

MEMORANDUM

TO: All Retirement Boards

FROM: Joseph E. Connarton, Executive Director

RE: Mandatory Retirement Board Member Training-1st Quarter 2013

DATE: December 28, 2012

Chapter 32 mandates that retirement board members complete training during each year of service on the retirement board. 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.

Our records indicate that nearly 500 of retirement board members have attained at least three (3) credits in 2012 thereby meeting the statutory requirement.

It should be noted that in awarding the number of credits for individual courses the Commission does not necessarily base that number on the length of the program but also considers the nature of the topic involved.

Pre – Approval

The Commission is willing to approve educational credits for a variety of events sponsored by "...local, state, regional and national organizations recognized by the Commission as having expertise in retirement issues of importance to retirement board members or other entities..." This provision of the statute has been interpreted to encompass particular programs offered by such entities. For example, an ethics class or open meeting law class offered as part of a broader conference may be eligible for education credit. However, as far as practicable, approval for such credit must take place well in advance of the date of the event. This will enable the Commission to analyze the program and to provide a general notice to retirement board members to maximize participation.

In 2012 credit was awarded for State Ethics Commission Training provided at a meeting of the Town Clerks Association and at sessions coordinated by the Town of North Attleboro and the Town of Lexington. Also in 2012 credit was granted for Open Meeting Law Training held by the Massachusetts Association of School Committees in Melrose and North Adams. Credit was also granted for attendance at a MGFOA review of GASB Pension Accounting. We anticipate awarding credit for similar programs in 2013 provided that pre-approval is obtained.



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State Ethics Commission Seminars (Three Hours Credit):

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. As noted above, these sessions are sometimes held in conjunction with meetings of certain organizations. 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.

Please be advised that this does **not** refer to the online program that consists of multiple choice questions and must be taken once every two years by retirement board members. That requirement is an initiative of the Ethics Commission and no PERAC educational credit is available for compliance.

The State Ethics Commission will be conducting educational seminars throughout 2013 at its offices in Boston at One Ashburton Place, Room 619:

- (a) January 24, 2013 at 10:00 a.m.
- (b) February 28, 2013 at 10:00 a.m.
- (c) March 28, 2013 at 10:00 a.m.
- (d) April 25, 2013 at 10:00 a.m.
- (e) May 23, 2013 at 10:00 a.m.
- (f) June 27, 2013 at 10:00 a.m.
- (g) July 25, 2013 at 10:00 a.m.
- (h) August 22, 2013 at 10:00 a.m.
- (i) September 26, 2013 at 10:00 a.m.
- (j) October 24, 2013 at 10:00 a.m.
- (k) December 5, 2013 at 10:00 a.m.
- (l)

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

Non-PERAC; Non-MACRS Events

PERAC will award credit for attendance at the following educational events sponsored by entities other than the Commission and MACRS:

(1) NCPERS (TEDS) (Four Hours Credit)

In 2012, in conjunction with MACRS, the Commission finalized a plan for accreditation for retirement board members to attend and receive four (4) hours of credit for the Trustee Educational Seminar (TEDS) of National Conference on Public Employee Retirement Systems (NCPERS). The same protocol will be in place with respect to the TEDS held in conjunction with the 2013 NCPERS. Should a board member wish to attend these sessions, you will be asked for picture identification, and you will be required to sign in at the beginning of these sessions, and sign out at their completion. In order to receive credit an attendee must forward a copy of the certificate provided to attendees to PERAC.

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(2) NCPERS (PATS) (Four Hours Credit)

In 2012 PERAC awarded four (4) hours credit to retirement board members participating in the NCPERS Program for Advance Trustee Studies (PATS) at Harvard Law School in Cambridge, MA. In the event the program is offered in 2013 we would expect to award similar credits.

(3) NCTR Trustee Workshop (Four Hours Credit)

In 2012 PERAC awarded four (4) hours credit to retirement board members participating in the National Council on Teacher Retirement (NCTR) Trustee Workshop. In the event the program is offered in 2013 we would expect to award similar credits.

Please be advised that educational credit will **not** be awarded for participation in the 2013 NCPERS Legislative Conference in Washington D.C.

The number of credits available to members' attending these programs will be determined after the Commission has reviewed the Agenda for each event.

January, February and March Educational Events

Financial Controls for Retirement Systems (Three Hours Credit):

This is a three-part financial accounting course. The first topic will emphasize emerging trends in risk management and staff oversight for retirement board members including a discussion on best practices in the wake of audit trends and fraud discovery. Relevant revisions in PERAC's approach in the next triennial audit cycle will be discussed. The second part is a review of PERAC Annual Statement Preparation with an emphasis on the upcoming 2012 filing requirement. Finally, there will be a session detailing how to understand a PERAC Audit Report.

1. Wednesday, January 30, 2013 at 10:00 a.m. at the PERAC Office, 5 Middlesex Avenue, 3rd Floor, Somerville, MA (Please e-mail Rose Cipriani at RCipriani@per.state.ma.us to make reservations). Snow Date Thursday, January 31, 2013.
2. Tuesday, February 5, 2013 at 10:00 a.m. at the Taunton Public Library, 12 Pleasant Street, Taunton, MA (Please e-mail Rose Cipriani at RCipriani@per.state.ma.us to make reservations). Snow Date Tuesday, February 19, 2012.
3. Thursday, February 7, 2013 at 10:00 a.m. at the West Springfield Municipal Office Building, 26 Central Street, West Springfield, MA (Please e-mail Rose Cipriani at RCipriani@per.state.ma.us to make reservations).

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Anti-Spiking/Calculations (Three Hours Credit)

This program consists of a review of the aspects of Chapter 176 of the Acts of 2011 which sought to prevent so-called “spiking” of regular compensation in the years preceding retirement. The law now requires retirement boards to complete a series of calculations to determine if the limits set forth in the statute are to be imposed. In addition, PERAC’s Actuarial Unit will review a series of standard retirement calculations.

1. Wednesday, February 13, 2013 at 10:00 a.m. at the Dan Toomey Room, First Floor, Danvers Town Hall, 1 Sylvan Street, Danvers, MA. Please use the Municipal Parking Lot across from Town Hall. (Please e-mail Rose Cipriani at RCipriani@per.state.ma.us to make reservations).
2. Wednesday, February 20, 2013 at 10:00 a.m. at the PERAC Office, 5 Middlesex Avenue, 3rd Floor, Somerville, MA. (Please e-mail Rose Cipriani at RCipriani@per.state.ma.us to make reservations). Snow Date Thursday, February 21, 2013.

How to Review Vendor Disclosures/Competitive Process (Three Hours Credit)

This program will focus on the implementation of the sections of Chapter 32 that mandate a retirement board employ a competitive process when selecting vendors. In addition, the various disclosures that must be made by vendors and prospective vendors will be discussed. **Please note these sessions are limited to retirement board members (and staff) in order to enable members to meet the statutory education requirements.**

1. Wednesday, March 13, 2013 at 10:00 a.m. at the PERAC Office, 5 Middlesex Avenue, 3rd Floor, Somerville, MA. (Please e-mail Rose Cipriani at RCipriani@per.state.ma.us to make reservations). Snow Date Thursday, March 14, 2013.
2. Wednesday, March 20, 2013 at 10:00 a.m. at the Springfield Retirement Board, 70 Tapley Street, Springfield, MA. (Please e-mail Rose Cipriani at RCipriani@per.state.ma.us to make reservations).
3. Wednesday, March 27, 2013 at 10:00 a.m. at the PERAC Office, 5 Middlesex Avenue, 3rd Floor, Somerville, MA. (Please e-mail Rose Cipriani at RCipriani@per.state.ma.us to make reservations). Snow Date Thursday, March 28, 2013.

ON-LINE TRAINING

Office of the Inspector General – Bidding Basics (Three 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

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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.

Bidding Basics takes two to three hours to complete. It has been designed to be completed through PACE, the Commonwealth’s Web-based Learning Management System, or at your standalone computer using a Compact Disc (CD). PACE should be accessible to any entity with an Internet connection. Upon registering with the Office of the Inspector General, you will be issued a PACE Login ID and Password so that you may access PACE for free. For further information about Bidding Basics, access <http://www.mass.gov/ig/mcppo/seminars-and-courses/bidding-bascis.html>. In the right-hand column of that page you may access a link to the Bidding Basics FAQs and a link to the Bidding Basics Online Registration Form, or you may obtain the form directly by selecting <http://www.mass.gov/ig/publications/forms/bb-online-regform.doc>

Office of the Attorney General – Open Meeting Law (Three Hours Credit)

The Office of the Attorney General (AG) offers an on line web training seminar on the Open Meeting Law. That program is accessible at <http://www.youtube.com/user/MassAttorneyGeneral> It can also be accessed through the AG’s Web Page by clicking on “Government Resources” and then clicking on “Open Meeting Law” and on that page clicking on “Web Training”.

Retirement board members can confirm participation by filing an affidavit with the Commission.

Other Webinars

In 2012 the Commission approved education credit for participating in a Webinar that, among other topics, addressed the issue of GASB Accounting for Pensions. In 2013 we will entertain requests for credit in relation to relevant Webinars, again, provided that such a request is made well in advance of the session. The Commission is also engaged in discussion with appropriate state approved vendor relations to the possibility of running webinars.

Thank You

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.