In the Matter of the State of Connecticut
And
The State Employees Bargaining Agent Coalition ("SEBAC")

This matter having come before me and the parties having, upon recommendation agreed herewith, the following is hereby ordered and decreed.

In full and final resolution of any and all Pension Grievances filed by SEBAC or any of its constituent units regarding the alleged steering of employees to the Alternative Retirement System ("ARP") including, but not limited to grievances filed on behalf of Janis Petrillo, Awilda Reasco and any and employees represented by SEBAC who are employed by any of the Higher Education Institutions defined below, the undersigned parties hereby agree to the following:

I. For purposes of this agreement, "plan" means the State Employees Retirement System and the Alternate Retirement Plan. "Retirement plan option" or "plan option" means a choice between plans, or where available, a choice of no plan. "Employee" means a bargaining unit employee eligible by statute or collective bargaining agreement to make a choice among plan options, or in the case of a part-time employee eligible under Chapter 66 of the Connecticut General Statutes to make a choice among plan options or pursuant to a collective bargaining agreement, a choice not to be covered by a retirement plan. "Higher Education Institution" shall mean the Connecticut Community Colleges, the State University System, the University of Connecticut, Charter Oak College, and the Department of Higher Education.

II. This agreement applies only to employees of Higher Education Institutions. Nothing in this agreement shall affect an employee's eligibility for hazardous duty retirement participation under SERS.

III. Effective on and after December 31, 2010, once having chosen a plan option, no employee shall be eligible to change such option unless he or she changes to a position with the state which does not offer that option to employees, or which offers an option which was not previously available to the employee. Until such date, an employee may make a one time irrevocable election of plan options. No past service credit whatsoever will be available except as may be allowed under paragraph VI, below.

IV. No employee shall be deemed to have chosen "no pension" as the option unless he or she executes an "irrevocable waiver" in the form provided by the Retirement Services Division of the Office of the State Comptroller attached to this agreement as Attachment B. Such waiver shall be deemed inoperative to the extent an employee subsequently attains employment where "no pension" is not an available plan option. Membership in a plan shall commence on the first day of the month following attainment of employment which does not permit "no pension" as an option.

V. Employees who are not members of the ARP and are members of SERS, who become employed in a higher education institution in a position where SERS is not normally an option, shall be treated as SERS members for that position.

VI. From the date of this agreement forward, procedures for informing employees of their plan options and the consequences thereof shall at a minimum meet the standards set forth in Attachment A to this memorandum. Between the date of this award, and December 31, 2010all ARP members shall be given the one time opportunity to make their irrevocable choice to either remain in ARP or transfer to SERS. Individuals who choose to transfer to SERS will:

a. be placed in either Tier II or Tier IIA based upon their last date of hire;
b. receive no credit for any purpose under any provision of SERS for non-purchased service performed prior to the date of the transfer of plans except as provided in subsection d and e below;
c. make an irrevocable election not to purchase past service, or to purchase past service credit in SERS by a direct transfer of his/her entire retirement account in ARP to SERS; provided however, in no event shall an individual receive credit for service prior to his/her last date of hire. In the event the cost of such past service is less than the amount in his/her retirement account, such excess amount shall remain in his/her ARP account;
d. receive credit for past service based upon their ARP account balance calculated based upon the full actuarial cost for such purpose determined utilizing charts provided by the plan actuary.
e. not be allowed to purchase partial past service by reserving some funds in the ARP account, nor to purchase additional service by the use of funds beyond the ARP account, unless such purchase is approved by the IRS.

VII. Any employee failing to select a plan option when offered the opportunity to make such a selection by a higher education institution shall default into a plan as follows:

a. The employee shall first default into the plan to which he or she currently belongs, if any.
b. If there is no such plan, the employee shall default into the default selection for his/her bargaining unit, which shall be:
    i. University of Connecticut
        1. AAUP -- The ARP
        2. UCPEA -- SERS
        3. UHP -- SERS
    ii. State University
        1. AAUP -- SERS
        2. SUOAF – AFSCME Local 2836 -- SERS
    iii. Community Colleges
        1. CCCC -- SERS
        2. FCT -- SERS

3. AFSCME Local 2480 -- SERS

iv. Charter Oak Community College

1. AFSCME Local 1214 SERS

v. Department of Higher Education

1. AFSCME Local 1588 SERS

VIII. The State will inform the Office of the Comptroller's Retirement and Benefits Services Division of this Stipulated Award so that the provisions hereof may be implemented in a timely fashion.

IX. SEBAC hereby agrees to withdraw any and all grievances, prohibited practice complaints, discrimination (CHRO and EEOC) complaints, lawsuits and any other legal or administrative actions filed regarding the issue of alleged steering employees to the ARP. This Stipulated Award resolves all outstanding issues involving this matter.

Roberta Golick

Roberta Golick, Arbitrator

Linda J. Yelmini 9/22/10

For the State Date

Linda J. Yelmini

9/22/10

For SEBAC Date

Daniel E. Livingston

Attachment A -- Minimum Standards

[The parties will replace with formal language]

A. Employment contract shall reference pension choices and urge employee to carefully read attached documents to make choice

B. Selection documents should have cover page explaining how employee can get information from the employer as to choices, and how additional specific materials can be attained from the Retirement Division. It should explain that employee may also seek information from the union.

C. Document should carefully explain that choice is irrevocable unless employee takes different state job where that choice is not an option or a job where a new option is available. It should give example of part-time employee becoming full-time, remaining bound by pension choice except as mentioned above.

D. 60 days on payroll should be given prior to default. Default option should be retroactive if employee tenders any needed contribution. Note: the retroactive of contributions – usually only retro for SERS – not ARP

E. If no election received after 30 days, additional notice should go to employee from the employing agency. Higher education institution shall maintain documentation of their provision of plan option information for confirmation of such, including a copy of signed and dated letter sent to employee..