AMENDED 05/23/03

DATE: May 29, 2003

TO: Board of Trustees

FROM: Dr. Philip R. Day, Jr., Chancellor

SUBJECT: SPECIAL

Requesting that the Board of Administration, California Public Employees’ Retirement System, Authorize the San Francisco Community College District to Divide Its Present Retirement System for Purposes of Medicare Coverage (Resolution No. 030529-S3)

SHARED GOVERNANCE REVIEW:

Yes:______; No:__X___ if yes, which committee: _________________________
Date of Review:______________________________

RECOMMENDATION:

WHEREAS: The San Francisco Community College District, hereinafter designated as “Public Agency,” desires to establish a “deemed” retirement system pursuant to Section 218(d)(6) of the Federal Social Security Act composed of positions of members of the State Teachers’ Retirement System, hereinafter designated as “Present Retirement System,” desiring “Medicare Only” coverage, and to include services performed by individuals employed by the Public Agency in positions covered by said “deemed” retirement system, as members of a coverage group established by Section 218(d)(4) of said Act, in the California State Social Security
Agreement of March 9, 1951, providing for the coverage of public employees under the insurance system established by said Act as amended; and

WHEREAS: State and Federal law and regulations require, as a condition of such coverage, that Division be authorized by the Board of Administration, California Public Employees’ Retirement System; and

WHEREAS: It is necessary that the “Public Agency” now designate any services which it desires to exclude from coverage with respect to such coverage group under said insurance system; and

WHEREAS: It is necessary for the Public Agency to set forth the modification, if any, of the benefits and contributions under the Present Retirement System that may result from coverage under the said insurance system with respect to such coverage group;

NOW, THEREFORE, BE IT RESOLVED: That the Board of Administration, California Public Employees’ Retirement System, be and hereby is requested to authorize the foregoing Division; and

BE IT FURTHER RESOLVED: That upon receipt of authorization from the Board of Administration a Division shall be conducted in accordance with the requirements of Section 218(d) of the Social Security Act, and applicable State and Federal laws and regulations; that each eligible member of the Present Retirement System at the time of the Division shall be furnished a form to permit the member to elect whether his/her services should be excluded from or included under the said California State Social Security Agreement as hereinbefore provided; with such “Medicare Only” coverage effective as to services performed on and after January 1, 2004; and

BE IT FURTHER RESOLVED: That the following services with respect to said coverage group of the Public Agency shall be excluded from coverage under said agreement:

1. All Services excluded from coverage by section 218 of the Social Security Act; and
2. Services excluded by option of the Public Agency (Check only one part fill in part b if it is checked):
   - [X] a. No optional exclusions desired
   - [ ] b. Service performed:
BE IT FURTHER RESOLVED: That with respect to the said coverage group the benefits and contributions of the Present Retirement System shall not be modified in any way; and

BE IT FURTHER RESOLVED: That notice of the Division shall be given to members of the Present Retirement System not less than ninety days prior to the date of the Division; provided, however, that notice shall be given to employees becoming members of the Present Retirement System after the date of such notice up to and including the date of the Division on the date on which they attain membership in the system; and that Dr. Philip R. Day, Jr., Chancellor, or his designee, Peter Goldstein, Vice Chancellor, is hereby designated and appointed as the Local Division Officer to conduct such Division on behalf of the Public Agency in accordance with law, regulations, and this resolution, including the fixing of the date and the giving of proper notice thereof to members of the Present Retirement System and to all such eligible employees; and

BE IT FURTHER RESOLVED: That the Public Agency will pay and reimburse the State at such time and in such amounts as may be determined by the State the approximate cost of any and all work and services relating to such Division.

Dr. Anita Grier, President, Board of Trustees (Presiding Officer)
San Francisco Community College District (Official Name of Public Agency)

Originator: Peter Goldstein
with Steve Hale