

ARKANSAS TEACHER RETIREMENT SYSTEM

June 8, 2023

1400 West Third Street

BOARD ROOM

Little Rock, AR 72201

Board of Trustees Meeting

8:00 a.m.

Trustees

Danny Knight, Chair

Kelly Davis, Vice Chair

Anita Bell

Kathy Clayton

Susan Ford

Dr. Mike Hernandez

Shawn Higginbotham

Michael Johnson

Bobby G. Lester

Chip Martin

Jeff Stubblefield

Ex Officio Trustees

Susannah Marshall, State Bank Commissioner

Jacob Oliva, Secretary, Dept. of Education

Honorable Dennis Milligan, State Auditor

Honorable Mark Lowery, State Treasurer

AGENDA
ARKANSAS TEACHER RETIREMENT SYSTEM
BOARD OF TRUSTEES

June 8, 2023

8:00 a.m.

1400 West Third Street
Little Rock, AR 72201

- I. ***Call to Order/Roll Call.** page 1.
- II. ***Adoption of Agenda.** page 2.
- III. Executive Summary. (Attachment No. 1) page 3.
- IV. ***Correction on Resolution 2022-23: Scriviner's error.** *Tammy Porter, Board Secretary* (Attachment No. 2) page 4.
- V. ***Executive Session Selection of Executive Director.**
- VI. Other Business.
- VII. ***Adjourn.**

* Action Item

2023-06-07 10:58:11.197268

EXECUTIVE SUMMARY

TO: Board of Trustees
FROM: ATRS Staff
RE: Executive Summary
DATE: June 8, 2023

IV. *Correction on Resolution 2022-23: Scriviner's error. Tammy Porter, Board Secretary page 4.

Resolution 2022-23, was adopted on June 5, 2023. It contained the incorrect Resolution number. The correct number should be Resolution 2023-23.

V. *Executive Session Selection of Executive Director.

Executive Session : Selection of Executive Director

VI. Other Business.

ARKANSAS TEACHER RETIREMENT SYSTEM
1400 West Third Street
Little Rock, Arkansas 72201

CORRECTED
R E S O L U T I O N
No. 2023-23

**Approving the Waiver of Deadline to Apply for T-DROP Participation
and the Retroactive Payment of T-DROP Plan Deposits**

WHEREAS, the Board of Trustees (Board) of the Arkansas Teacher Retirement System (ATRS) is authorized to resolve a manifest injustice in a fair manner; and

WHEREAS, the Board has reviewed the facts of this case, as well as the recommendation of its Manifest Injustice Committee, along with the ATRS Staff, regarding the claim that a manifest injustice exists in the matter of MIC No. 2023-002; and

WHEREAS, ATRS Board Policy 3 – Executive Director, § (I)(C)(1) provides, “*The waiver of a deadline is an exclusive remedy of the Board.*”; and

WHEREAS, Ark. Code Ann. § 24-7-1302(b)(3) provides, “*A plan application received by the system after May 31 before the beginning of a fiscal year on July 1 shall not be eligible for participation in the plan until the following July 1.*”; and

WHEREAS, MIC No. 2023-002 concerns ATRS Member ID # 168835 (“Member”) who intended to become a T-DROP participant effective July 1, 2022; and

WHEREAS, on March 7, 2022, the Member completed a T-DROP application and submitted the application to her covered employer in order for the covered employer to complete the employer’s section of the Member’s T-DROP application; and

WHEREAS, the Member advised the covered employer to submit her T-DROP application to ATRS upon its completion of the employer’s section of the Member’s T-DROP application; and

WHEREAS, the Member’s covered employer completed the employer’s section of the Member’s T-DROP application and faxed the T-DROP application to ATRS on March 7, 2022. However, due to a new security feature that was being used, the covered employer did not receive an e-mail confirming that the fax was successfully transmitted; and

WHEREAS, ATRS has received records including e-mail correspondence from the Member and the covered employer and recovered copies of the Member’s T-DROP

application with a handwritten note from the covered employer indicating that the T-DROP application was faxed on March 7, 2022; and

WHEREAS, there is no record of the Member's faxed T-DROP application being received by ATRS on or about March 7, 2022, despite documentation indicating the opposite; and

WHEREAS, since March 7, 2022, the Member has been unaware that ATRS did not receive her T-DROP application and the Member's record is devoid of any information or records indicating the contrary; and

WHEREAS, the Member took necessary action to submit her T-DROP application in a timely manner before the May 31, 2022, deadline, but due to circumstances beyond the Member's control, the Member's T-DROP application as not received by ATRS on or about March 7, 2022; and

WHEREAS, had ATRS received the Member's T-DROP application on or about March 7, 2022, the Member's participation in T-DROP would have been effective July 1, 2022, and the Member would have accumulated \$36,949.87 in T-DROP plan deposits as of the entry of this resolution; and

WHEREAS, based on the above, the Board finds that a manifest injustice exists and, considering all the facts of this case, it would be unconscionable to impose the statutory deadline imposed by Ark. Code Ann. § 24-7-1302(b)(3) and deprive the Member of the T-DROP deposits she would have received had she been a participant of T-DROP effective July 1, 2022;

NOW, THEREFORE, BE IT RESOLVED, that the ATRS Board waives the deadline imposed by Ark. Code Ann. § 24-7-1302(b)(3) and directs ATRS Staff to credit the member's account with T-DROP plan deposits in the amount of \$36,949.87; and

FURTHER, BE IT RESOLVED, no new T-DROP application shall be required of the Member to be eligible to participate in T-DROP.

Adopted this 5th day of June 2023.

Mr. Danny Knight, Chair
Arkansas Teacher Retirement System