

MINUTES  
OF THE MEETING OF  
THE EXECUTIVE COMMITTEE  
STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

December 8, 2022

A meeting of the Executive Committee of the State Employees' Retirement System of Illinois was held on Thursday, December 8, 2022, at 8:45 a.m. in the System's Springfield office at 2101 S. Veterans Parkway and by videoconference as allowed under Section 7(e) of the Open Meetings Act (5 ILCS 120/7(e)).

Committee Members Present:

Timothy Blair, Executive Secretary

Committee Members Present via Videoconference:

Marvin Becker, Chairperson  
Tad Hawk, SERS Trustee

Others Present:

Jeff Houch, Assistant to the Executive Secretary  
Samantha Goetz, General Counsel  
Eric Glaub, Manager, Claims Division  
Karen Brown, Supervisor, Disability Section  
Cory Mitchelle, Supervisor, Pension Section  
Aaron Evans, Attorney, Sorling Northrup  
Jessica Blood, Recording Secretary

Minutes of the Previous Meeting

The minutes of the Executive Committee's meeting on November 10, 2022, were presented by Chairperson Becker for approval. Copies of the minutes were previously e-mailed to Committee members for review. Executive Secretary Blair moved to approve the minutes as submitted. The motion was seconded by Chairperson Becker and passed unanimously.

Routine Claims Report

The Routine Claims Report for November 2022 was presented. Following a brief discussion, the Routine Claims Report for November 2022 as prepared by staff, was received by the Committee.

## Old Business

### Leslie Howard – Department of Human Services Employee Miscoding

From September 16, 2006, through May 31, 2008, Leslie Howard was miscoded by the Department of Human Services (DHS) as a member of the Teachers' Retirement System (TRS). During this period, retirement contributions were made to TRS, and none were made to SERS. Ms. Howard is now short twenty months of SERS service credit due to the misdirection of the employee contributions.

Due to the methodology used by TRS to annually reconcile each individual employer account, they have refused to refund any of the employee contributions made in error by Ms. Howard. DHS maintains that it does not have the appropriation authority to pay prior year SERS retirement contributions. Effectively, this would mean that there is no mechanism to collect the "missing" employee contributions and grant the service credit to Ms. Howard.

SERS staff propose to credit the twenty months of service credit to Ms. Howard, as well as the earnings for those twenty months. No employee contributions would be granted. This approach requires Executive Committee approval as SERS would be granting service credit and monthly earnings without the appropriate employee contributions.

After reviewing the information provided and some discussion at their October 2022 meeting, the Committee decided to defer a decision pending further investigation into possible remedies for Ms. Howard's situation.

Executive Secretary Blair updated the Committee at their November 2022 meeting that he will continue to work with the DHS payroll staff to resolve Ms. Howard's case.

Executive Secretary Blair informed the Committee that he is currently working with DHS legal staff to resolve Ms. Howard's case and issue her a refund of her contributions.

### Garrick Randolph – Staff Direction on Forfeiture of Retirement Benefits Due to Felony Conviction - Deferred

Garrick Randolph was employed by the Department of Corrections as a Senior Parole Agent, who separated from service in December of 2019. Mr. Randolph was charged with multiple felony counts that included aggravated battery (720 ILCS 5/12-3.05, custodial sexual misconduct (720 ILCS 5/11-9.2), and official misconduct (720 ILCS 5/33-3). On December 30, 2021, Mr. Randolph was convicted of the aggravated battery charge, and the other two charges were dismissed.

In March of 2022, Mr. Randolph submitted a retirement application to SERS intending to retire effective April 1, 2022. After becoming aware of Mr. Randolph's felony conviction, staff suspended the processing of his retirement claim pending receipt of an opinion from the Office of the Attorney General on whether Mr. Randolph's felony

conviction was connected to his position. The System recently received such opinion, which states that resolution of the matter requires that the Committee make additional factual determinations to enable the Office of the Attorney General to determine whether there was a causal connection between Mr. Randolph's service and his conviction.

After reviewing the facts presented at their August 2022 meeting, the Committee decided to defer a decision pending further investigation and fact finding relative to Mr. Randolph's felony conviction.

Jeff Houch, Assistant to the Executive Secretary, informed the Committee at their November 2022 meeting that SERS had received documentation regarding Mr. Randolph's case from CMS and that documentation has been submitted to the Attorney General's office for further review and clarification of their earlier opinion.

Mr. Houch updated the Committee that the Attorney General's office is currently working on a new opinion regarding Mr. Randolph's case.

#### April Bruce – Appeal of Termination of Nonoccupational Disability Benefits – Recommendation

April Bruce worked for the Illinois Department of Children and Family Services as a Child Protection Specialist. She last worked on January 22, 2021. She then applied for a nonoccupational disability benefit on February 8, 2021. Her treating physician anticipated a tentative return to work in April 2021.

Ms. Bruce was approved for a nonoccupational disability benefit effective March 18, 2021 and continued on the benefit for over 16 months. She states she has seen a psychiatrist, but her forms are completed by her treating physician. The treating physician's diagnosis states the 'patient cannot work in current position,' then gives an estimated return to work date of July 25, 2022.

Medical records from a July 5, 2022 office visit report state that no signs of her diagnosis resulting in the initial approval of disability benefits were reported. As a result, the Disability Examiner felt the member's condition was not as severe as when she was approved for the disability benefit. The case was reviewed by the Disability Supervisor, and then referred to the medical consultant, MMRO, for review.

A recommendation to disapprove the claim was received from MMRO on August 2, 2022. The report noted 'evidence supports that the member has experienced a material improvement in her condition such that she is no longer considered mentally or physically incapacitated to perform her duties as a Child Protection Specialist.' Ms. Bruce was sent a letter on August 2, 2022, to inform her that her nonoccupational disability benefit would cease effective July 31, 2022.

Ms. Bruce has requested a personal appeal for the termination of her nonoccupational disability claim.

After hearing Ms. Bruce present her case at their September 2022 meeting, the Committee decided to refer to external counsel for a recommendation.

Attorney Evans presented Recommendation No. 2022-17, to deny Ms. Bruce's appeal, at the October 2022 meeting. After some discussion, the Committee decided to defer a decision pending an additional MMRO review of newly submitted medical documentation provided by Ms. Bruce.

After reviewing the new MMRO recommendation regarding Ms. Bruce's appeal, the Committee decided to refer her case to external counsel for a revised recommendation.

Attorney Evans presented revised Recommendation No. 2022-17, to deny Ms. Bruce's appeal. After review and some discussion, Executive Secretary Blair moved to adopt Recommendation No. 2022-17. The motion was seconded by Chairperson Becker, and all were in favor.

### New Business

#### Nicholas McRoberts – Appeal Termination of Nonoccupational Disability Benefit – Personal Hearing via Teleconference – 9:00 a.m.

Nicholas McRoberts works for the Illinois Department of Corrections as a Lieutenant. He last worked on May 21, 2021 and began a medical leave of absence on May 25, 2021.

Mr. McRoberts was approved for a nonoccupational disability benefit effective June 2021 and continued to receive the benefit for about 12 months.

Medical records received from the July 2022 semiannual disability recertification process suggested the disabling conditions had improved. As a result, the Disability Examiner referred the case to the medical consultant, MMRO, for review on August 12, 2022.

A recommendation to disapprove the claim was received from MMRO on August 30, 2022. The report noted 'the alleged disabling diagnoses listed...are not severe enough to warrant any mental or physical incapacitation to perform the duties as a Lieutenant.' Mr. McRoberts was then notified via correspondence dated September 1, 2022 that his nonoccupational disability benefit would cease effective August 31, 2022.

Mr. McRoberts states his doctor has not cleared him to return to work and therefore his benefits should continue. The only new evidence submitted were two CMS-95 forms, which were the same besides the doctor changing the date of his release to return to work.

Mr. McRoberts has requested a personal appeal via teleconference for the termination of his nonoccupational disability claim.

After hearing Mr. McRoberts present his case, the Committee referred the matter to external counsel for a recommendation.

Timothy Flenniken – Appeal of Nonoccupational Disability Overpayment – Personal Hearing – Springfield – 9:45 a.m.

Timothy Flenniken was approved for a SERS nonoccupational disability benefit that became effective February 28, 2020. He remained on the benefit until he returned to work on July 28, 2022.

In September 2022, SERS was notified Mr. Flenniken was approved for a retroactive Social Security Administration (SSA) disability benefit effective March 1, 2020. This retroactive benefit created an overpayment of SERS nonoccupational disability benefits for the period of March 1, 2020 through July 27, 2022. The overpayment due is in accordance with Section 14-125 of the Illinois Pension Code.

A letter was sent to Mr. Flenniken on September 30, 2022 to notify him of the overpayment. His application to retire effective October 1, 2022, is still in processing.

Mr. Flenniken was originally receiving SSA survivor benefits from his deceased wife's account after her passing in 2007. When a person is granted SSA disability benefits but has previously received SSA survivor benefits, SSA converts the survivor benefits into disability benefits for the same period and reduces the disability award by the amount already received. As a result, Mr. Flenniken's retroactive award was less than the overpaid nonoccupational benefit owed to SERS.

Mr. Flenniken is appealing the overpayment and has requested a personal appeal.

Eric Glaub, Claims Division Manager, informed the Committee that Mr. Flenniken had subsequently asked for a formal hearing regarding his case and his appeal would be deferred pending the scheduling of such hearing.

Randall Leuschke – Appeal for Refund of Social Security Offset Removal Reductions

Randall Leuschke retired effective December 1, 2007. In 2009 when the option became available, he elected to reduce his pension by 3.825% to remove the Social Security offset from any survivor benefits.

Mr. Leuschke's spouse, Marilyn Leuschke, died on April 29, 2019.

Mr. Leuschke is appealing for a refund of the 3.825% reductions taken from his pension since his wife's passing.

After reviewing the facts of the case, Executive Secretary Blair moved to approve Mr. Leuschke's appeal and refund the deductions taken from his pension, upon receipt of his wife's death certificate, back to June 2019. The motion was seconded by Trustee Hawk and passed unanimously.

There being no further business to be brought before the Committee, the meeting was adjourned at 10:03 a.m.

The next meeting of the Executive Committee is scheduled for January 12, 2023, in the System's Springfield office.

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Marvin Becker, Chairperson

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Tad Hawk, SERS Trustee

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Timothy Blair, Executive Secretary