

MEMORANDUM #26, 2012

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: March 2, 2012

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**.

PERAC will provide board members with 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.

Evening Session

Please note that PERAC will be conducting its first evening educational session on Monday, May 7, 2012 at the Wellesley Free Library (Main Library). PERAC will present an hour and a half on Actuarial Basics from 7:00 to 8:30 p.m.

Attendance Update

The first session of PERAC's first quarter education series was held at the PERAC offices on 1/24/12. A total of 16 board members attended from 9 retirement boards. The subject of that presentation was PERAC Annual Statement Training Program.

On 2/7/12 Dave Giannotti of the State Ethics Commission conducted an educational session at the PERAC offices. 18 retirement board members from 8 retirement boards attended the session. Evaluations of the presentation submitted by attendees were unanimous in describing the session as "excellent".

On 2/9/12 a PERAC Annual Statement Training program was held in West Springfield with 24 attendees from 8 retirement boards.

On 2/14/12 a PERAC Annual Statement Training program was held at the PERAC offices. A total of 10 board members attended from 5 retirement boards.

On 2/15/12 PERAC scheduled an added session of Annual Statement Training at the PERAC offices to accommodate a number of members who had registered for the 2/14/12 session. A total of 6 board members attended from 3 retirement boards.

On 2/22/12 PERAC held the first of 3 Training Sessions on Disability scheduled for this year. A total of 19 board members attended from 10 retirement boards

Thus far 93 attendees from 42 retirement boards have participated in these sessions. Although some of the 93 represent the same member attending one or more sessions, that number is an indicator of our progress to date.

Four (4) Annual Statement Training Sessions were presented internally by the PERAC Audit Staff and the first (and remaining 2) Disability Training Sessions are also being presented internally by the PERAC Disability Unit Staff. Evaluations for PERAC staff presentations conducted to date, submitted by the attendees were close to unanimous in describing the sessions as "excellent". Many thanks to Katie Bozzi and Sarah Kelly of the PERAC staff who have been coordinating the scheduling and registration for these sessions.

Ethics Training

The Commission will grant three (3) hours of credit to retirement board members who complete a Public Education Seminar on the Conflict of Interest Law conducted by the State Ethics Commission. These sessions are sometimes held in conjunction with meetings of certain organizations. For example, PERAC has credited a town clerk who serves on a retirement board for attending such a session held at the Mass. Town Clerks Association winter meeting on January 26, 2012 in Sturbridge. Credit will be granted upon receipt, by the Commission, of a copy of the Certificate of Attendance issued to the retirement board member by the State Ethics Commission.

Education – April, May and June

In the upcoming quarter (April, May and June) of **2012** the following educational sessions have been scheduled:

NCPERS TEDS (Four Hours Credit)

PERAC has reached agreement with NCPERS to establish a protocol for granting four (4) hours of education credit to retirement board members for participation in the Trustee Educational Seminar (TEDS) at the upcoming NCPERS Conference. These sessions will be conducted in New York City, May 5 - 6, 2012. Thanks to Hank Kim, Executive Director of NCPERS, and President Denis Devine and Vice President Chet Riley, of MACRS, for assistance in making these arrangements.

MACRS June Conference

PERAC and MACRS have agreed that educational sessions for credit will be offered as part of the MACRS Conference to be held June 3 - 6 at the Resort and Conference Center in Hyannis. On Wednesday June 6, 2012 PERAC will present three (3) hours focusing on Section 15 Forfeiture, Benefit Calculations and Understanding an Actuarial Valuation. In addition, three (3) hours of credit will be awarded for participation in sessions provided by MACRS on other days of the Conference.

Actuarial Basics (Two Hours Credit):

On Monday, May 7, 2012, PERAC will present an hour and a half on Actuarial Basics from 7:00 to 8:30 **p.m.** at the:
Wellesley Free Library (Main Library)

Wakelin Room
530 Washington Street
Wellesley, MA 02482

Please contact Katie Bozzi at KJbozzi@per.state.ma.us to make reservations.

Directions to the library can be accessed at:
<http://www.wellesleyfreelibrary.org/directions/index.html>

State Ethics Commission Seminars (Three Hours Credit):

The Adams Retirement Board (ARB) with PERAC's approval has arranged for an educational seminar to be conducted by the State Ethics Commission at the ARB on April 10, 2012 at 2:00 p.m. Please contact Cheryl Lillie at the ARB at 413-743-5575 or Retire@town.adams.ma.us or Katie Bozzi at KJbozzi@per.state.ma.us to make reservations.

The State Ethics Commission will 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 the remainder of 2012:

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.

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 Management 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. 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).
2. November 21, 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).

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

Thank You

A number of individuals at PERAC and other organizations have been recognized for their efforts to make Chapter 176 work in this Memo. The Commission would be remiss if we did not also thank all the rank and file members of the retirement boards who, in spite of other pressing duties, are making a good faith effort to fulfill their duties and responsibilities under the new law.