OVERVIEW OF GENERAL RESPONSIBILITIES OF RETIREMENT BOARD MEMBERS*

Massachusetts Law (Chapter 32, Section 20, (4 7/8) Chapter 34B, Section 19) prohibits an individual who is an "employee, contractor, vendor or person receiving remuneration, financial benefit, or consideration of any kind, other than a retirement benefit or statutory stipend for serving on the retirement board, from a retirement board or from a person doing business with a retirement board" from serving on a retirement board.

Excerpt from 840 CMR 1.00 Protection of Interests of Retirement System Members and their Beneficiaries:

1.01 Board Members' Duty
A board member shall discharge all of his/her duties solely in the interest of members and their beneficiaries, and

(1) For the exclusive purpose of:
(a) providing benefits to members and their beneficiaries; and
(b) defraying reasonable expenses of administering the system.

(2) With the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims.

(3) By diversifying the investments of the system so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.

(4) In accordance with the Massachusetts General Laws, the rules and regulations promulgated by the Commission, and rules and regulations adopted by the Board and approved by the Commission.

Additional Information on Retirement Board Operations

Retirement Board members must comply with Massachusetts General Law Chapter 32, Massachusetts Public Employee Retirement Administration Commission (PERAC) Regulations 840 CMR, and are responsible for keeping the policies of the Dukes County Contributory Retirement System in compliance with the law.
https://malegislature.gov/Laws/GeneralLaws/PartI/TitleIV/Chapter32
https://www.mass.gov/lists/perac-regulations

As fiduciaries, Board members are responsible for the investment and management of the retirement fund (approx. 178 million as of 8/31/2021.) Members are required to comply with Massachusetts procurement laws for obtaining investment management services, actuarial services, accounting services, master trust/custodial services and legal services. Members are required to comply with the public employee conduct provisions in Chapter 268A.
(http://www.malegislature.gov/Laws/GeneralLaws/PartIV/TitleI/Chapter268A)

Members are required to attend 18 hours of educational training during each three-year term.

The Board is responsible for reaching a fully-funded status, as mandated by state law, using actuarial analyses of future liabilities, and setting the city's appropriation rates necessary to achieve full-funding.

The Board hears investment reports and is responsible for setting investment policies.

The Board hears requests for retirement benefits and applications for disability.

The Board hears requests, complaints, and appeals from members. Board decisions can be appealed to the state courts, and Board members may be required to defend their decisions.

The Board signs all warrants and approves all expenditures.

Once elected/appointed, board members must apply for access to PROSPER, PERAC's online portal:
https://www.mass.gov/doc/prosper-individual-account-approval-application/download

Board members are required by law to file annually a statement of their personal financial interests (via PROSPER).

Members must file an Annual Eligibility Certification (via PROSPER).

**This summary is provided as a general guide and is not an all-inclusive list of retirement board membership responsibilities.*