

**Minutes of the Meeting of August 28, 2009**

of the

**MASSACHUSETTS TEACHERS' RETIREMENT BOARD**

**I. Regular Matters of Business**

Chairman Jeff Wulfson presided at this regular meeting of the Massachusetts Teachers' Retirement Board ("the Board"). Also in attendance were: Vice Chair Linda Ruberto, Ellen Hargraves, Karen A. Mitchell, John A.M. Dow, Jr., Emily D. Cousens, Executive Director Joan Schloss, Assistant Executive Director Sean Neilon, General Counsel James Salvie, Associate General Counsel Aaron Morrison, and Executive Assistant Helen Petruzzello.

The meeting was called to order at approximately 9:03 a.m. by Chairman Wulfson.

The minutes of the previous Board meeting, held on July 31, 2009, were reviewed and approved as submitted, on a motion by Mr. Dow, and seconded by Ms. Ruberto. The motion carried 6 – 0.

**VOTED: The Open and Executive Session minutes of the Board meeting held on July 31, 2009, are hereby approved as submitted.**

**II. Executive Session**

A motion was made by Ms. Mitchell and seconded by Mr. Dow, to bring matters relating to disability retirement into Executive Session. On roll call, the vote was as follows:

<b>VOTED:</b>	Vice Chair Linda Ruberto	Yes
	Ellen Hargraves	Yes
	Karen A. Mitchell	Yes
	Emily D. Cousens	Yes
	John A.M. Dow, Jr.	Yes
	Chairman Jeff Wulfson	Yes

At approximately 9:05 a.m. the Board went into Executive Session. The Chairman stated that the Board would return to open session.

At approximately 9:57 a.m., the Board reconvened in Open Session and Chairman Wulfson announced the Board's actions during Executive Session on the applications for disability retirement benefits.

## ORDINARY DISABILITY RETIREMENT

### 1. Kathleen Westaway

The application of Kathleen Westaway for ordinary disability retirement benefits was reviewed, together with the medical panel reports and other information. On a motion to approve the application, made by Mr. Dow and seconded by Ms. Hargraves, the roll call vote was as follows:

<b>VOTED:</b>	Vice Chair Linda Ruberto	Yes
	Ellen Hargraves	Yes
	Karen A. Mitchell	Yes
	Emily D. Cousens	Yes
	John A.M. Dow, Jr.	Yes
	Chairman Jeff Wulfson	Yes

**VOTED: The application of Kathleen Westaway for ordinary disability retirement benefits was approved.**

## ACCIDENTAL DISABILITY RETIREMENT

### 1. Mary Campbell

Emily Cousens recused herself on the basis that she was not present at the 4/29/09 meeting.

The application of Mary Campbell, originally submitted 4/29/09 and remanded for additional medical information, for accidental disability retirement benefits was reviewed, together with the medical panel reports and other information. On a motion to approve the application, made by Ms. Ruberto and seconded by Mr. Dow, the roll call vote was as follows:

<b>VOTED:</b>	Vice Chair Linda Ruberto	Yes
	Ellen Hargraves	Abstained
	Karen A. Mitchell	Yes
	John A.M. Dow, Jr.	Yes
	Chairman Jeff Wulfson	Yes

**VOTED: The application of Mary Campbell for accidental disability retirement benefits was approved.**

### 2. James Fitzpatrick

The application of James Fitzpatrick for accidental disability retirement benefits was reviewed, together with the medical panel reports and other information. On a motion to approve the application, made by Ms. Ruberto and seconded by Ms. Mitchell, the roll call vote was as follows:

<b>VOTED:</b>	Vice Chair Linda Ruberto	Yes
	Ellen Hargraves	Yes
	Karen A. Mitchell	Yes
	Emily D. Cousens	Yes
	John A.M. Dow, Jr.	Yes
	Chairman Jeff Wulfson	Yes

**VOTED: The application of James Fitzpatrick for accidental disability retirement benefits was approved.**

### III. Open Session

#### A. POLICY ON CRIMINAL OFFENDER RECORD INFORMATION BACKGROUND CHECK

General Counsel Salvie presented two revised drafts of the two CORI background check policies reviewed by the Board at the 7/31/09 meeting, amended per the Boards' suggestions. A motion was made by Ms. Mitchell and seconded by Ms. Hargraves to approve the policies. The motion carried 6-0.

#### B. PROPOSED 807 CMR 18.00-MANDATORY DIRECT DEPOSIT OF RETIREMENT ALLOWANCES

The proposed regulation implementing the recent pension reform legislation mandating retirees to establish direct deposit of retirement allowances was presented by General Counsel Salvie. A motion was made by Mr. Dow, and seconded by Ms. Hargraves, to put the proposed regulation out for public comment. The motion was approved 6-0.

#### C. VITECH CHANGE ORDER #6.1

Susan Morgan, MyTRS Project Manager, accompanied by Lisa Maloney, MyTRS Assistant Project Manager and Andy Flewelling, OPM Senior Analyst, joined the meeting and reviewed Change Order 6.1 submitted by Vitech for costs associated for network redesign needed to be fully compliant with the Commonwealth's security standards. Ms. Morgan recommended that Change Order 6.1 be approved with certain modifications, namely Vitech be responsible for the costs associated with the configuration and installation services totaling \$124,099.32 and MTRS be responsible for the costs of the hardware, software and support agreements for a total cost of \$424,047.94 over a seven year period. On a motion

to authorize the Executive Director to amend the contractual agreement with Vitech with the increased costs made by Ms. Ruberto and seconded by Ms. Mitchell, the motion carried 6-0.

#### **D. EXECUTIVE DIRECTOR'S REPORT**

1. Ms. Schloss asked for the Board's guidance in interpreting the regular compensation issues from the Pension Reform Act. At last month's meeting, the Board discussed questions posed by the Massachusetts Association of School Superintendents ("MASS") about how changes affect superintendents' contracts. Staff sent frequently asked questions to PERAC for direction. After discussion, the Board unanimously concluded that the term is however long the contract in existence on May 1 would last, absent any action by any party. No formal vote was needed.
2. Ms. Schloss recommended, and the Board agreed, that the Annual Board Retreat, historically scheduled for two days, would suffice with only one day to cover all topics for the meeting. The Board decided that the location of One Charles Park, while not ideal, would suit the logistics of the meeting. The proposed agenda will be determined by the Executive Director.
3. The Executive Director and Mr. Neilon updated the Board on the status of The Special Commission to Study Massachusetts Contributory Retirement Systems. Ms. Schloss informed the Board that the last meeting of the Special Commission was on 8/24/09 and a preliminary report of Background documents is scheduled for release on September 1, 2009. Ms. Schloss previewed to the Board the suggested items for reform. The Special Commission will be meeting again before the final report is released to the public.
4. Ms. Schloss submitted a copy of the letter that was sent on behalf of NCTR and other organizations, including MTRS, in response to the Governmental Accounting Standards Board's Invitation to Comment on possible revisions to GASB Statements 25 and 27, which set standards for accounting and reporting on the benefits governmental pension plans provide to their employees.

Also, Ms. Schloss informed the Board that she and Ms. Ruberto have decided against attending the NCTR convention in October, which was focusing mainly on investments this year in its agenda.

Upon a motion made by Ms. Ruberto and seconded by Ms. Mitchell, the Board voted unanimously to adjourn the meeting at 11:28 a.m.

Respectfully submitted,

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**Joan Schloss, Executive Director**

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Date