

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF KENTUCKY  
SPECIAL MEETING OF THE GOVERNANCE AND AUDIT COMMITTEE  
JUNE 14, 2018

Minutes of Meeting:

After giving proper notice of a special meeting, and a quorum being present, Chair Hollis Gritton called the TRS Governance and Audit Committee to order at 9 a.m., Thursday, June 14, 2018, in the boardroom of the Teachers' Retirement System of Kentucky, 479 Versailles Road, Frankfort, Kentucky.

Members present:

Hollis Gritton, Chair  
Ron Sanders, Vice Chair  
Frank Collecchia

Others present:

Gary L. Harbin, Teachers' Retirement System  
Robert Barnes, Teachers' Retirement System  
Eric Wampler, Teachers' Retirement System  
Tom Siderewicz, Teachers' Retirement System  
Mark Whelan, Teachers' Retirement System  
Jane Gilbert, Teachers' Retirement System  
Greg Hall, Teachers' Retirement System  
Nate Van Sickel, Teachers' Retirement System  
Felicia Penn, Teachers' Retirement System

1. Consideration of Contract Service Providers: Mr. Harbin presented an overview of the fiscal year 2018-2019 TRS administrative expense fund budget.

Mr. Gritton announced in open session that portions of the agenda should be considered in closed session. Mr. Gritton stated that it was necessary to go into closed session to consider the contract service providers in accordance with KRS 61.810(1)(g).

Committee Action: Upon motion duly made by Mr. Sanders and seconded by Mr. Collecchia, the Governance and Audit Committee unanimously voted to enter closed session. Mr. Gritton announced that the record should reflect that there was a unanimous vote to conduct a portion of the Governance and Audit Committee in closed session in accordance with KRS 61.810(1)(g). The committee entered closed session at 9:35 a.m.

The committee returned to open session with no action being taken in closed session.

Committee Action: Upon motion duly made by Mr. Collecchia and seconded by Mr. Sanders, the committee voted unanimously to end closed session at 10:15 a.m.

Committee Action: Upon motion duly made by Mr. Collecchia and seconded by Mr. Sanders, the committee voted unanimously to recommend to the full board contracting with Blue and Co., LLC for external auditing services for fiscal year 2018-2019.

Committee Action: Upon motion duly made by Mr. Sanders and seconded by Mr. Collecchia, the committee voted unanimously to approve staff's recommendation and recommend to the full board contracting with the following firms for fiscal year 2018-2019: Cavanaugh Macdonald Consulting for actuarial services; Ice Miller, Williams and Jenson and Reed Weitkamp Schell and Vice for federal tax, fiduciary and other legal services; Reed Weitkamp Schell and Vice and Stoll Keenon Ogden for litigation and other legal services; AC Advanced Cleaning Services for janitorial services; and SouthEast Printing and Mailing for printing services.

2. Proposed Contract Renewals: Mr. Harbin presented information concerning contracts for fiscal year 2018-2019 for the investment consultant, investment experts and investment legal counsel. Mr. Harbin requested authorization to contract with the service providers as reported.

Committee Action: Upon motion duly made by Mr. Sanders and seconded by Mr. Collecchia, the committee voted unanimously to recommend to the full board approval of the contracts for Aon Hewitt Investment Consulting, Bevis Longstreth, George Philip, Ice Miller and Reinhart Boerner Van Deuren for fiscal year 2018-2019.

3. Report of the Internal Auditor: Mr. Van Sickel presented the report of the internal auditor concerning work performed in fiscal year 2017-2018. The internal auditor also reviewed the fiscal year 2018-2019 audit work plan.

Committee Action: Upon motion duly made by Mr. Sanders and seconded by Mr. Collecchia, the committee voted unanimously to approve the report of the internal auditor concerning fiscal year 2017-2018 and the fiscal year 2018-2019 work plan.

Adjournment: There being no further business to come before the committee, and upon motion duly made by Mr. Collecchia and seconded by Mr. Sanders, and by unanimous consent of the committee, Chair Gritton declared the meeting adjourned at 10:56 a.m.

### **CERTIFICATIONS**

We, the chair of the Governance and Audit Committee and the executive secretary of the Board of Trustees of the Teachers' Retirement System of the State of Kentucky, do certify that the Minutes of Meeting were approved by the Governance and Audit Committee on September 17, 2018.

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Hollis Gritton, Chair

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Gary L. Harbin, Executive Secretary

I, Robert B. Barnes, do certify adherence to the Kentucky Open Meetings Act, KRS 61.800 et seq., in the conduct of this meeting. I have reviewed the minutes for form, content, and legality.

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Robert B. Barnes, Deputy Executive Secretary  
and General Counsel

I, Felicia Penn, do certify that I was present at the meeting and duly recorded the actions of the Governance and Audit Committee of the Board of Trustees of the Teachers' Retirement System of the State of Kentucky at its meeting on June 14, 2018.

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Felicia Penn  
Recording Secretary