

MINUTES FOR THE 1224th BOARD MEETING
STATE BOARD OF RETIREMENT

DATE: January 30, 2020

TIME: 10:20 A.M.

PLACE: One Winter Street – 8th Floor, Boston, MA

The meeting of the State Board of Retirement was called to order with Members present for all or part of the meeting: Treasurer & Receiver General Deborah B. Goldberg; Francis Valeri, Elected Member; Patricia Deal, Appointed Member.

Board staff present for all or part of the meeting were: Nicola Favorito, Deputy Treasurer/Executive Director; Darrell Bright, Director of Member Services; Melinda Troy, Senior Board Counsel; Lori Krusell, Assistant Board Counsel; Janice Coen, Executive Assistant; Kathryn Kougas, Finance Director; Mohammed Ali, Assistant Director of Finance; Kimberly Griffin, Manager of Information Systems; Paula Daddona, Communications & Outreach Manager; Zhuoxin Tan, Internal Auditor; Angela Olszewski, Assistant Director for Business Support; Chanese Brown, Disability Unit Manager; Joisei Horton, Disability Unit; Lisa Zale, Disability Unit; Stephanie Medina, Disability Unit; Pamela Diggs, Paralegal; Diane Scott, Classification Coordinator; Glenn Aissis, Training Manager; Yande Lombe, Temp – Legal Unit.

Treasury staff present for all or part of the meeting were: Sarah Kim, Treasury General Counsel / Designee; Elizabeth Zelnick, Treasury Legislative Affairs; Emily Kowtoniuk, Treasury Legislative Affairs; Andrew Napolitano, Treasury Communications; Lizandra Gomes, Deputy Treasury Chief of Staff; Alethea Harney, Treasury Director of Communications.

Other parties in attendance for all or part of the meeting were: Brian Frese, KPMG; Eric Schanz, KPMG; Geoffrey Plante, KPMG; Courtney Murray Ernst & Young; Manoj Punwani, Sagitec; Santhosh Rao, Sagitec and Trooper Patrick White.

There being a quorum present, the meeting was called to order.

Treasurer Goldberg announced in accordance with the Commonwealth's Open Meeting Law that any person may make a video or audio recording of an open session of a meeting of a public body, and she was obligated to inform attendees of any recording at the beginning of the meeting. She then asked that anyone present who is making any recording identify themselves as doing so. No person present indicated that he/she was making a recording.

Treasurer Goldberg announced that Mr. Valeri had been sworn in ahead of the Board meeting for a new three-year term as a result of his re-election.

Minutes of the 1223rd Board Meeting

On a motion by Ms. Deal and seconded by Mr. Valeri the Board voted unanimously to approve the Regular and Executive Session Minutes of the 1223rd Board Meeting, December 19, 2019.

REPORT OF THE EXECUTIVE DIRECTOR

1. MARIS Implementation

Kimberly Griffin, the MSRB's Manager of Information Systems outlined ongoing activities detailed in her status memo. These included operational tasks such as the processing of 2019 IRS Form 1099-R's and December 2019 local retirement board Cost of Living Adjustment (COLA) reimbursement payments.

The MARIS support team has been emphasizing delivering new functionality and resolving deficits in the following MARIS functions: Buybacks, Survivor Benefits Processing, Benefit Calculations, Employer Contributions Reporting, Actuarial Reporting and Finance Reporting.

The team had initiated MARIS infrastructure projects such as converting MARIS correspondences to Microsoft's Open XML format and migrating MARIS to Microsoft Azure Government cloud. A Statement of Work ("SOW") was executed with Sagitec to perform the functions in preparation for migration to Azure.

Ms. Griffin updated the Board on ADO performance measures with Sagitec since the switch to Agile. Monthly application PIR resolution rates trended up with 22 application PIRs delivered in September to 36 in November. However, the month of December saw a decline as Sagitec reported that developers were unable to work at full allocation due to a lack of requirements to hand off to development. Sagitec also reported that Business Analysts have been unable to deliver a backlog of PIRs with completed requirements which is needed to ensure that developers have a continuous stream of assignments.

Sagitec was requested to perform an analysis to identify root causes as Sagitec timesheets show "Analysis" as the highest effort and time allocation in their development cycle. Sagitec delivered an action plan to address ADO services issues. The plan identifies that the current ADO Project and Development Managers will own delivery of the actions that primarily focus around education and communication for completing work efficiently while sustaining quality. Ms. Griffin reminded the Board that Sagitec's current SOW expires June 30, 2020.

Manoj Punwani of Sagitec provided an update on the action plan initiated and other steps taken after Ms. Griffin's letter to Sagitec in October highlighting ongoing quality of MARIS, decline in completion of number of Data Tickets and PIRs and performance improvement.

In October MSRB requested an onsite checkpoint with Sagitec leadership to address details of the letter which occurred. Sagitec conducted an independent QA assessment and shared

the findings with MSRB in December. Sagitec is open to discussing changes to the current contract.

Mr. Valeri inquired on the impact of Sagitec's efforts and performance to the ability of MSRB staff to timely execute various MSRB business processes and benefit payments. He continued to have concerns for example on the timing of first benefit payments for new retirees.

On the first pay issue Mr. Favorito noted that staff were reporting improvements and reduced wait times. Several retirees had contacted the Board after December's benefit payments since they had received them sooner than anticipated. He indicated that a re-organization of the Benefits Calculation team in Boston had taken place at the end of 2019 to permit more attention to approving cases. Staff were also reviewing the feasibility of other measures such as accelerated first payments. Mr. Favorito added that he would request updated data on first payments for the second half of 2019 and share it with the Board.

Darrell Bright, Director of Member Services noted that the subject matter experts involved in reviewing Sagitec's work and changes to functionality are the same team typically responsible for the final approval of benefits being issued. While reliability of member data has improved since go-live sufficient issues continue to arise that cause the opening of individual tickets and broader PIR's.

The Treasurer acknowledged the continued efforts of the staff given current workloads and other challenges. She hoped the trend of shortening wait times would continue in order to avoid the risk of first payments being legislated as had been discussed.

Brian Frese from KPMG Business Operations provided their assessment of MARIS operations including the various workstreams and support activities. Among the items they highlighted was the aggressive work stream schedules that have been outlined for the remainder of the fiscal year that compete for the same group of available resources. KPMG has performed a preliminary review of the Sagitec time sheets and based on this review we have seen that Sagitec business analysts spend over half of their time performing analysis/documentation activities and attending internal meetings. They also recommended work continue by Sagitec to improve the accuracy of time reporting.

2. Audit Update

Mr. Favorito reviewed with the Board the proposed responses to the draft PERAC audit report for the period July 1, 2013 – June 30, 2017. The responses sought to provide a fuller context to the observations made by PERAC. After discussion, on a motion by Ms. Deal and second by Mr. Valeri the Board voted to approve the proposed responses and forward them to PERAC.

3. Proposed Triennial Pension Funding Schedule

Mr. Favorito highlighted the triennial funding schedule which the Executive Office of Administration & Finance had forwarded to the House and Senate Committees on Ways & Means. The proposed schedule calls for an 9.63% annual increase in the overall Commonwealth pension appropriation through the amortization period ending after FY 2036

(Treasurer Goldberg departs the meeting)

4. YTD Fiscal 2019 Operating & Capital Spending Plans

Mr. Favorito referred the Board to the YTD Fiscal 2020 Operating and Capital Spending Plans vs. actuals reports (through December 31, 2019) which were included as part of the Agenda materials.

5. Uncollectible Accounts

Finance Director Kathryn Kougias presented to the Board the summary of the Finance Department's research related to the annual review of uncollectible accounts arising from benefit payments. Pursuant to G.L. c.32, §20(5) the Board has the authority to write-off any outstanding pension payments either payable or receivable if deemed uncollectible after three years.

The data provided is the first involving the three year look back utilizing data post MARIS go-live. This has allowed further research into accounts previously reviewed through December 2015 using only Legacy data. Ms. Kougias summarized additional eligible accounts, accounts through 2016, and the measures used by Board staff under its policy to recover payments.

The total number of accounts for periods prior to 2014 and then for each year through 2016 was 619 representing \$827,421.79. Ms. Kougias provided examples of the accounts in question and how they developed. She also had the total account report available for the Board.

After further discussion and on a motion by Ms. Deal and seconded by Mr. Valeri, the Board voted to deem the accounts identified by the Finance Department as uncollectible which should be written off.

6. 2020 Benefit Verification Forms / RFQ

Mr. Favorito summarized the efforts by MSRB staff and Treasury Procurement to secure a qualified vendor to provide Benefit Verification Forms ("BVF") printing, mailing, and processing services for the 2020 BVF recipients. The details were set forth in the accompanying memo included in the Board's materials. The MSRB sought quotes from qualified vendors on the OFF44 statewide contract. Mr. Favorito thanked Mohammed Ali

and Karen Richardson from MSRB staff and Christina Medina from Treasury Legal for their work.

Quotes were received from two vendors. The quotes were higher than those received in 2018 due to the inclusion of steps to satisfy PERAC's requirement of a random sampling of 5% of the BVF's issued. The MSRB had argued to PERAC that its processes achieved the same objective and caused more than 20% of BVF's to be reviewed. PERAC did not agree.

The procurement team recommended contracting with Standard Modern Company. Their submission was for up to \$219,675.00. This vendor displayed the best value and is the preferred choice to complete the printing, processing and mailing services for the 2020 BVF.

After discussion and on a motion by Ms. Deal seconded by Mr. Valeri, the Board voted to approve the procurement team's recommendation.

7. MSRB Office Space Update

Mr. Favorito informed the Board that the renovations to the portion of the 7th Floor at One Winter Street were nearing completion. DCAMM had indicated that the MSRB could take occupancy within the next few weeks once the final inspections were completed and certificates issued.

8. PRIM Update

Performance results for November & December 2019 were reviewed.

9. Board Legal Update

Attorney Troy summarized several recent DALA / CRAB decisions that have been received involving the MSRB and a decision from the Appeals Court in the disability matter of Mary Morse v. Contributory Retirement Appeal Board & Another, Appeals Court Docket Number 18-P-1285 (Rule 1:28 decision issued December 30, 2019) where the Board's decision was upheld.

10. Board / Staff Communications

Mr. Favorito noted the Board Member Training Opportunities for the 1st Quarter 2020 issued by PERAC.

THE BOARD GOES INTO EXECUTIVE SESSION. At 12:05 P.M. the Board entered Executive Session to review applications for disability retirement, associated benefits, and to also consider the reputation, character, physical condition or mental health of individuals with business before the Board. The Board indicated that it would return to Open Session after the Executive Session.

Mr. Valeri made a motion to enter Executive Session. Ms. Deal seconded the motion.

ON ROLL CALL THE VOTE WAS AS FOLLOWS:

Ms. Kim	Yes
Ms. Deal	Yes
Mr. Valeri	Yes

BOARD RETURNS TO OPEN SESSION

(Roll call required)

THE BOARD COMES OUT OF EXECUTIVE SESSION: At 1:06 P.M. Ms. Deal made a motion to come out of Executive Session and return to Open Session. Mr. Valeri seconded the motion.

ON ROLL CALL THE VOTE WAS AS FOLLOWS:

Ms. Kim	Yes
Ms. Deal	Yes
Mr. Valeri	Yes

SECTION 91A – NON-COMPLIANCE

1. Marc W. Barrette
 - **Approve**, Motion to Terminate January 2020 payment if agreement cannot be reached on repayment, Motion by Ms. Deal, seconded by Mr. Valeri.
2. Lacey F. McManus
 - **Approve**; Motion to Terminate January 2020 payment, Motion by Ms. Deal, seconded by Mr. Valeri

REQUEST TO CHANGE OPTION

1. Susan Gurney
 - **Denied**; Motion by Ms. Deal, seconded by Mr. Valeri

REQUEST FOR WAIVER UNDER G.L., C. 32, §20(5) (c) (3)

1. John Coughlin, Jr
 - **Approved**; Motion by Mr. Valeri, seconded by Ms. Deal.

REQUEST TO PURCHASE CONTRACT SERVICE

1. Roseanne Denhard
 - **Denied** ; Motion by Ms. Deal, seconded by Ms. Kim.
2. Laura Seabury
 - **Denied**; Motion by Ms. Kim, seconded by Ms. Deal
3. Mai Tran (Board took no action in December 2019)
 - **Denied**, Motion by Ms. Deal, seconded by Mr. Valeri

REQUEST FOR RECONSIDERATION – ERIP

- Teresa Krupien (August 2019 Denial)
Ms. Krupien is currently employed as a Certified Nurse’s Assistant (CNA). Her employment was terminated in 2014 and then reinstated in 2017. Attorney Barbara S. Kellman and member were in attendance and appeared before the Board requesting to retire under ERIP, based on her assertion that were it not for her wrongful termination, she would have been an employee on the effective date of the ERIP legislation and would have applied to retire at that time.

After Board discussion, Motion for reconsideration was **tabled**, Motion by Ms. Deal, seconded by Mr. Valeri.

GROUP CLASSIFICATIONS

Pursuant to the Board’s Classification Policy the following are reported as approved for Group 2 Classification:

1. **Katherine Aufiero** – Social Worker 2, DCF
2. **David Banks** – Court Officer 2, MA Trial Court
3. **Linda Berthiaume** – Residential Supervisor A/B, North Brookfield location, DDS
4. **Deborah Burdock** – RN 2, Boston Mental Health Unit, Lemuel Shattuck Hospital, DMH
5. **Paul Cashman** – Assistant Chief Probation Officer, MA Trial Court
6. **Richard Feeney** – District Engineer Inspector 3, Dept. of Public Safety & Inspections
7. **Christopher LeBlanc** – MHW 3, Worcester Recovery Center & Hospital, DMH
8. **Michael Lopes** – Chief Court Officer, MA Trial Court
9. **Paula MacDonald** – Probation Officer, MA Trial Court
10. **James Martin** – RN 3, Tewksbury Hospital, DMH
11. **Daniel Murphy** – Human Service Counselor, Worcester County Sheriff’s Office
12. **Brenda Murray** -Social Worker 2, DCF
13. **Mary Pignataro** – LPN I, Worcester Recovery Center & Hospital, DMH (deferred)
14. **Lawrence Ransford** – Classification Supervisor, Suffolk County Sheriff’s Department

15. **Tamara Sargent** – RN 2, N.E. Regional Services, Hogan Regional Center, DDS
16. **Kathleen Shea** – Social Worker 4, DCF
17. **James Silva** – Court Officer 3, MA Trial Court
18. **Kathryn Silvia** – Asst. Chief Probation Officer, MA Trial Court
19. **Deloris Spinks** – Residential Supervisor A/B, Residential Services, Palmer, DDS
20. **Karen Sullivan** – Assistant Chief Probation Officer, MA Trial Court
21. **RoAnn Vecchia** – Social Worker 2, DCF
22. **Edward Williams** – Deputy Superintendent, DOC
23. **Timothy Yee** – Assistant Chief Court Officer, MA Trial Court

GROUP 2 TO BOARD

1. **Lee Gartenberg** – Director of Inmate Legal Services, Middlesex Sheriff’s Office
 - **Denied**, Motion by Ms. Deal, seconded by Ms. Kim
2. **Richard Kellerman** – Nursing Supervisor/Nurse Educator, RN 4, Tewksbury Hospital, DMH
 - **Approved**, Motion by Mr. Valeri, seconded by Ms. Deal
3. **Thomas Montville** – Clinical Social Worker D, Worcester Recovery Center & Hospital, DMH
 - **Approved**, Motion by Ms. Deal, seconded by Mr. Valeri
4. **Lisa Morris** – LPN 2, Specialty Care Clinic, Pappas Rehabilitation Hospital for Children
 - **Tabled**, Motion by Mr. Valeri, seconded by Ms. Deal
5. **Marie St. Fort** – Nursing Assistant I, Lemuel Shattuck Hospital, DPH
 - **Denied**, Motion by Ms. Deal, seconded by Mr. Valeri
6. **Chhay Sun** – Nursing Assistant I, Tewksbury Hospital, DPH
 - **Denied**, Motion by Ms. Deal, seconded by Ms. Kim

GROUP 2 TABLED

1. **Melinda Consuegra** – RN 2, Western MA Hospital (tabled December 2019)
 - **Denied**, Motion by Ms. Kim, Seconded by Mr. Valeri

GROUP 2 HSC A/B

1. **Mark Goodwin** – HSC A/B, DDS
 - **Approved**, Motion by Ms. Deal, seconded by Mr. Valeri

2. **Gregory McCann** **Department of Correction**
Deputy Superintendent – 1/18/09 – present
- **Approved**, Motion by Ms. Kim, seconded by Mr. Valeri

GROUP 2 HSC A/B PRO-RATE

1. **Lawrence Paige** **Department of Mental Health**
HSC A/B – 4/5/92 – 5/22/04

Approved, Motion by Ms. Deal, seconded by Ms. Kim.

Pursuant to the Board’s Classification Policy the following are reported as approved for Group 4 Classification:

1. **Kosygin Allen** – CO/Deputy Sheriff, Suffolk County Sheriff’s Department
2. **Kevin Anderson** – Assistant Superintendent 3, Essex County Sheriff’s Department
3. **Rene Beauchesne** – Parole Officer A/B, MA Parole Board
4. **Wayne Beckwith** – CO 3, DOC
5. **Stephen Carrier** – Captain, DOC
6. **Anthony Cassis** – Industrial Instructor, DOC
7. **Robert Connelly** – Jail Officer/Corporal, Suffolk County Sheriff’s Department
8. **Alden Cowen** – CO/3, Lieutenant, DOC
9. **Robert Deneault** – CO 3, DOC
10. **Richard Farmer** – CO 3/Lieutenant, DOC
11. **Antonio Ferreira** – Sergeant/CO 2, DOC
12. **Timothy Flamos** – CO, Plymouth County Sheriff’s Department
13. **Walter Fonseca** – CO, DOC (deferred)
14. **John Houle** – CO 3, DOC
15. **Daniel Junta** – Corporal/Jail Officer, Suffolk County Sheriff’s Department
16. **Richard Kemper** – Industrial Instructor 2, DOC
17. **Earl Lacaillade** – Co/Lieutenant, Suffolk County Sheriff’s Department
18. **Robert Lennon** – CO 3, DOC
19. **Steven Lincoln** – CO 2, DOC
20. **Lorne Lynch** – Jail Officer/Lieutenant, Suffolk County Sheriff’s Department
21. **Michael Mastriani** – Assistant Superintendent 2, Hampden County Sheriff’s Department
22. **Michael McHugh** – Jail Officer, Suffolk County Sheriff’s Department
23. **Valdemar Monteiro** – CO I, DOC
24. **Edward Murray** – Sergeant/CO, Norfolk County Sheriff’s Department
25. **Brian Onessimo** – Assistant Deputy Superintendent, Suffolk County Sheriff’s Department

26. **Dwayne Rich** – CO 2, DOC
27. **Edward Rodriguez** – CO I, DOC
28. **Matthew Rose** – CO I, DOC
29. **Thomas Ryan** – Recreation Officer, DOC
30. **Charles Steen** – CO I, DOC
31. **Michael Talluto** – Jail Officer/Sergeant, Suffolk County Sheriff's Department
32. **Mark Thompson** – CO/Corporal, Hampden County Sheriff's Department (deferred)
33. **James Trainor** – CO/Assistant Superintendent, Worcester County Sheriff's Department
34. **Eric Washington** – Jail Officer, Suffolk County Sheriff's Department
35. **Jeffrey Webber** – Assistant Superintendent 3, Essex County Sheriff's Department
36. **Steven Welsh** – Jail Officer, Suffolk County Sheriff's Department

GROUP 4 TO BOARD

1. **John Luippold** – Chief of Police, UMASS Medical School Police Department
 - **Denied** Group 4, Motion by Ms. Deal, seconded by Mr. Valeri
 - **Approved** Group 2, Motion by Ms. Deal, seconded by Mr. Valeri

GROUP 4 RECONSIDERATION TO BOARD -(Request to adjust prior pro-rate to straight Group 4)

1. **Frederick Carleton** – Assistant Deputy Superintendent, Middlesex Sheriff's Office
 - **Reconsideration approved**, Motion by Ms. Deal, seconded by Mr. Valeri
 - **Approved** Group 4, Motion by Ms. Deal, approved by Mr. Valeri

GROUP 4 PRO-RATE CORRECTIONAL PROGRAM OFFICERS

1. **Gregory McCann** **Department of Correction**
 CPO A/B – 10/20/85 – 10/17/87
 CPO D – 10/18/87 – 11/23/91
 - **Approved**, Motion by Ms. Kim, seconded by Mr. Valeri

Pursuant to the Board's Classification Policy the following is reported as approved for Pro-Rated Group 4 Classification:

1. **James Perkins** **Department of Correction**
 CO I – 6/19/88 – 3/27/98

GROUP 4 PRO-RATE TO BOARD- (tabled December 2019)

1. **Vincent Vassallo** **Hampshire County Sheriff's Office**
CO/Asst. Chef – 12/29/86 – 8/12/88
Institutional Chef – 8/13/88 – 7/1/92

- **Tabled**, Motion by Ms. Deal, seconded by Mr. Valeri

Pursuant to the Board's Classification Policy the following are reported as approved for 20/50 Classification:

1. **Jason Brouillard** – CO/Corporal, Hampden County Sheriff's Department
2. **David Guartafierro** – CO/Sergeant, Worcester County Sheriff's Department
3. **Joseph Labuff** – Sergeant, Worcester County Sheriff's Department
4. **Patrick Martin** – CO, Barnstable County Sheriff's Office

MEDIA

1. **Fitch Ratings – 2019 State Pension Update**
2. **County seeks to unload pension obligation.....Page 562**
3. **Pensions Grabbing Big Share of Limited.....Page 565**
4. **R.I. can't cut ties with Point Judith Capital.....Page 567**

**ON A MOTION BY MS. KIM AND SECONDED BY MS. DEAL THE BOARD VOTED TO ADJOURN THE MEETING. THE MEETING
ADJOURNED AT 2:04 P.M.**

**THE NEXT REGULAR BOARD MEETING OF THE STATE BOARD OF RETIREMENT WILL BE HELD ON
Thursday February 27, 2020 starting at 10:00 A.M.**

Documents Used at the State Board of Retirement Meeting of December 19, 2019

- Agenda for the January 30, 2020 Board Meeting. Supporting documentation for Agenda items as referenced therein.
- Open Session and Executive Session Minutes of December 19, 2019 Board Meeting