

MINUTES
OF THE MEETING OF
THE EXECUTIVE COMMITTEE
STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

September 8, 2016

A meeting of the Executive Committee of the State Employees' Retirement System of Illinois was held on Thursday, September 8, 2016 at 8:30 a.m. in the System's Springfield office at 2101 S. Veterans Parkway.

Committee Members:

Loren Iglarsh, Chairperson
David Morris, Vice Chairperson
Timothy Blair, Executive Secretary

Others Present:

Steve Bochenek, SERS Attorney
Jeff Houch, Assistant Executive Secretary
Kathy Yemm, Claims Manager
Don Williams, Supervisor, Disability Section
Kerry Walker, Disability Section
Cory Mitchelle, Pension and Death Section
Jennifer Staley, Recording Secretary

Minutes of the Previous Meeting

The minutes of the August 11, 2016 meeting of the Executive Committee were presented by Chairman Iglarsh for approval. Copies of the minutes were previously mailed to Committee members for review. There being no additions or corrections, on motion by Executive Secretary Blair and seconded by Chairperson Iglarsh, and by unanimous vote, the minutes were approved as submitted.

Routine Claims & Denial Report

The Routine Claims and Denials Report for the month of August, 2016 was presented. Following review and discussion, the Routine Claims and Denials Report for the period of August, 2016, as prepared by staff, was reviewed and received by the Executive Committee.

Old Business

None

New Business

Joan Gray – Nonocc – Waive 90 day filing period

Joan Gray works as an adjudicator for IDES. She last worked on March 17, 2014. She began a medical leave of absence on April 16, 2014.

Ms. Gray is appealing the denial of her disability benefits. She is requesting that the 90 day filing limitation be waived.

After some discussion a motion was made by Chairman Iglarsh to approve Ms. Gray's request to waive the 90 day filing limitation, seconded by Executive Secretary Blair. All present were in favor.

Jay Wittenborn – Occ Dis – 12 month filing period

Jay Wittenborn works as a State Trooper for ISP. He last worked on September 17, 2014 and began a medical leave of absence on September 18, 2014. He returned to work on December 7, 2014.

He has requested a written appeal to the Executive Committee so that the 12 month filing limitation can be waived. He was paid TTD for this time period.

After some discussion a motion was made by Chairman Iglarsh to approve Mr. Wittenborn's request to waive the 12 month filing limitation, seconded by Executive Secretary Blair. The motion passed 2-0. Vice Chairperson Morris was not present for the vote.

Michael Martin – Appeal to retroactively reinstate pension

Michael "Mickey" Martin retired reciprocally with the Teachers' Retirement System (TRS) effective November 1, 1999.

In April 2016, SERS was notified by TRS that Ms. Martin had returned to work with TRS and their benefits would be suspended April 30, 2016. Due to the fact that Ms. Martin retired reciprocally, SERS' benefits were also suspended April 30, 2016.

Ms. Martin is requesting to have her SERS pension reinstated retroactively to May 1, 2016.

After hearing the facts of the case, a motion was made by Executive Secretary Blair to deny Ms. Martin's request for benefits to be reinstated retroactively to May 1, 2016, seconded by Chairman Iglarsh. All were in favor.

Policy – Acceptance of Direct Deposit forms

SRS' previous practice, which is currently still in place, has been to accept only benefit payment direct deposit forms that have the member's original signature and to disallow the submission of a form which is found to be the equivalent of a photocopy of a signature.

As a result of current policy, our members continually relay to us that this creates a hardship for them for a variety of reasons, most commonly including situations in which they are trying to make our deadline for processing and the mail delivery time will not be sufficient. Instances where the member retained a copy of the form and SRS does not yet have possession of their form, as well as cases where the member utilizes an out of state bank and the form must be mailed between parties prior to being submitted to SRS, have also been noted by our members.

Once SRS has verified and accepted the direct deposit form, the original is imaged in the member's file and then destroyed. SRS would only be able to provide a copy of the form.

SRS is asking for guidance and approval from the Committee regarding a change to the current policy. This policy change would allow SRS to accept photocopied signatures on direct deposit forms as a means to minimize the imposition to our members, as our need for receipt of the original form is known to cause a delay in processing, inconvenience, and hardship.

After discussing the issues, it was agreed to allow the acceptance of a photocopy/signature of direct deposit forms. Kathy Y. and Cory M. will draft a new policy allowing the System to accept a photocopy or scan of all forms for review by the Committee.

Policy – Survivor benefit/marital status falsely reported

Cleveland Parker, a state retiree, died on January 18, 2016. As part of the survivor paperwork, a request is made for the member's last tax return so SERS can check the marital status.

Mr. Parker's spouse, Linda Parker, does not have the member's last tax return and cannot prove they had any marital assets together. The couple was married in 1998.

Linda Parker is a state retiree as well. She retired effective August 1, 2009. Ms. Parker completed her retirement application with "single" as her marital status and received a survivor contribution refund in the amount of \$3,785.40. Should we consider this fraud?

Linda Parker is applying for a survivor annuity from the account of Cleveland Parker. Should we allow Linda Parker to repay the survivor contribution refund she took when she retired before we pay a survivor annuity or deny her survivor benefit from Cleveland Parker? If she is allowed to repay, how should interest be calculated?

After reviewing the case, it was decided that staff will call her and inform her she must repay the survivors contribution refund, with interest, in order to be eligible for a survivor benefit. If this is the case, she would need to sign an affidavit stating facts or information that show she is a surviving spouse.

Policy – Small estate affidavit policy change

Currently, staff is reviewing small estate affidavits and based upon our research and the information provided at the reciprocal conference, would like to update procedures to simply pay based on Box 11 of the Small Estate Affidavit (SEA) and to no longer have to read or interpret wills or pay creditors directly. Attorney Bochenek advised that the System is within their rights to pay benefits based on Box 11 (the Affiant) of the SEA.

There being no further business to be brought before the Committee, the meeting was adjourned at 10:10 a.m.

The next meeting of the Executive Committee is scheduled for October 13, 2016, in the Springfield office, with video conferencing in Chicago.

Loren Iglarsh, Chairman

David Morris, Vice Chairperson

Timothy Blair, Executive Secretary