

Sent: Monday, October 19, 2020 10:18 AM

To: UML-MSP@LISTSERV.UML.EDU <UML-MSP@LISTSERV.UML.EDU>

Subject: [UML-MSP] Fw: State Retirement Board Policy Regarding Furloughs

Dear Colleagues,

I have been working on getting more information re furloughs v contributions to the UML Emergency fund. Here is the information that I have received so far, from UML HR. The tax regulations re charitable contributions have been modified for tax year 2020. MSP members have until November 15 to change their choice of contribution, per the MOA.

Hope this information is helpful.

Regards,  
Carol

### 8.3 Creditable Service, Leaves of Absence and Furloughs

No duly authorized leave or period of absence shall be deemed to be a termination of membership in the Massachusetts State Employees' Retirement System ("MSERS") or a termination of service, but creditable service for any such leave shall only be granted in a manner consistent with G.L. c. 32 and applicable Board regulations and policy. See G.L. c.32, §§3(6)(a), 4(1)(c).

#### I. Creditable Service and Leaves of Absence

##### A. With Regular Compensation

1) A member is entitled to **full creditable service** for periods of authorized leaves of absence where:

- (a) the absence is continuous with full regular compensation (G.L. c.32, §4(1)(c));
- (b) the member was on active duty in the armed services for which service the member has veteran status as defined in §4(1)(h);  
or
- (c) the member is serving in the United States Department of State through a request by the Department of State to the governor. (G.L. c.32, §4(1)(k)).

##### B. Without Regular Compensation or With Partial Regular Compensation

1. A member is not entitled to creditable service for periods of time on duly authorized leaves of absence **without** regular compensation unless specifically authorized in G.L. c.32, §4. This includes:

- a. A member on a duly authorized leave of absence **without** regular compensation shall be entitled to creditable service up to but not in excess of one month. (G.L. c.32, §4(1)(c)).
- b. A member on a duly authorized leave of absence who receives partial regular compensation during that leave shall be granted creditable service based on the numbers of hours that regular compensation received represents in proportion to the regular compensation that a full-time employee would receive in the same time period (i.e. an employee working not less than 37.5 hours per workweek.) (G.L. c.32, §3(6)(a); §4(1)(c)).

## II. Creditable Service and Furloughs

For those members taking a voluntary or mandatory furlough during their service with the MSERS, the creditable service to which that member will be entitled shall be determined consistent with G.L. c.32, §§4(1)(c) and 5(3)(b).

The duration of any “furlough period” as that term is used below for purposes of creditable service shall be determined by the Board in its sole discretion.

1. For those members taking a voluntary or mandatory furlough during their service with the MSERS, the member shall be entitled to up to one month of creditable service during any such furlough period. In no event shall any member be entitled to creditable service which is in excess of one month during any such furlough period. (G.L. c.32, §4(1)(c)).
2. For those members taking a furlough and intending to retire within the applicable 3 or 5 year period that will be used to determine the member’s average annual rate of regular compensation for retirement purposes, the accrual of creditable service and the applicable annual rate of regular compensation used for purposes of calculating a retirement allowance shall be determined in accordance with G.L. c.32, §§4(1)(c) and 5(3)(b), which requires that in determining any such average annual rate of regular compensation, the rate in effect for the member immediately preceding any period of absence without compensation shall be used as the rate for such period of absence.
3. Creditable service for any furlough period shall be granted in accordance with applicable statutory provisions and Board policy provided that:
  - a. the member has not accrued time off of payroll in the 12 months prior to the beginning of any furlough period and
  - b. the member has not accrued time off of payroll in the 12 months after the end of any furlough period.

Authority: G.L. c.32, §§3(6)(a); 4(1)(c); 4(1)(h); 4(1)(k); 5(3)(b)  
Adopted: 2002 as to Furloughs  
Amended: August 2020