Sunset Public Hearing Questions for
Tennessee Interagency Cash Flow Committee
Created by Section 9-4-610, *Tennessee Code Annotated*
(Sunset Termination June 2023)

Enabling Statute, Purpose, and Rules and Regulations

1. Provide a brief introduction to the committee, including information about its purpose, statutory duties, staff, and administrative attachment.

   - *The Interagency Cash Flow Committee ("Committee") is administratively attached to the Department of Treasury; through this administrative attachment, the Department of Treasury, Investment Division serves as staff to the Committee. Pursuant to Tenn. Code Ann. §9-4-610(a), the purpose of the Committee is to establish, compile and maintain periodic cash flow report relative to all material sources and all material uses of pooled investment fund cash projected to be received and expended by this state." The Committee's statutory duties are contained in Tenn. Code Ann. §9-4-610(d) which are to determine the following: the materiality of all items of sources and uses to be furnished by state entities; the materiality of those items to be included in the cash flow projection; the format of the cash flow projection; the categories of sources and uses to be included in such projection and any notes or explanatory statements to be included in such projection.*

   Has the committee promulgated rules and regulations? If yes, please cite the reference.

   - *The Committee has not promulgated any rules and regulations.*

Committee Organization

2. Provide a list of current members of the committee and their designees and explain how membership complies with Section 9-4-610(b)(1), *Tennessee Code Annotated*.

David H. Lillard, Jr., State Treasurer	*Ex-Officio Member*
Jason Mumpower, Comptroller of the Treasury	*Ex-Officio Member*
Jim Bryson, Commissioner of Finance and Administration	*Ex-Officio Member*
David Gerregano, Commissioner of Revenue	*Ex-Officio Member*

Kevin Gentry, Director of Investment Operations	*Designated as staff member by State Treasurer*
Jerry Durham, Assistant Director for Division of Local Government Audit	*Designated as staff member by Comptroller of the Treasury*
Mike Corricelli, Chief of Accounts	*Designated as staff member for the Department of Finance and Administration*

Amanda McGraw, Chief Financial Officer	*Designated as staff member for the Department of Revenue*
Roy West, Chief of Staff	*Designee for State Treasurer*
Teryn McNeal, Manager of Standards, Research, and Compliance for Division of Local Government Audit	*Designee for Comptroller of the Treasury*

Tenn. Code Ann. §9-4-610(b) provides that the Committee shall consist of six (6) members as follows:

- *The state treasurer, or the state treasurer's designee;*
- *One (1) staff person with the department of the treasury, designated by the state treasurer;*
- *The comptroller of the treasury, or the comptroller's designee;*
- *One (1) staff person with the comptroller of the treasury, designated by the comptroller;*
- *The commissioner of finance and administration, or a staff person with the department of finance and administration, designated by the commissioner of finance and administration as the commissioner's designee; and*
- *The commissioner of revenue, or a staff person with the department of revenue, designated by the commissioner of revenue as the commissioner's designee.*

The state treasurer, or the state treasurer's designee, shall serve as chair of the committee. All members of the committee serve at the will and pleasure of the authority designating such member.

3. Are there any vacancies on the committee? If so, indicate how long the position has been vacant and explain steps that have been taken to fill any vacancies.

    - *None.*

4. How many times did the committee meet in each of the last three fiscal years? Please note meetings where the committee did not have a quorum.

    - *The committee met one (1) time in the last three (3) fiscal years; the meeting was held on April 3, 2020.*

Financial Information

5. What were the committee's revenues and expenditures for the last three fiscal years? Does the committee carry a fund balance? If yes, please provide additional relevant information regarding the fund balance.

- *The Committee does not carry a fund balance. Because the Committee is comprised of state officials and state employees, the Committee does not have any revenues or expenditures.*

6. What per diem or travel reimbursements do committee members receive? In the last three fiscal years, how much was reimbursed to committee members?

    - *All Committee members are State employees. The Committee members do not receive a per diem. Should there be any travel expenses associated with their work on the Committee, those expenses would be reimbursed in accordance with the State's Comprehensive Travel Regulations.*

Sunshine Law, Public Meetings, and Conflict of Interest Policies

7. Is the committee subject to Sunshine law requirements (Section 8-44-101 et seq., *Tennessee Code Annotated*) for public notice of meetings, prompt and full recording of minutes, and public access to minutes? If so, what procedures does the committee have for informing the public of meetings and making minutes available to the public?

    - *The Committee is subject to Sunshine law requirements. The Committee informs the public of its meetings by posting a public meeting notice on the TN.gov public participation calendar and the Treasury Department's website. Committee minutes are available upon request.*

8. Does the committee allow for public comment at meetings? Is prior notice required for public comment to be heard? If public comment is not allowed, how does the committee obtain feedback from the public?

    - *The Committee may allow for public comment at its meetings when the public comments are related to the Committee's purpose and agenda items. Prior notice is not required for public comment to be heard at Committee meetings where there is a physical quorum of the members at the location of the meeting.*

9. What policies and procedures are in place to address potential conflicts of interest of committee members, employees, or other state employees who work with the committee? If the committee has a conflict-of-interest policy, please provide a copy.

    - *The ex-officio Committee members are subject to conflict of interest disclosures as a function of their offices. Treasury Department employees' conduct is governed by the Department's Standards of Professional Conduct policy, and the State employees representing the other State agencies on the Committee would be governed by any code of conduct specific to that agency.*

Reports, Major Accomplishments, and Proposed Legislative Changes

10. What reports does the committee prepare concerning its activities, operations, and accomplishments? Who receives copies of these reports? Please provide a link to the most recent reports.

    - *The only report prepared is the cash flow projection that is posted to the Treasurer's website.*

11. What were the committee's major accomplishments during the last three fiscal years?

    - *During the last three (3) fiscal years, the Committee has not implemented new initiatives beyond its purpose.*

12. What were the committee's major challenges during the last three fiscal years?

    - *Because the production of the State's cash flow projections involves multiple data sources and a data compilation process that involves many state agencies, the development of this cash flow report is labor-intensive. The Department of Finance & Administration gathers the information used to prepare the report as they have access to the required information. Information is obtained from all state departments, agencies, boards, commissions, bureaus, and instrumentalities, except the Tennessee board of regents, the University of Tennessee, and the six (6) state universities identified in § 49-8-101 (a)(2)(A). Once finalized, a complete periodic cash flow projection is posted on the Treasury Department's website.*

13. Please describe any items related to the committee that require legislative attention and your proposed legislative changes.

    - *There are no items that require legislative attention.*

14. Should the committee be continued? To what extent and in what ways would the absence of the committee affect the public health, safety, or welfare of the citizens of Tennessee?

    - *Yes. Generating the State's cash flow projections based upon current and historical data from various State agencies and departments, is beneficial for the State. The ability to evaluate a projection reflecting material sources and uses of pooled investment fund cash projected to be received and expended by the state on a monthly basis is helpful when trying to determine if strategic operational adjustments to invest or preserve cash should be considered. This is particularly important during times of an economic decline.*

      Currently, the State has positive cash flow and is liquid; however, this may not always be the case. In the event that cash balances sink to critical levels, the

advanced knowledge of the event as well as the projected time frame could prove invaluable to State executives.

15. Please identify the appropriate agency representative or representatives possessing substantial knowledge and understanding of the responses provided to the sunset review questions.

    - *Kevin Gentry, Director Investment Operations*

16. Please identify the appropriate agency representative or representatives who will respond to the questions at the scheduled sunset hearing.

    - *Kevin Gentry, Director Investment Operations*

17. Please provide the office address, telephone number, and email address of the agency representative or representatives who will respond to the questions at the scheduled sunset hearing.

    Kevin Gentry, Director of Investment Operations; 502 Deaderick Street; Nashville, TN 37243; 615-979-1949 (Mobile); 615-253-1776 (Office); Kevin.L.Gentry@tn.gov

    Roy West, Chief of Staff, 600 Dr. Martin Luther King Jr. Blvd; Nashville, TN 37243; 615-426-0193; Roy.West@tn.gov