen Coffey presented the amended Charter for the KPPA Audit Committee. She reviewed each proposed change to the Charter. The Committee made several determinations regarding these proposed changes and requested other amendments. Ms. Pendergrass made a motion to approve the Charter for the KPPA Audit Committee and to present it to the KPPA as

amended. The motion was seconded by Ms. Hampton passed unanimously.

Next, the Chief Auditor Position Description was presented. Ms. Lori Casey stated that the presented Position Description was written in collaboration with Ms. Coffey and the KPPA Executive Staff. Ms. Casey advised that the Position Description may be edited in the future, if needed.

Ms. Pendergrass made a motion to accept the Position Description for the Chief Auditor as presented in the Position Description Worksheet and recommend it to the KPPA. Mr. Summers seconded the motion.

Mr. Board noted a typographical error in Task 6 of the Position Description. Therefore, Ms. Pendergrass made an amended motion to accept the Position Description for the Chief Auditor as amended in the Position Description Worksheet and recommend it to the KPPA. Mr. Summers seconded the amended motion and the motion passed unanimously.

Mr. O'Mara inquired whether the Committee wished to discuss the administrative reporting for the Chief Auditor position. Ms. Pendergrass suggested that the KPPA Audit Committee make a recommendation to the Authority for the appointment of the Chief Auditor. The KPPA would be responsible for fleshing out details associated with the appointment, said Ms. Pendergrass.

Ms. Hampton made a motion to appoint Kristen Coffey as the Chief Auditor and forward the recommendation to the KPPA for ratification. Ms. Pendergrass seconded the motion and the motion passed unanimously.

Lastly, Ms. Coffey presented the amended Charter for the KPPA Division of Internal Audit and reviewed each change with the KPPA Audit Committee. There was extensive discussion surrounding these amendments.

Implementation of HB 587 (Video - Part 2 - 00:00:12 to 00:37:44)

The Facebook live stream was temporarily disconnected; however, connection was reestablished in less than 30 minutes and the meeting resumed. Ms. Coffey continued with her

presentation of the amended Charter for the KPPA Division of Internal Audit. The KPPA Audit Committee continued with their discussion of the proposed changes to the Charter.

The Committee agreed that additional work was needed on the Charter for the KPPA Division of Internal Audit. Therefore, it was decided to further review the Charter at the next scheduled meeting of the KPPA Audit Committee on August 24, 2023.

****Ms. Pendergrass exited the meeting****

There being no further business, Mr. O'Mara *adjourned* the meeting.

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CERTIFICATION

I do certify that I was present at this meeting, and I have recorded above the action of the Committee on the various items considered by it at this meeting. Further, I certify that all requirements of KRS 61.805-61.850 were met in connection with this meeting.


Recording Secretary

I, as Chair of the Audit Committee of the Kentucky Public Pensions Authority, do certify that the Minutes of the meeting held on June 21, 2023, were approved by the Audit Committee on July 26, 2023.


Committee Chair

I have reviewed the Minutes of the Audit Committee Meeting on June 21, 2023, for form, content, and legality.


Executive Director
Office of Legal Services