

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOHN W. PARSONS, ESQ., *Executive Director*

Auditor SUZANNE M. BUMP | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES M. MACHADO | ROBERT B. MCCARTHY | JENNIFER F. SULLIVAN

MEMORANDUM

TO: All Retirement Boards

FROM: John W. Parsons, Esq., Executive Director

RE: Allowable Earnings Determination, pursuant to G.L. c. 32, § 91A

DATE: October 23, 2020

As you know, G.L. c. 32, § 91A provides for an adjustment of a disability retiree's allowance if the earnings of the retiree, when added to his or her retirement allowance, exceeds the amount of regular compensation which would have been payable to such retiree if he or she had continued in service in the grade held at time of retirement, plus \$15,000.

PERAC will be sending, through PROSPER, a task titled "91A Member salary verification", which will contain information regarding your boards' retirees who have reported earnings in an amount that may result in an adjustment to their disability retirement allowance. At this time, we are asking your board to obtain the current salary, as well as retirement allowance figures in order to make this determination.

Once figures are obtained you will be required to respond to the PROSPER task. In order to do this, you must click on each retiree, or export the list to a CSV file, and enter the 2019 **annual** pension, annuity and current salary amounts, as well as the dependency and workers compensation offset amount, if applicable. Please remember that the Veterans and COLA amounts should be included in the annual pension amount. If PERAC has figures on file you will see them, but if no figure is provided or if the amount has changed, you will need to enter the correct amount in the box provided.



MEMORANDUM - Page Two

TO: All Retirement Boards
FROM: John W. Parsons, Esq., Executive Director
RE: Allowable Earnings Determination, pursuant to G.L. c. 32, § 91A
DATE: October 23, 2020

Massachusetts Public Employee Retirement Administration Commission

Sign Out

Tasks

- g1A Board Action Excess Request for John Smith
- g1A Board Action Excess Request for John Smith
- g1A Board Action Excess Request for John Smith
- g1A Board Action Excess Request for John Smith
- g1A Member salary verification is due by 5/15/2018

Notifications

- NEW Excess Notification for John Smith
- NEW Excess Notification for John Smith
- NEW Excess Notification for

Back

Verification Information Request for Reporting Period 2017

Boston 32 Members

Current Salary	\$0.00	<input type="text"/>
Annuity	\$0.00	<input type="text"/>
Pension	\$0.00	<input type="text"/>
Dependency	\$0.00	<input type="text"/>
WC Offset	\$0.00	<input type="text"/>

Once all the figures are entered, click on the submit button, and PROSPER will do the calculation to determine if the retiree is within their allowable earnings. If, after you hit submit and learn that the figures are incorrect, you must contact Sandra King to make any changes.

Massachusetts Public Employee Retirement Administration Commission

Hello, [redacted] Sign Out

Tasks

- g1A Board Action Excess Request for [redacted]
- g1A Board Action Excess Request for [redacted]
- g1A Board Action Excess Request for [redacted]
- g1A Board Action Excess Request for [redacted]
- g1A Member salary verification is due by 5/15/2018

Notifications

- NEW Excess Notification for [redacted]
- NEW Excess Notification for [redacted]
- NEW Excess Notification for [redacted]

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Dear Boston,

There has been an update to [redacted] 91A Form. Please follow this link to view the update.
<https://prosp-web01-qa.perac.state.com/BoardPortal/Disability>

Sincerely,
PERAC

If the retiree has exceeded their allowable earnings PERAC will send the retiree an Excess Earnings letter. Once PERAC generates the excess letter your board will receive a task through PROSPER notifying you of the excess. The boards will also need to provide notice to the retiree that they have exceeded their allowable earnings. If a refund is due to the retirement system, the retiree's allowance will be suspended until the amount owed is recovered, starting with the next monthly pension benefit. If a hearing is requested by said member(s), the process should be completed so that refunds would commence with the next pension benefit. All documents needed for hearings are now viewable to the boards through PROSPER.

MEMORANDUM - Page Three

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The screenshot shows the PERAC dashboard with a sidebar on the left containing 'Home', 'Compliance', and 'Disability' (selected). The main content area is titled 'Member g1A Status: 2017' and contains a table with the following data:

Member	Current Status	Document
Harry	In Process	
David	Complete	
Joseph	In Process	
Jane Doe	Excess	1040 Excess Letter

Below the table are buttons for '+ Member Disability Transmittals', '+ Member CME Reviews', and '+ Withdrawal/Denial'.

Your board must reply to the PROSPER task of the action taken with regard to the member having excess earnings. The options to respond can be seen below. You will also be given the option to upload a copy of the notification that your board will send your member. A reminder notice will be sent every 30 days until a response is sent to PERAC.

The screenshot shows the 'g1A Board Action Excess Request' form for Jane Doe. The form includes a 'Select Action*' dropdown menu with the following options: Appeal to Court, Board vs. PERAC, Paid in Full, Board Hearing, Paid through Ret. allowance deductions, and Other. The 'Date of Action*' field is empty. The 'Comments' field is also empty. A 'Submit' button is located at the bottom right of the form.

Thank you for your cooperation regarding this process. If you have questions or need any assistance in entering the figures into PROSPER, please contact Sandra King at SEKing@per.state.ma.us.