CALCULATION POLICY 15-001

PURPOSE: Determining reimbursements under G.L. c. 32, §3(8)(c), when a request is received years after the original retirement date.

BACKGROUND: We have received several requests to calculate reimbursement amounts under G.L. c. 32, §3(8)(c) for members who retired many years ago (in some cases, more than 20 years ago). The requesting board has claimed that the calculation under §3(8)(c) was never done when the original benefit was approved.

POLICY: In cases like this, PERAC will review the case to determine if a Section 3(8)(c) reimbursement was calculated at the time the benefit was originally approved.

If a Section 3(8)(c) reimbursement was calculated at the time the allowance was originally approved, PERAC will try to obtain a copy of the Section 3(8)(c) reimbursement letter (either from the files in-house or from the files stored off-site in the archive storage center). If a copy of the letter can be obtained, PERAC will forward a copy to the affected retirement boards. If a copy of the letter cannot be obtained (either because the file has been destroyed or the file cannot be located), PERAC will notify the affected retirement boards of the Section 3(8)(c) percentage and the annual reimbursement amount. PERAC will authorize that the charge back in this instance will be retroactive to the date of retirement.

If a Section 3(8)(c) reimbursement was not calculated at the time the allowance was originally approved, PERAC will look at the date the allowance was originally approved. If the request was made within 10 years, PERAC will calculate a Section 3(8)(c) reimbursement amount and generate a Section 3(8)(c) reimbursement letter. If the request is made more than 10 years, after the allowance was originally approved, PERAC will not generate a Section 3(8)(c) reimbursement letter. We will notify the affected retirement boards of the Section 3(8)(c) percentage and the amount of Section 3(8)(c) reimbursement. PERAC will authorize that the charge-back in this instance will be prospective only.

Dated: August 10, 2015