

CHAPTER 7900

MINNESOTA STATE RETIREMENT SYSTEM PROCEDURES

| | | | |
|---------------------------------------|----------------------------|-----------|--------------------------|
| ELECTION OF BOARD OF DIRECTORS | | 7900.0900 | COVERAGE DURING |
| 7900.0200 | STATE EMPLOYEE MEMBER. | | INTERCHANGE OR |
| 7900.0300 | HIGHWAY PATROLMEN'S FUND | | RECLASSIFICATION. |
| | MEMBER. | 7900.1000 | SOCIAL SECURITY BENEFIT |
| 7900.0400 | RETIRED STATE EMPLOYEE | | INCREASE. |
| | MEMBER. | 7900.1100 | MILITARY SERVICE. |
| ADMINISTRATION OF RETIREMENT | | 7900.1200 | REPAYMENT OF REFUNDMENT. |
| SYSTEM | | 7900.1300 | CHANGING BENEFICIARY. |
| 7900.0500 | APPLICATIONS. | 7900.1400 | POWERS OF ATTORNEY. |
| 7900.0600 | BIRTHDATE VERIFICATION. | 7900.1500 | MAILING CHECKS OUTSIDE |
| 7900.0700 | LACK OF PROPER RECORDS. | | UNITED STATES. |
| 7900.0800 | OMITTED SALARY DEDUCTIONS. | 7900.1600 | ACKNOWLEDGING RECEIPT OF |
| | | | BENEFITS. |

ELECTION OF BOARD OF DIRECTORS

7900.0200 STATE EMPLOYEE MEMBER.

Subpart 1. **Biennial election.** The procedure for the biennial election of the four state employee members of the board of directors as provided in Minnesota Statutes, section 352.03, and laws amendatory thereof, shall be as in subparts 2 to 5.

Subp. 2. **Nominations.** Any employee covered by the system who desires to be a candidate for membership on the board of directors shall file a nominating petition signed by ten employees covered by the system with the executive director of the system not later than October 1 of each odd-numbered year. A candidate may not withdraw his candidacy after October 15. If the employees whose names are thus filed are eligible for election or reelection as members of the board of directors as provided by Minnesota Statutes, section 352.03, and laws amendatory thereof, their names and the names of the department in which they are employed shall be printed upon the ballots sent to employees covered by the system as provided in subparts 2 and 4. The name of any employee covered by the system may be written in on the ballot provided for that purpose.

Subp. 3. **Election materials.** Between December 26 of each odd-numbered year and the following January 5 inclusive, the executive director shall send by mail, express, or regular messenger service notices of election to be held, ballots, and envelopes to the respective heads of departments and state agencies having employees who are covered by the system. The heads of departments and state agencies shall deliver or cause to be delivered to each such employee who receives salary or wages from which deductions are made for the system on the department's or agency's payroll abstract covering the last full pay period ending in December a notice of election that two members are to be elected to the board of directors, each such notice to be accompanied by a ballot and two envelopes. Department heads shall also mail such election material to their employees on approved leave of absence or seasonal layoff during the last full pay period in December and shall certify to the executive director the names of the employees to whom ballots were mailed. The Minnesota State Retirement System shall reimburse the departments for the cost of the postage for such mailing. Heads of departments and agencies shall promptly notify the executive director of the retirement system that notices, ballots, and envelopes have been delivered to such employees as required.

Subp. 4. **Voting.** Each employee participating in the election shall place the ballots, not exceeding two, imprinted with the names of the candidates of his choice, or shall write or indicate by appropriate mark on the blank ballot provided for that purpose the names, not exceeding a vote for a total of two

candidates, of any state employees covered by the system for whom he wishes to vote for directors, place the ballots in the envelope marked "ballots" (upon which there shall be no writing except the printed word "ballots" and the words "insert ballots and seal" on the flap); thereafter seal and place in the envelope, likewise sealed, addressed to: Tellers, Minnesota State Retirement System, at its office in St. Paul, Minnesota 55101.

The employee shall write his or her name, department, home address, and social security number in the upper left-hand corner of the envelope addressed to said tellers, and return it to the office of the system not later than February 1, in each even-numbered year. If the employee so elects, he or she may place the tellers' envelope in another envelope and mail or deliver this to the retirement system. Ballots in envelopes postmarked any time up to midnight on February 1 of each even-numbered year shall be counted, as shall ballots in envelopes received at the office of the system by messenger service up to the close of office hours on February 1 of each even-numbered year, or, if February 1 falls on a Saturday or Sunday, postmarked any time up to midnight or received up to the close of office hours on the following Monday of each even-numbered year, provided instructions hereinbefore prescribed have been complied with.

Subp. 5. Verification. The name and social security number in the upper left-hand corner of envelopes addressed to the tellers shall be checked against the department payroll abstract or facsimile listing (the abstract covering the last full pay period ending in December) and certified listing of those on seasonal layoff or leave of absence, and if the name of the employee on the envelope is found on such payroll abstract or facsimile listing and deductions are taken for the retirement fund which are not deductions in error from the salary of an employee not covered by the system, or if the employee is on approved leave of absence or seasonal layoff during the pay period, the envelope and abstract or facsimile listing shall be noted as "found," and if the name of the employee does not appear thereon, the envelope shall be marked "not found." The envelopes noted as "found" shall be placed in one container and those marked "not found" in another. At eight o'clock in the forenoon on the third Thursday in February in even-numbered years, three tellers appointed by the board of directors shall meet and verify the notations on the sealed envelopes addressed to the tellers who shall then remove and set aside the sealed ballot envelopes of those employees verified as eligible to vote.

Subp. 6. Tabulation. After the verification required in subpart 5 is completed, the small envelopes containing the ballots shall be opened and ballots tabulated by the tellers. The two candidates receiving the highest number of votes shall be the elected members of the board of directors for a term of four years as provided by Minnesota Statutes, section 352.03, subdivision 1, and laws amendatory thereof. In the case of a tie vote as to any candidates, the election shall be resolved by lot.

Statutory Authority: *MS s 352.03 subd 4*

7900.0300 HIGHWAY PATROLMEN'S FUND MEMBER.

As provided in Minnesota Statutes, section 352B.29, the members of the highway patrolmen's retirement fund shall elect one of their membership to serve as a member of the board of directors. The election of such board member shall be separate and distinct, but shall be conducted at the same time by the same tellers and shall follow the same procedure as prescribed in part 7900.0200. The term of the first highway patrolmen's fund member so elected shall terminate on the first Monday in March 1978. Such members shall serve for a term of four years and until the successor is elected and has qualified.

Statutory Authority: *MS s 352.03 subd 4*

7900.0400 RETIRED STATE EMPLOYEE MEMBER.

Subpart 1. **Exceptions from election procedure.** As provided in Minnesota Statutes, section 352.03, retired state employees shall elect one retired state employee to serve as a member of the board of directors. The election of such board member shall be separate and distinct but shall be conducted at the same time by the same tellers and shall follow the same procedure as prescribed in part 7900.0200, except as in subparts 2 to 5.

Subp. 2. **Eligibility.** Retired employees who are eligible for election to the board and eligible to vote for a candidate for the board shall be any persons receiving an annuity from Minnesota State Retirement System as of January 1 of each even-numbered year.

Subp. 3. **Notice of election.** Between July 1 and August 15, of each odd-numbered year the director shall mail a notice of election to all eligible retired employees giving them notice of election and instructions for becoming a candidate for membership on the board.

Subp. 4. **Candidates.** Any eligible retired employee who desires to be a candidate for membership on the board of directors must submit a nominating petition, signed by ten or more eligible retired employees, to the executive director of the system not later than October 1 in each odd-numbered year. If the retired employees whose names are thus filed are eligible to election as members of the board of directors their names shall be printed in alphabetical order upon the ballots sent to retired employees as hereinafter provided.

No nominee may withdraw his candidacy after October 10. The name of any eligible retired employee of the system may be written in on the ballot in the space provided for that purpose.

Subp. 5. **Voting.** In January of each even-numbered year, the executive director shall mail ballots and envelopes to the retired employees eligible to vote. The election material shall be mailed to the last address given to the system by the retired employee for the mailing of the annuity checks unless the retired employee notifies the system in writing by November 1 of a different address to be used for this purpose. The name and social security number in the upper left-hand corner of the envelopes addressed to the tellers shall be checked against the annuity abstract or facsimile listing covering the annuity payments for January of each even-numbered year.

Statutory Authority: *MS s 352.03 subd 4*

ADMINISTRATION OF RETIREMENT SYSTEM**7900.0500 APPLICATIONS.**

Subpart 1. **Forms.** All applications to the executive director shall be made in writing upon such forms and in such manner as he may require.

Subp. 2. **Annuity or refundment.** All applications for annuity and refundment shall be subscribed to before a notary public, or other person having statutory authority of a notary public, who shall affix his acknowledgment or jurat thereto.

Subp. 3. **Interference with delivery.** In the event the office of the system is closed by executive order, strike, or work stoppage on a normal workday so that there is no mail delivery to the office of the system, any application for an annuity or disability benefit mailed in an envelope having a postmark which indicates the application would have been received at the office of the system on the day on which the office was closed shall, for the purpose of determining when the annuity or disability benefit begins to accrue, be deemed to have been received on the first normal workday the office was closed or the date the application was notarized, whichever is later.

If there is no postmark or if the postal employees are on strike and the application is notarized on or after the date the office was closed or the beginning of the postal employees' strike, the date of notarization shall be used.

Statutory Authority: *MS s 352.03 subd 4*

7900.0600 BIRTHDATE VERIFICATION.

Verification of date of birth should be filed with the executive director by all employees one year prior to the date they became eligible by reason of age and service to receive a retirement annuity and by employees applying for a total and permanent disability benefit or for a refundment with interest as provided by Minnesota Statutes, section 352.22, subdivision 2 and laws amendatory thereof. In no event shall any annuity or benefit be paid until acceptable verification of date of birth is on file in the office of the system.

Statutory Authority: *MS s 352.03 subd 4*

7900.0700 LACK OF PROPER RECORDS.

In cases where employees covered by the system believe they are entitled to credit for periods of service of which departments have no records, the burden of proof is upon the employee. In the absence of such proof, the employee is not entitled to credit therefor.

Statutory Authority: *MS s 352.03 subd 4*

7900.0800 OMITTED SALARY DEDUCTIONS.

If a department fails to take deductions from the salaries of employees as provided by Minnesota Statutes, section 352.04, or fails to provide the proper information so that deductions may be initiated, the six percent payment in lieu of interest required by Minnesota Statutes, section 352.04, subdivision 8, and laws amendatory thereof, shall not be charged if the period such deductions were not taken was four or fewer pay periods.

Statutory Authority: *MS s 352.03 subd 4*

7900.0900 COVERAGE DURING INTERCHANGE OR RECLASSIFICATION.

An employee covered by the system who for the convenience of the employer is temporarily employed in a classification other than that in which he is regularly employed, and who is on authorized leave of absence from his regular employment, shall have deductions taken from his salary for the retirement fund while thus temporarily employed.

Any employee of a "sending agency" under the provisions of Minnesota Statutes, sections 15.51 through 15.59 and acts amendatory thereof shall, if he is an employee covered by the system at the time he is detailed to a "receiving agency" as therein defined, continue to be covered by the system and deductions shall be made from his salary and deposited in the retirement fund the same as though he continued his work in the "sending agency." Employee contributions, employer contributions, and employer additional contributions shall be made in all respects as provided in Minnesota Statutes, section 352.041, subdivisions 2 and 3.

Statutory Authority: *MS s 352.03 subd 4*

7900.1000 SOCIAL SECURITY BENEFIT INCREASE.

No increase in the social security benefit (PIA) authorized by social security due to an automatic or summary recalculation shall reduce the amount of benefits payable from any retirement fund or plan administered by the system.

Statutory Authority: *MS s 352.03 subd 4*

7900.1100 MILITARY SERVICE.

Subpart 1. Proof. Upon reinstatement from leave of absence as provided in Minnesota Statutes, sections 192.261 and 192.262, and laws amendatory thereof, an employee who has been on leave of absence to serve in the military forces of the United States or of the state of Minnesota who desires to obtain credit for his period of active military service is required to supply to the executive director

a certified copy of the record of his discharge or other form of release by proper authority from military service. A photocopy of either document will be accepted provided the original is submitted for comparison with the photocopy; the original will then be returned to the employee and the photocopy placed on file in the office of the retirement system.

Subp. 2. Refundment: death in service. Any duly designated beneficiary of an employee covered by the system making application for refundment of the sum in the retirement fund to the credit of such employee who dies while in military service of the United States or of the state of Minnesota is required to submit official notice of death as issued by the government of the United States or of the state of Minnesota as the case may be. A photocopy of such official notice will be accepted as proof of death for the files of the system, provided the original notice is submitted for comparison with the photocopy and its authenticity duly verified.

Statutory Authority: *MS s 352.03 subd 4*

7900.1200 REPAYMENT OF REFUNDMENT.

In determining the amount of the payment required to repay a refundment, the director shall make any adjustment required by reason of deductions taken in error, not taken, or taken at an incorrect rate. Repayment of refundments may be made in a lump sum when expressly provided by the laws governing the repayment or in installments by payroll deduction.

An employee covered by the system who elects to repay a refundment and who intends to retire, becomes disabled, or whose state service will terminate before he has completed the repayment, shall have the privilege of completing such payment in a lump sum before his retirement or termination of state service. If the refundment is not fully repaid, the total amount which he had paid to the fund shall be returned to him, and his status shall then be the same as if he had made no payments thereon. In the event of the death of an employee who is repaying a refundment, if the spouse is not entitled to an annuity, the total amount shall be refunded to his designated beneficiary or beneficiary as provided by law. If the surviving spouse is entitled to an annuity, the director shall determine, based on the most current service and extending retroactively, the period of allowable service paid for by the partial payment made and shall credit the deceased employee with such service.

Statutory Authority: *MS s 352.03 subd 4*

7900.1300 CHANGING BENEFICIARY.

Employees covered by this system who desire to make a change in the beneficiary they have designated shall make such change in writing and in the form and manner prescribed by the executive director.

Statutory Authority: *MS s 352.03 subd 4*

7900.1400 POWERS OF ATTORNEY.

Powers of attorney which involve an assignment of moneys, annuities, or benefits shall not be acceptable except as may be expressly authorized by the laws governing the plans and funds administered by the Minnesota State Retirement System.

Statutory Authority: *MS s 352.03 subd 4*

7900.1500 MAILING CHECKS OUTSIDE UNITED STATES.

No checks covering an annuity or disability benefit shall be mailed outside the United States. Refund checks, however, may be mailed to a foreign country at the written request of the former employee.

Statutory Authority: *MS s 352.03 subd 4*

MINNESOTA RULES 1987

7900.1600 PROCEDURES

7190

7900.1600 ACKNOWLEDGING RECEIPT OF BENEFITS.

Written acknowledgment is required not less than semiannually from the retired or disabled employee that he has received his annuity or disability benefit. If the retired employee has directed that his check be mailed to a financial institution, such financial institution may acknowledge receipt in his stead. The director shall mail a form with the annuity or benefit checks at least twice each year for acknowledgment of receipt of the check. No payment for the following months shall be made until such acknowledgment is on file in the office of the retirement system.

Statutory Authority: *MS s 352.03 subd 4*