

MEMORANDUM #38, 2011

Commonwealth of Massachusetts | Public Employee Retirement Administration Commission
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Joseph E. Connarton, *Executive Director*

MEMORANDUM

TO: All Retirement Boards

FROM: Joseph E. Connarton, Executive Director

RE: Mandatory Retirement Board Member Training

DATE: December 9, 2011

Chapter 176 of the Acts of 2011, An Act Providing for Pension Reform and Benefit Modernization, includes provisions mandating that retirement board members complete training during each year of service on the retirement board. During each member's term on the retirement board, the member must complete 18 hours of training. This requirement, contained in the new Subdivision 7 of Section 20 of Chapter 32, takes effect for **calendar year 2012**. The Public Employee Retirement Administration Commission (PERAC) hereby provides each board member with this first annual notification that he/she is required to complete this continuing education under the law.

Each year a member must complete a minimum of three hours of training. However, no more than 9 hours may be credited in any one year. There is no prohibition on a member completing more than 18 hours of training in the course of a term.

In the event that a member is in the midst of his/her term in 2012, the training requirement will be met by the completion of the minimum three hour training requirement in 2012 and also in the remaining calendar year or years of the term.

PERAC will provide board members with the appropriate forms to file as statements of completion of education. These will be provided before December 31, **2012**. Retirement boards must provide these forms to board members who must submit completed forms regarding training programs completed in **2012** to PERAC by January 31, **2013**. The Commission will then provide the board member with a summary status report by March 1, **2013**.

Failure to meet this mandatory requirement will prohibit the member from serving beyond the conclusion of the term for which the training requirement was not met.

PERAC is required to sponsor at least nine hours of training which include, at a minimum, the topics of fiduciary responsibility, ethical conduct, and conflict of interest. An additional nine hours are to be related to topics prescribed by the Commission and provided by the Massachusetts Association of Contributory Retirement Systems (MACRS) and other local, state, regional, or national entities as it may determine. Please note that three hours of credit will be awarded for completion of sessions related to each subject.

An initial program of training has been established for **2012** and includes the following:

PERAC Annual Statement Training Program (Three Hours Credit):

1. January 24, 2012 at 10:00 a.m. at the PERAC Offices, 5 Middlesex Avenue, 3rd Floor, Somerville, MA (Please e-mail Katie Bozzi at KJbozzi@per.state.ma.us to make reservations). Snow date is January 25, 2012.
2. February 9, 2012 at 10:00 a.m. at the West Springfield Municipal Office Building, 26 Central Street, West Springfield, MA (Please e-mail Katie Bozzi at KJbozzi@per.state.ma.us to make reservations). Snow date is February 10, 2012.
3. February 14, 2012 at 10:00 a.m. at the PERAC Offices, 5 Middlesex Avenue, 3rd Floor, Somerville, MA (Please e-mail Katie Bozzi at KJbozzi@per.state.ma.us to make reservations). Snow date is February 15, 2012.

State Ethics Commission Seminars (Three Hours Credit):

PERAC has arranged for an educational seminar to be conducted by the State Ethics Commission as follows:

1. February 7, 2012 at 10:00 a.m. at the PERAC Offices, 5 Middlesex Avenue, 3rd Floor, Somerville, MA (Please e-mail Katie Bozzi at KJbozzi@per.state.ma.us to make reservations). Snow date is February 8, 2012.

The State Ethics Commission will be also be conducting educational seminars on this topic throughout 2012 at its offices in Boston at One Ashburton Place, Room 619.

The following is the schedule of these sessions for 2012:

January 26, 2012 at 10:00 a.m.
February 23, 2012 at 10:00 a.m.
March 29, 2012 at 10:00 a.m.
April 26, 2012 at 10:00 a.m.
May 31, 2012 at 10:00 a.m.
June 28, 2012 at 10:00 a.m.
July 26, 2012 at 10:00 a.m.
August 23, 2012 at 10:00 a.m.
September 27, 2012 at 10:00 a.m.
October 25, 2012 at 10:00 a.m.
November 29, 2012 at 10:00 a.m.

Seating at these sessions is limited. Please contact 617-371-9500 to enroll.

PERAC is in discussion with the Ethics Commission to schedule more stand alone sessions for retirement boards. As soon as plans are finalized we will inform you.

Office of the Inspector General – Bidding Basics (3 Hours Credit):

The Office of the Inspector General (OIG) has developed an introductory online course that covers the legal requirements for the procurement of contracts by local government bodies for supplies and services under M.G.L. c. 30B. Although that statute does not apply to “a contract for retirement board services” recently enacted law sets forth similar requirements for retirement boards to follow when seeking certain services. In addition, retirement board members, under their fiduciary duty to act as a prudent expert would act, should employ best practices in this area.

(1) The course takes two to three hours to complete. It is available through the Commonwealth’s Learning Management6 System PACE through an internet connection. In the alternative you can complete the course using a CD. Registration forms are available at www.mass.gov/ig/mcppo/bb_online_regform.doc and must be submitted to the OIG.

PERAC is in discussion with the OIG to schedule stand alone sessions for retirement boards. As soon as plans are finalized we will inform you.

PERAC Disability Training Program (3 Hours Credit):

PERAC's Disability Unit will be providing training sessions as follows:

1. February 22, 2012 at 10:00 a.m. at the PERAC Offices, 5 Middlesex Avenue, 3rd Floor, Somerville, MA (Please e-mail Katie Bozzi at KJbozzi@per.state.ma.us to make reservations). Snow date February 23, 2012.
2. May 16, 2012 at 10:00 a.m. at the PERAC Offices 5 Middlesex Avenue, 3rd Floor, Somerville, MA (Please e-mail Katie Bozzi at KJbozzi@per.state.ma.us to make reservations).
3. November 14, 2012 at 10:00 a.m. at the PERAC Offices, 5 Middlesex Avenue, 3rd Floor, Somerville, MA (Please e-mail Katie Bozzi at KJbozzi@per.state.ma.us to make reservations). Snow date November 15, 2012.

The Commission will update you in the event other Disability Training Programs are scheduled.

These represent 24 PERAC sponsored hours plus ongoing programs through the OIG and 33 hours through the Ethics Commission for **2012**. The total number of hours made available is 57 (plus) and a board member who completes three of these sessions covering different subjects will have received the maximum nine hours of credit. The Commission will be working with the Massachusetts Association of Contributory Retirement Systems (MACRS) to arrange additional sessions and will update you as soon as plans are finalized.

Thank you for your continued cooperation.