

Memorandum # 5/2007

Commonwealth of Massachusetts | Public Employee Retirement Administration Commission Five Middlesex Avenue, Third Floor, Somerville, MA 02145 Ph 617 666 4446 | Fax 617 628 4002 | TTY 617 591 8917 | www.mass.gov/perac Domenic. J. F. Russo, *Chairman* | A. Joseph DeNucci, *Vice Chairman* Kenneth J. Donnelly | James M. Machado | Donald R. Marquis | Thomas Trimarco Joseph E. Connarton, *Executive Director*

MEMORANDUM

TO: All Retirement Boards

FROM: Joseph E. Connarton, Executive Director

RE: 840 CMR 1.03

DATE: January 10, 2007

PERAC has recently taken action pursuant to 840 CMR 1.03, Prohibition Against Certain Persons Holding Certain Positions, with respect to Harry Gannon, Executive Director of the Maynard Retirement Board (MRB) and Peter Arlos, a member of Berkshire Regional Retirement Board (BRRB).

The Commission at its meeting of November 29, 2006 voted to remove Mr. Gannon from his position as Executive Director of the MRB and he subsequently resigned his position. PERAC at its meeting of July 26, 2006 voted to remove Mr. Arlos from his position on the BRRB and he subsequently resigned his position. Mr. Gannon and Mr. Arlos had been found by the Ethics Commission to have violated the provisions of Chapter 268A. The relevant terms of 840 CMR 1.03 state:

"No individual who...has been found by the Ethics Commission or any court to have violated M. G. L. c. 268A, shall serve or be permitted to serve... as a member, administrator, officer,...employee...of a board."

That regulation prohibits Mr. Gannon and Mr. Arlos from serving on, being employed by or providing services to **any** retirement board. The regulations establish a prohibition from serving in the following capacities:

- "(1) As a member, administrator, fiduciary, officer, trustee, custodian, counsel, agent, employee or representative in any capacity of a board.
 - (2) As a consultant, manager or provider of goods or services to a board.
 - (3) In any capacity that involves decision making authority or control of the monies, funds, assets or property of any system."

PERAC will notify Boards as action is taken by the Commission under this regulation.