

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS
MINUTES OF THE
RULES AND PERSONNEL COMMITTEE
OCTOBER 26, 2016

The Rules and Personnel Committee of the Board of Trustees of the State Employees' Retirement System of Illinois convened on Wednesday, October 26, at 2:00 p.m. at the System's Springfield office located at 2101 South Veterans Parkway.

The following trustees were in attendance:

Alan Latoza, Chairman
Danny Silverthorn, Trustee
Robert Fanti, Trustee

Others in attendance were:

Timothy Blair, Executive Secretary
Jeff Houch, Assistant to the Executive Secretary

The meeting was called to order at 1:50 p.m. Assistant to the Executive Secretary Jeff Houch took the roll call.

PUBLIC COMMENTS

There were no members of the public present.

CHAIRMEN'S REPORT

Chairman Latoza had nothing to report.

REPORT OF ANY TRUSTEE

No Trustee offered a report.

APPROVAL OF MINUTES OF JULY 12, 2016 MEETING

Trustee Silverthorn motioned to approve the minutes of the July 12, 2016 meeting of the committee, Chairman Latoza seconded the motion. The motion passed unanimously.

REVIEW OF PROPOSED RULES

Mr. Houch provided an update of the rules that the committee approved at the July meeting. He indicated that some of the rules that were approved were omitted prior to submission to the Secretary of State Index division. Such provisions omitted included mandatory application of Social Security disability benefits for those members receiving SERS disability benefits, the denial of retroactive payments of disability benefits that were suspended due to failure to submit the required medical reports on time, and the clarification regarding overpayments from specific types of retroactive social security disability payments. Some of these items may be included for future submission. After some discussion, Trustee Silverthorn made the motion to approve the finalized version, which Trustee Latoza seconded. The motion passed unanimously.

REVIEW OF PROPOSED RULES

Mr. Houch and Secretary Blair discussed new proposed rules for the committee's consideration. Such rules included requiring members who first retire on or after July 1, 2017 to enroll in direct deposit unless they can argue that such requirement creates a hardship. Additionally, staff discussed eliminating a sentence in the "Lump Sum Salary payments" rule that is contrary to statute. Staff advised that such language in rule may allow for the argument that lump sum payments for unused benefit time are pensionable so long as they are received prior to retirement. After considerable discussion, Trustee Fanti made the motion to authorize staff to pursue rulemaking addressing the two issues discussed, which Chairman Latoza seconded. The motion passed unanimously.

VOUCHERING CONSOLIDATION UPDATE

Secretary Blair provided a detailed update regarding the consolidation of the System's multiple vouchering functions to the division of Administrative Services. The non-vouchering tasks that were previously performed by the Vouchering Section have been rolled into the Benefit Support Section of Claims. The employees performing those tasks retain the same job titles and perform essentially the same tasks, but report to a different supervisor.

The remaining Vouchering Section employees are now part of the Administrative Services Division and will be relocated to the second floor by March 1, 2017. Additionally, the Service and Refunds Division vouchering functions will be transferred to the Administrative Services Division.

CREATION OF A CALL CENTER

Secretary Blair provided an update on the status of the creation of the call center. Progress has been slow, primarily due to issues outside of the System's control including the backlog at CMS regarding assignments of job descriptions to a classification and bargaining unit. Additionally, such new titles must be approved by the Civil Service Commission and testing must be established. Furthermore, changes need to the phone system are backlogged at CMS and such backlog may continue for a few more months.

Training materials and software are being developed by staff and are expected to be complete prior to the backlog issues at CMS are cleared up. The location that will house the call center is essentially set up and functional.

OLD BUSINESS

There was no old business.

NEW BUSINESS

There was no new business.

ADJOURNMENT

There being no further business to be brought before the committee, the meeting was adjourned at 3:15 p.m.