


## NEWSLETTER MARCH 2011

### MINUTES: WHY DOES PSPRS NEED THEM AND WHAT DO THEY DO WITH THEM?


This question is always asked by our Local Boards. Hopefully the following information will shed some light on this subject. PSPRS and CORP statutes require that every Local Pension Board submit minutes of their meetings to the PSPRS. The main reason for this is that statutes vest the Local Board with responsibility for determining all eligibility for benefits and administering all provisions of the statutes. The PSPRS Administrative Office only puts into effect benefits that have been formally approved by the Local Boards. In order to ensure that we are paying benefits or establishing membership for individuals properly, we look to the minutes of each Local Board. Knowing what we look for in these minutes might be helpful when you, acting as the local board, are drafting them so that you can be sure all necessary information, with respect to a board matter, is properly noted. The following highlights some of the key information that we look for in the minutes:

1. **New Employees** – We check to see that we have received membership forms and contributions for each new employee listed and approved. If not, we contact the employer to ensure that the employee is correctly set up for PSPRS or CORP deductions. The minutes should reflect the name of each individual who is being approved for membership and that his/her position meets the criteria to be a member in the Plan (PSPRS or CORP). The minutes should also reflect the individual's effective membership date, the official motion, and the vote of the board approving the acceptance. It is also important to reflect in the minutes whether or not the individual was approved for membership with or without any pre-existing medical or psychological condition.
2. **New Retirements** – We check to see if we have received all retirement paperwork from the Board for each member noted and approved for retirement at a Local Board meeting. We pull the file to process in the effective month noted in the minutes. We also record on each retiree's file the date of the Board meeting which resulted in the retirement being approved. So, it is important for the minutes to reflect the name of the individual who is retiring and that the retiree meets the criteria to retire, the month in which the benefits are effective and the official motion and Board action approving the payment of the benefit.
3. **Disability Retirements** – We check to see if we have received all retirement paperwork for each member and pull the file to process in the effective month. We then note on each retiree's file the date of the Board meeting when the disability pension was approved. We look to see if the Board decision was based on an Independent Medical Examination and that all statutory



provisions were addressed in the report. In the minutes, the official motion should reflect that the individual meets the provisions outlined in the statutes and that the medical report has addressed these issues to grant the benefit. The minutes should also reflect the effective date of the disability retirement.

4. Refunds/Terminations – We note the names of members who have separated from service and indicate their termination dates; we check to see if we have processed applications for refunds from them and confirm that their termination dates agree with the Board’s records.
5. Return To Work – The Board is required to notify us of any retired members who return to work. We review the names and ensure that they are eligible to continue to receive their pension while working. If not, we suspend the pension benefit until we are notified that they have again terminated employment.
6. Survivor Benefits – for both active and retired members we note the member’s name, date of death and, if retired, we terminate the pension benefit. We note the name of the survivor(s) eligible for continuing benefits and check to see if we have received an application for survivor benefits. We follow-up with the Local Boards on any information needed to process the survivor benefits.
7. Local Board Members - We review the minutes to determine if any changes in the make-up of the local board membership has occurred, in order to assure that our records are correct. If changes have been noted in the minutes, we contact the local board secretary to confirm information and term dates.



We hope that this provides you as Local Board members with a better perspective on the System’s use of Local Board minutes. As you conduct and record the minutes, please remember that they should be prepared in a manner that will cover all the necessary information needed to give our office clear direction on the Local Board’s decisions.



## **2011 TRAINING SCHEDULE**

Below are the dates, times and topics of currently scheduled trainings. These training events will be held at the PSPRS administrative office (3010 E Camelback Rd. Suite 200 Phoenix, AZ 85016). These events will also be accessible via online webinar. If you plan to attend any of these events in person, please register by emailing Robert Ortega ([rortega@psprs.com](mailto:rortega@psprs.com)). Please provide the names of all individuals who will be in attendance in person as space is limited. To register as a participant via webinar, you can do so by logging onto the PSPRS website: [www.psprs.com](http://www.psprs.com) .


### **APRIL**

**APRIL 6, 2011 (10AM-11AM): CONDUCTING RETIREMENT CALCULATIONS AND RETIREMENT PAPERWORK PROCESS**

**APRIL 20, 2011 (10AM-12PM): OPEN MEETING LAW (PRESENTER TBD)**

### **JUNE**


**JUNE 22, 2011 (10AM-12PM): LEGISLATIVE UPDATE**



For any questions regarding these training events, to host an event in your area or general questions regarding PSPRS or CORP, please contact Robert Ortega at 602-255-5575 extension 2047 or email [rortega@psprs.com](mailto:rortega@psprs.com).

## L'IL RONNIE'S CORNER "PRE MEMBERSHIP MEDICAL EXAM"


WOW! Did the last pre-membership medical exam article ever make our phones ring! Thank you all for calling. Thank you for being honest and saying, "We are one of the Boards that have not been doing this exam". As a result of your calls and questions, I need to cover a few more things to be clear. As I spoke and exchanged e-mails with many of you this last couple of weeks I came to realize that I really don't know it all. In fact I realized that I might have confused the issue.



The first question I was asked was, "Could Local Boards use the employer physical?" Yes, you can but there is the problem. What is the purpose of the employer physical? It is to determine if the applicant is physically capable of doing the job of a crime fighter or firefighter. It's a work fitness exam prior to hiring. With that being said, what is the purpose of the Local board exam? It's to determine any physical or mental conditions that the applicant has or had prior to membership in the System. The purpose of the employer's exam is different from that of the Local Board. One is for hiring and the other is for identifying all pre-existing physical and mental conditions prior to membership in PSPRS.



The topic I covered last month was that the employer cannot use the Local Board's exam for hiring. When I realized it looked like one of our Local Boards had been violating the law for a long time, I began looking a little deeper. As it turned out, they were in compliance with the law and I will explain why in a moment.



To compound the problem during these difficult financial times AzPOST also requires an exam on their forms for all police new hires. (NOTE: The AzPOST exam must be completed by one of about 90 doctors in the state who have been certified by AzPOST to do these exams. Call them for a list.) Are we saying three examinations need to be completed? Yes, but not necessarily. How do you like that answer? Let me explain.

First of all, who pays for the exams? You are correct if you said the employer. So how do Local Boards meet all these needs and only pay for one exam? The employer makes an appointment for the applicant with an AzPOST certified doctor. The employer uses the AzPOST medical exam forms for hiring purposes, which is allowed by AzPOST. The doctor is also supplied with the Local Board's pre-existing condition exam forms. The doctor examines the applicant and completes all medical forms and then sends the employer the AzPOST exam and the Local Board the pre-membership exam. That way, there is one visit by one applicant to one doctor resulting in two exam forms being completed for three groups, AzPOST, the employer and the Local Board. The employer does not see or use the Local Board exam for hiring and the Local Board does not see or use the employer exam during hiring unless they ask for a copy later when a member applies for a disability retirement, which is a good idea. One bill is generated. It is sent to the employer or the Local Board but if it goes to the Local Board, the Board forwards it to the employer for payment. Whew! That was easy.



Fire has a NFA exam that I believe is used by the employer for hiring and then the Local Board exam. They can do these just like the police Boards can with the AzPOST exam.

One more thing...How are you addressing mental conditions? Is your doctor even asking questions regarding mental conditions or reviewing a completed questionnaire by the employee? If you think your board is not doing this, call me and we can talk. As mental conditions are valid reasons for granting a disability, it's important that the Local boards do their due diligence in identifying pre-existing conditions of this nature.

I hope this article makes the pre membership exam a little clearer. This can be a very confusing topic so if you need to call me, please do so.

If you hear any rumors, please call me for the facts. There is a lot of potential legislative activity this year and I will try and be up to speed on current legislation. Be safe.  
L'il Ronnie

Contact Ron at 602-361-0803 or [littletonnie@mac.com](mailto:littletonnie@mac.com) if you need some help, a visit or training. We are here to serve you.

