



Volunteer

Firefighters' & Rescue Squad Workers'

Service Award Program

Board Meeting
Tuesday, April 22, 2025
2:00 – 4:00 PM ET

Agenda:

- I. Welcome & Introductions
- II. Approval of Minutes
 - October 30, 2024
- III. VOLSAP Investment Performance and Program Document Amendments
- IV. Other Business
- V. Adjourn

No public comment will be accepted at this meeting.



Volunteer

Firefighters' & Rescue Squad Workers'

Service Award Program

VOLSAP Board Meeting Minutes for October 30, 2024

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Minutes

A meeting of the Volunteer Firefighters' and Rescue Squad Workers' Service Award Program (VOLSAP) Board was held October 30, 2024, in Richmond, Virginia, with the following members participating:

Patricia S. Bishop (Chair)
Kenneth J. Brown (Vice-Chair)
Evangeline Boers
Senator Christie New Craig
Richard W. Harris
Delegate Robert D. Orrock, Sr.
Ralph "Ed" Rhodes
Delegate Josh Thomas

Absent: Steve A. Grayson and Michael Vaughan

VRS Staff: Nikolai Abaev, Jessica Budd, Jeanne Chenault, David Cotter, Antonio Fisher, Sandy Jack, Ryan LaRochelle, Angela Payne, and Emily Trent.

Guest: Jacco Boers

Opening Remarks

Ms. Bishop called the meeting to order and welcomed everyone to the October 30, 2024, meeting of the VOLSAP Board. The meeting convened at 2:01 p.m. Ms. Bishop welcomed the newest VOLSAP Board members, Senator Christie New Craig, Delegate Robert D. Orrock, Sr., Delegate Josh Thomas, Ed Rhodes, and Evangeline Boers, and returning members Richard Harris and Ken Brown. The Board members and VRS staff introduced themselves.

Approval of Minutes

Upon a motion by Mr. Harris, with a second by Delegate Thomas, the VOLSAP Board members approved the minutes from the November 1, 2023, meeting.

Vice Chair Election

Ms. Bishop discussed the election of Vice-Chair for a term of one year. She then opened the floor for nominations. Following a motion by Mr. Harris, with a second by Senator Craig, the Board unanimously approved the nomination of Kenneth Brown to continue serving as Vice-Chair.



VOLSAP Overview & Program Highlights

David Cotter, Director of Legislative and Government Affairs, provided an overview of VOLSAP, a service award program established to provide a financial incentive and monetary award to eligible volunteer firefighters and rescue squad workers who participate in the program. Mr. Cotter advised that local departments, squads and localities may, but are not required to, make matching contributions. The program allows eligible volunteers to contribute money that is then invested alongside the VRS pension trust fund in a widely diversified portfolio. The state may also make matching contributions, although no such match has been provided to date. Mr. Cotter discussed membership eligibility, enrollment, purchase of prior service, participation, and investment performance.

Mr. Cotter addressed unreduced and partial distributions of funds based on age and service years. Next, Mr. Cotter reviewed frequently asked questions about the program. He indicated that all information regarding the program could be found on the VOLSAP website.

The Board inquired about additional examples of distribution scenarios, and Mr. Cotter advised there would be additional examples of participation and distributions of account balances in the upcoming presentation. The Board discussed average account balances, number of active participants, and VOLSAP total assets.

VOLSAP Board Governance Policy

Mr. Cotter presented the initial Virginia Volunteer Firefighters' and Rescue Squad Workers' Service Award Fund Board Governance Policy in accordance with *Code of Virginia* §51.1-1200. Following a motion by Mr. Rhodes, and a second by Senator Craig, the VOLSAP Board unanimously approved the adoption of the VOLSAP Board Governance Policy.

FOIA Remote Meeting Policy

Next, Mr. Cotter advised that during the 2024 session, the General Assembly adopted amendments to the Freedom of Information Act (FOIA), effective July 1, 2024, that change the methods by and circumstances under which public bodies may meet virtually. *Code of Virginia* §§ 2.2-3708.2 and 2.2-3708.3 govern meetings held through electronic communication means. Mr. Cotter presented the required updates to the policy and advised the policy must be reviewed and approved annually. Following a motion by Delegate Orrock, and a second by Senator Craig, the VOLSAP Board unanimously approved the revised FOIA Remote Meeting Policy.

VOLSAP Investment Performance and Program Document Amendments

Mr. Cotter provided a recordkeeper update advising there are two recordkeepers for the program, USI Insurance Group (USI) and Principal Custodial Solutions (PCS). USI handles entity and participant calls and inquiries about the program, collects quarterly member and employer contributions, and maintains individual participant accounts. USI collects the funds on a quarterly basis. Employer and participant contributions are deposited into the VOLSAP account within the VRS Pooled Investment Fund and invested alongside pension and OPEB plan assets. Investment income from the VRS Pooled Investment Fund is accumulated monthly and allocated to the various VRS programs based on their equity at the beginning of the month. Annual investment income accumulated in the VOLSAP account, plus year-end



accruals, is communicated to USI, to be allocated to participant accounts. PCS prepares and distributes annual statements, accumulates annual requests for distributions and verifies participant eligibility, processes approved distributions to eligible participants and manages short-term investment of contributions. VOLSAP assets are maintained by VRS, not the recordkeepers.

Next, Mr. Cotter provided a finance update for fiscal year 2024. VOLSAP assets ending FY 2024 were \$6,430,579.68, with the number of participant accounts totaling 1,863. Total accounts remained fairly flat with investment returns exceeding investment contributions. The number of active participant accounts totaled 1,314. The average value of participant accounts is \$3,397. The program reports a total of 72 volunteer departments with 33 active volunteer departments in FY 2024.

Mr. Cotter discussed inactive volunteer departments and the administration for departments that have ceased operations, which led to staff conducting a review of VOLSAP. Key issues identified from the review were the lack of any other mechanism for making distributions from VOLSAP, which currently can only be made upon the request of a participant, in the case of participants who are no longer volunteering but have existing VOLSAP accounts, as well as the administration of the accounts of defunct departments. Mr. Cotter advised that VRS undertook an extensive review of the VOLSAP Code provisions (*Code of Virginia* 51.1-1200 et seq.) and the Program Document. Additionally, VRS worked with outside benefits counsel to review the Program Document and relevant state and federal laws to identify ways to facilitate the administration of VOLSAP.

Following this review, proposed amendments to the Program Document were developed to address two primary issues: 1) dissolution of a department and 2) forfeiture of funds in VOLSAP upon a default (i.e., lack of contributions).

The Board discussed the outlined proposed Program Document amendments. In addition, the Board considered the potential use of the Uniform Disposition of Unclaimed Property Act for any forfeiture of funds in VOLSAP. Leveraging the existing unclaimed property program, administered by the Department of Treasury, would allow for members to locate existing funds through a streamlined and centralized process. Upon a motion by Delegate Orrock, with a second by Senator Craig, the VOLSAP Board authorized staff to draft a bill on behalf of VOLSAP to effectuate the use of the Unclaimed Property Program for forfeited funds.

A meeting will be held in Spring 2025 to review and adopt the proposed Program Document amendments.

Ms. Bishop thanked Mr. Cotter for his presentations.

Review of Communications Materials

Next, Jeanne Chenault, Public Relations Director, provided an update on program outreach and initiatives. Ms. Chenault reported the VOLSAP website was updated to ensure clear and concise information, beginning with the homepage. The program information and content on the website can be shared by Board members for outreach and informational purposes.



VOLSAP Board Meeting Minutes for October 30, 2024

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Ms. Chenault shared the VOLSAP website metrics, showing the top 10 destinations and PDFs on the VOLSAP website in FY 2024. In addition, the VOLSAP website scored high in accessibility after the redesign and meets accessibility requirements for websites.

At the 2023 VOLSAP Board meeting, a request was made for staff to reach out to the Virginia Municipal League (VML) and the Virginia Association of Counties (VACO) to offer VOLSAP information and discuss the benefits of the program. In response, VACO prepared and distributed a VOLSAP article appearing in its newsletter, *County Connections*, May 15, 2024, making county administrators aware of the VOLSAP program.

Ms. Chenault shared VOLSAP promotional resources designed for easy access and effective use. The resources include a PDF Introduction to VOLSAP presentation that can be attached to emails or linked in a newsletter, as well as a plug-and-play video presentation to send in an email, social media post or newsletter. Next, Ms. Chenault reviewed the Procedures Guide and brochure and a VOLSAP branded tablecloth available for use at conferences, meetings, or benefit fairs by request. Lastly, the Board viewed a 60-second promotional video commercial promoting the program which is available from the VOLSAP website.

Ms. Bishop thanked Ms. Chenault for her presentation.

Other Business

Mr. Rhodes requested the meeting materials be listed on the VRS website in addition to the VOLSAP website. Ms. Bishop confirmed that request could be implemented. Ms. Bishop noted that VRS staff would soon poll the members for meeting dates in 2025.

Adjournment

There being no further business and following a motion by Delegate Thomas, with a second by Senator Craig, the Board agreed to adjourn the meeting at 3:41 p.m.

Patricia S. Bishop, Chair



VOLSAP Program Document Amendments

April 22, 2025

Agenda

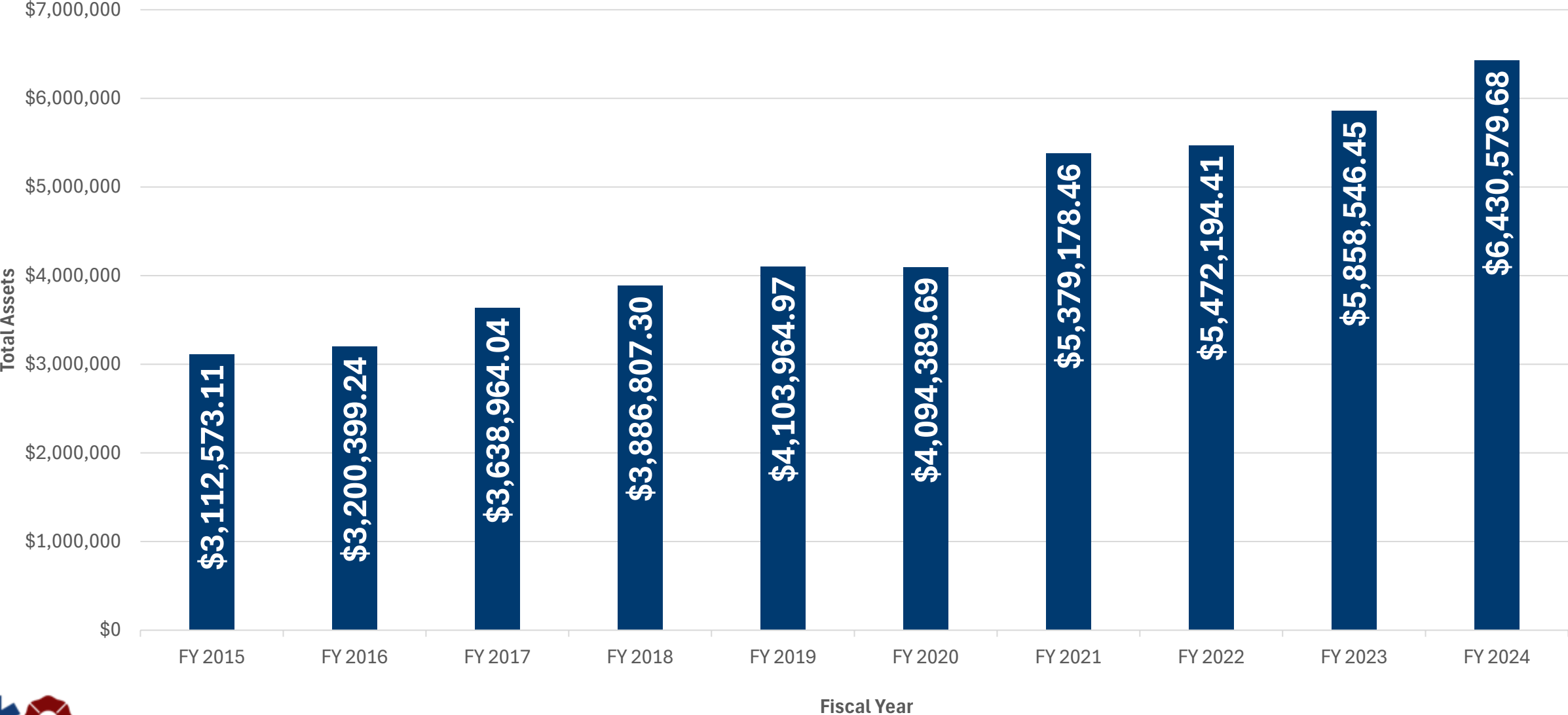
- Finance Update
 - Active/Inactive Departments and Participants
- Program Document Amendments
- Legislative Update



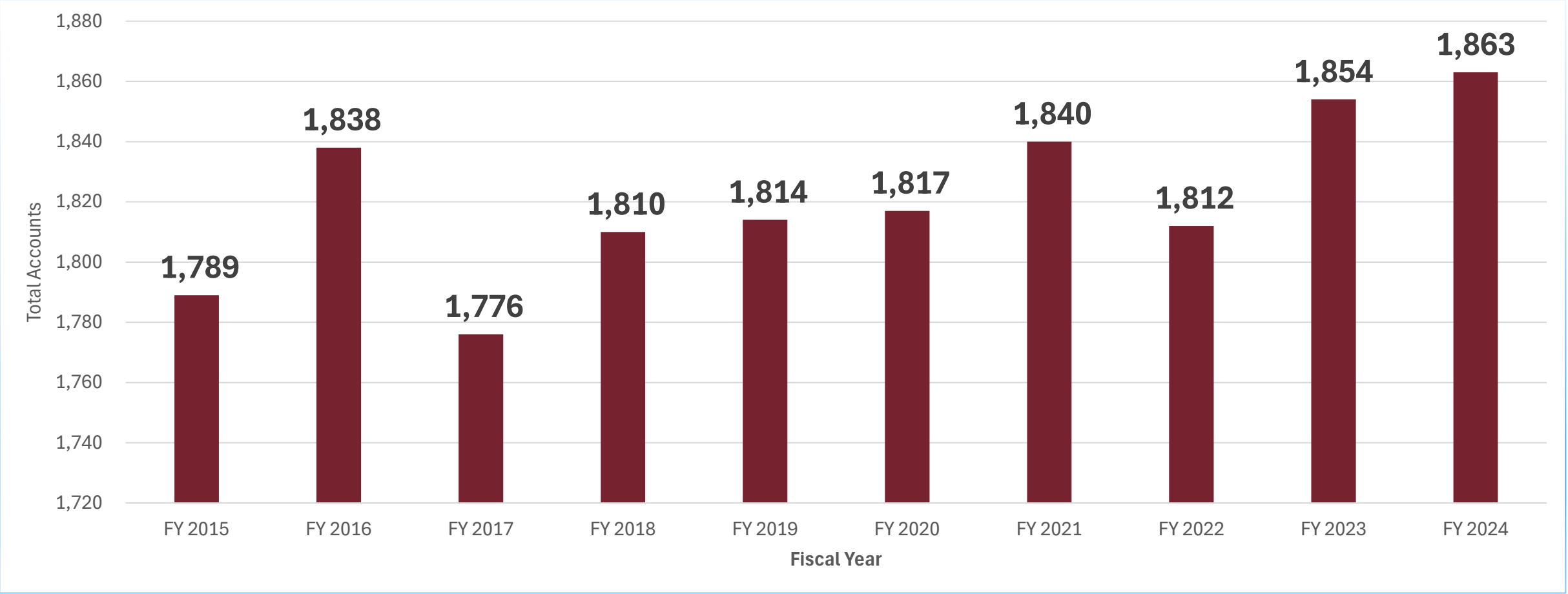
VOLSAP Finance Update



VOLSAP Total Assets



VOLSAP Total Accounts



VOLSAP Financial Highlights FY24

\$6,327,976

Total value
of accounts

1,863

Number
of participant accounts

72

Number
of volunteer
departments

33

Number
of active volunteer
departments
(FY24 contributions)*

39

Number
of inactive volunteer
departments



* Contributions may be from participants, departments or both.

Active Volunteer Departments – Participant Information

Not all participants with active departments are making contributions.

Participant Accounts:

1,314

(71% of total accounts)

Inactive Participants:

743

(56.5% of active
department accounts)

Active Participants:

524

(40% of active department accounts)

Inactive Participants
with no contributions since 2020:

608

(46% of active department accounts)

Distributions were made for 47 active department accounts (3.5%).

Active Volunteer Departments – Participant Information

\$5,005,613

Total value
of all accounts

\$3,002,545

Total value
of active participant accounts
(60% of active department accounts)

\$1,802,512

Total value
of inactive participant
accounts
(36% of active department accounts)

\$1,320,199

Total Value
of inactive participant accounts
with no contributions since 2020
(26% of active department accounts)

Distributions were made for 4% of active department accounts.

Inactive Participants – Currently Eligible for Distribution

Accounts Eligible
for Distribution:

256

Accounts
With Active Departments:

124

Accounts
With Inactive Departments:

132

Total Amount
Eligible for Distribution:

\$908,725

(14% of total accounts)

Total Amount
for Active Departments:

\$484,407

**(10% of active
department accounts)**

Total Amount
for Inactive Departments:

\$424,318

**(32% of inactive
department accounts)**

Eligibility estimates based on members who are at least 60 years old.

Inactive Participants – Currently Ineligible for Distribution

Accounts Currently
Ineligible for Distribution:

1,025

Total Amount
Eligible for Distribution:

\$2,195,621

(35% of total accounts)

Accounts
With Active Departments:

619

Total Amount
for Active Departments:

\$1,318,105

(26% of active
department accounts)

Accounts
With Inactive Departments:

406

Total Amount
for Inactive Departments:

\$877,516

(66% of inactive
department accounts)

VOLSAP Accounts Summary

Category	Active Departments	Inactive Departments	Unassigned	Grand Total	Total Inactive	
Assets of Active Participants	3,002,544.73	-	102,604.09	3,105,148.82	-	
Assets of Inactive > 60 Participants	484,407.08	424,318.17	-	908,725.25	908,725.25	
Assets of Inactive < 60 or no DOB Participants	1,318,104.66	877,516.27	-	2,195,620.93	2,195,620.93	
Distributions processed	200,556.41	20,528.57	-	221,084.98	-	
Total Assets	5,005,612.88	1,322,363.01	102,604.09	6,430,579.98	3,104,346.18	48%
Active Participants	524	-	-	524	-	
Inactive Participants > 60	124	132	-	256	256	
Inactive < 60 or no DOB Participants	619	406	-	1,025	1,025	
Distributions processed	47	11	-	58	-	
Total Participants	1,314	549	-	1,863	1,281	69%
Departments	33	39	-	72		
Percentage of Total						
Assets of Active Participants	47%	0%	2%	48%		
Assets of Inactive > 60 Participants	8%	7%	0%	14%		
Assets of Inactive < 60 or no DOB Participants	20%	14%	0%	34%		
Distributions processed	3%	0%	0%	3%		
	78%	21%	2%	100%		
Departments	46%	54%	0%			



Program Document Amendments

Impact on VOLSAP Administration: Key Issues

- **Distributions from VOLSAP are only made upon the request of a participant.**
 - Participants who are not eligible for a service award are unlikely to request a distribution if there have only been department contributions on their behalf since they are not entitled to those contributions.
- **Missing participants who are no longer volunteering but have existing VOLSAP accounts.**
 - Includes both participants eligible for a service award and participants who are not eligible.
- **Defunct departments.**
 - As departments submit contributions to VOLSAP and receive participants' annual statements, the dissolution of a department directly impacts participants' ability to access their account information.
 - Department funds for defunct departments remain in VOLSAP and cannot currently be forfeited.

Overview of Proposed Amendments

Proposed amendments will address two primary issues:

**Dissolution
of a department**

**Forfeiture of funds
in VOLSAP upon a default
(i.e., lack of contributions)**

Dissolution of Department



- No provision in the current program document addresses accounts associated with a department that has ceased operations.
- Absent program document changes, such accounts would remain within VOLSAP indefinitely.
- Department funds, unless paid as part of a service award, would remain in the department account even though it has ceased operations.
- Participants who are eligible for service awards or participants who have made contributions would be able to obtain a distribution upon request.

Dissolution of Department – Amendment

Proposed Amendment:

- No later than December 31 following the end of the program year in which the dissolution is discovered:
 - If a participant is eligible for a service award, they will receive the funds contained in the participant and department accounts.
 - If participant is not eligible for a service award, they will receive the funds contained in the participant account.
 - Department funds will be forfeited to VOLSAP and used by VRS to cover administrative expenses.

Forfeiture Upon Default



- *Va. Code §§ 51.1-1209 & 51.1-1210*: A participant who becomes six months delinquent in contributions (made either by the participant or on their behalf) forfeits their membership in VOLSAP:
 - May reactivate membership by paying \$25 administrative fee.
 - Fee waived if participant provided advance notice of intention to cease contributions.

Forfeiture Upon Default – Amendment

Proposed Amendment:

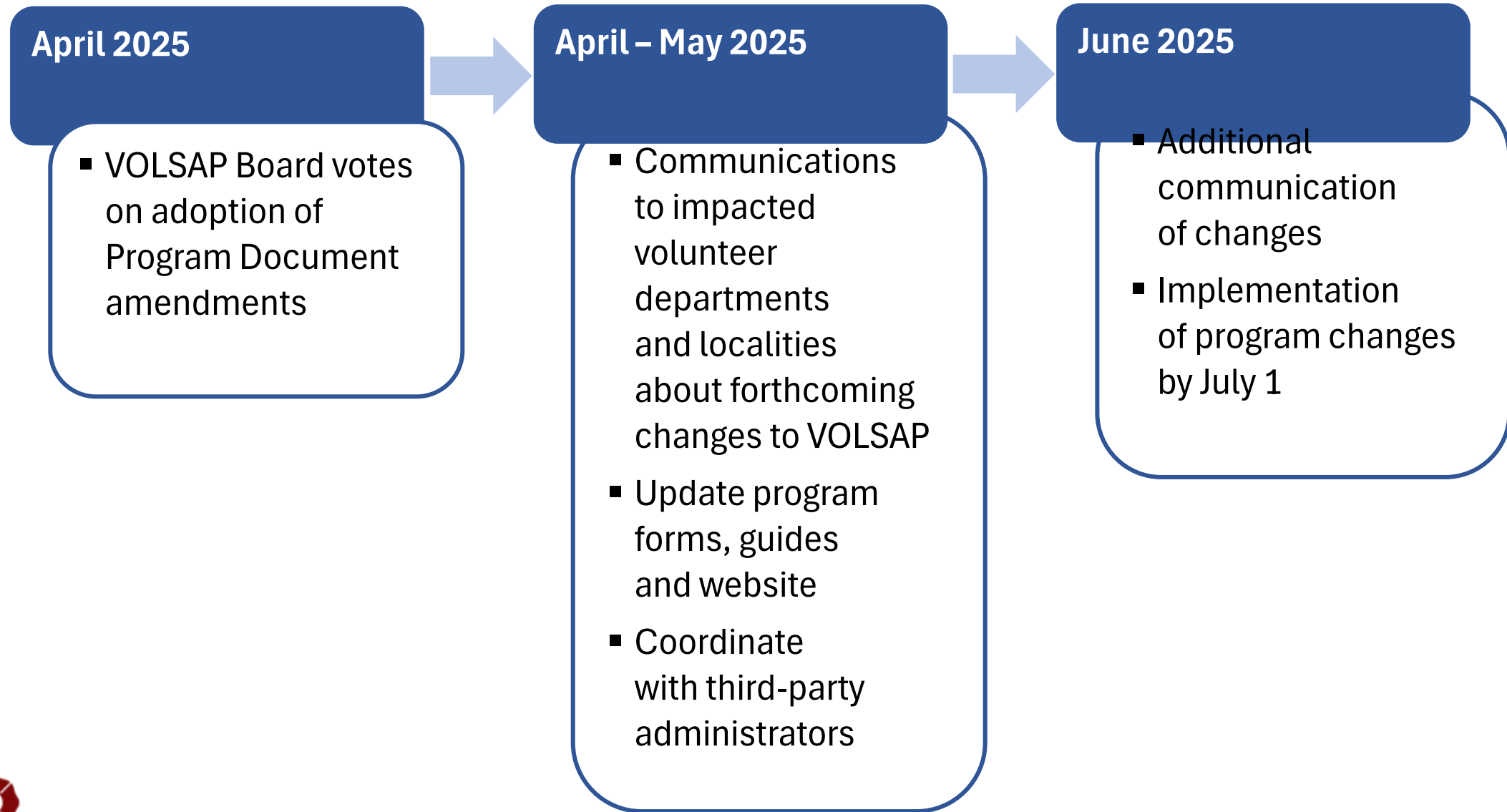
- No later than December 31 following the end of the program year in which the default occurs:
 - If a participant is eligible for a service award, they will receive the funds contained in the participant and department accounts.
 - If a participant is not eligible for a service award, they will receive the funds contained in the participant account.
 - If the department is an active participant, department funds will be forfeited and used to reduce future department contributions to VOLSAP.
 - If the department is not an active participant, department funds will be forfeited to VOLSAP and used by VRS to cover administrative expenses.

Program Document Amendments – Impact



- A participant will never lose their contributions.
- Instead, the changes will ensure that participants entitled to funds held in VOLSAP will be identified and contacted about a distribution.
- Ease the administration of VOLSAP by establishing a systematic process for identifying and addressing stale accounts.

Program Document Amendments – Timeline





Legislative Update

SB 934 – Transfer of VOLSAP Funds to Unclaimed Property



- To complement the program document amendments, the VOLSAP Board voted at its November 2024 meeting to support legislation to allow VOLSAP funds to be transferred to Virginia’s Unclaimed Property Program if unclaimed for at least five years.
- SB 934, patroned by Sen. Craig, passed the General Assembly unanimously and has been enacted into law (2025 Va. Acts ch. 440).
- Transferring unclaimed VOLSAP funds to the Unclaimed Property Program will enable former participants to more readily and easily locate and claim their funds.
- VOLSAP will continue to try and locate participants who have stopped contributing during the five-year period before the funds can be considered to be abandoned.

SB 934 – Transfer of VOLSAP Funds to Unclaimed Property

1. That § [55.1-2544](#) of the Code of Virginia is amended and reenacted as follows:

§ [55.1-2544](#). Property held or payable pursuant to Title 51.1.

This chapter shall not apply to any defined benefit plan funds or other property, tangible or intangible, held or payable pursuant to Title 51.1. Any funds or other property, tangible or intangible, held or payable in a defined contribution plan, deferred compensation plan, or cash match plan pursuant to Title 51.1 that have remained unclaimed for more than five years after such funds or other property became payable shall be presumed abandoned. *Additionally, any funds or other property, tangible or intangible, held or payable to a member of the Volunteer Firefighters' and Rescue Squad Workers' Service Award Fund pursuant to Chapter 12 (§ [51.1-1200](#) et seq.) of Title 51.1 that have remained unclaimed for more than five years after the forfeiture of such member's membership in the Volunteer Firefighters' and Rescue Squad Workers' Service Award Fund in accordance with § [51.1-1209](#) or the dissolution of a volunteer emergency medical services agency or volunteer fire department shall be presumed abandoned.*

Questions?



**FIRST AMENDMENT TO THE
COMMONWEALTH OF VIRGINIA VOLUNTEER FIREFIGHTERS' AND RESCUE
SQUAD WORKERS' SERVICE AWARD PROGRAM**

(As Amended and Restated Effective January 1, 2021)

The Volunteer Firefighters' and Rescue Squad Workers' Service Award Program Board ("Board") has the authority to amend the Volunteer Firefighters' and Rescue Squad Workers' Service Award Program ("Program") in accordance with Section 51.1-1200 *et seq.* of the Code of Virginia and Section 7.1 of the Program. In accordance with such authority, the Board hereby amends the Program, effective as of the dates stated herein, to clarify the procedures for the default and cessation of individual membership in the Program and for the dissolution of a participating volunteer fire department or volunteer emergency medical services agency.

1. As soon as administratively practicable on or after July 1, 2025, Section 2.3, addressing Default and Cessation of Membership, is hereby amended to be and read as follows:

2.3 Default and Cessation of Membership. Alf the Program does not receive any contributions by or on behalf of a Member who becomes for six months delinquent in submitting quarterly Member contributions shall forfeit, the Member's membership in the Program shall be forfeited pursuant to Section 2.4. Once forfeited, membership may only be reinstated through written request to the Board, or its designee, accompanied by a check for \$25.00, the fee for reinstatement. Additional charges and/or fees may apply. A member in good standing who notifies the Board, or its designee, of his intention to cease contributions and resume at a later date, can reapply and will be reinstated without paying the \$25.00 fee. Upon reinstatement, the Member shall not be entitled to any forfeited funds. The Member may recontribute any funds with interest that were distributed under Section 2.4.

2. As soon as administratively practicable on or after July 1, 2025, the Program is hereby amended by adding a Section 2.4, addressing Forfeiture upon Default and Cessation of Membership, to be and read as follows:

2.4 Forfeiture upon Default and Cessation of Membership. If a Member's membership is forfeited pursuant to Section 2.3, and the Member is not eligible for a Service Award under Section 5.2, then all funds held in the Department Account and General Fund Account of any such Member shall be forfeited. Any such forfeitures shall be used to reduce future expense reimbursements to the Virginia Retirement System from the Fund pursuant to Code of Virginia § 51.1-1200. However, if the Department or Squad or local government political subdivision is currently making contributions to the Program at the time the forfeiture occurs, forfeitures of Department Accounts shall be used to reduce future contributions by the Department or Squad or local government political subdivision or other source. If at the time that a Member's membership is forfeited the Member is not eligible for a Service Award but has funds in a Member Account, the balance of the Member Account shall be paid to the Member by no later than the December 31 following the end of the Program Year in which the Member's membership in the Program is forfeited. If at the time that a Member's membership is forfeited pursuant to Section 2.3 the Member is eligible for a Service Award, the Service Award shall be

paid pursuant to Section 5.2 by no later than the December 31 following the end of the Program Year in which the Member's membership in the Program is forfeited.

3. As soon as administratively practicable on or after July 1, 2025, Section 3.6, addressing Forfeitures, is hereby amended to be and read as follows:

3.6 Forfeitures. Forfeitures of a Member's Department Account and his General Fund Account will occur when a Member withdraws his Member Account before meeting the criteria for the Service Award pursuant to Section 5.3. Forfeitures of Department Accounts shall be used to reduce future contributions by the Department or Squad or local government political subdivision or other source. Forfeitures of General Fund Accounts shall be used to reduce future expense reimbursements to the Virginia Retirement System from the Fund pursuant to *Code of Virginia* § 51.1-1200.

4. As soon as administratively practicable on or after July 1, 2025, the Program is hereby amended by adding a Section 3.8, addressing Dissolution of Department, to be and read as follows:

3.8 Dissolution of Department. If the Program Administrator determines that a Department or Squad has ceased to exist as a legal entity, then all funds held in the Department Account or General Fund Account of any Member of the Department or Squad who is not eligible for a Service Award under Section 5.2 shall be forfeited. Any such forfeitures shall be used to reduce future expense reimbursements to the Virginia Retirement System from the Fund pursuant to *Code of Virginia* § 51.1-1200. Any Member who is not eligible for a Service Award but who has funds in a Member Account shall be paid the balance of the Member Account by no later than the December 31 following the end of the Program Year in which it is determined that the Department or Squad ceases to exist. Any Member who is eligible for a Service Award shall be paid the balance in the Member Account, Department Account, and General Fund Account pursuant to Section 5.2 by no later than the December 31 following the end of the Program Year in which it is determined that the Department or Squad ceases to exist.

5. In all other respects, the Program shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Program
this _____ day of _____, 2025.

**VOLUNTEER FIREFIGHTERS' AND
RESCUE SQUAD WORKERS' SERVICE
AWARD PROGRAM BOARD**

By: _____

Printed Name: _____

Title: _____

Date: _____

**FIRST AMENDMENT TO THE
COMMONWEALTH OF VIRGINIA VOLUNTEER FIREFIGHTERS' AND RESCUE
SQUAD WORKERS' SERVICE AWARD PROGRAM**

(As Amended and Restated Effective January 1, 2021)

The Volunteer Firefighters' and Rescue Squad Workers' Service Award Program Board ("Board") has the authority to amend the Volunteer Firefighters' and Rescue Squad Workers' Service Award Program ("Program") in accordance with Section 51.1-1200 *et seq.* of the Code of Virginia and Section 7.1 of the Program. In accordance with such authority, the Board hereby amends the Program, effective as of the dates stated herein, to clarify the procedures for the default and cessation of individual membership in the Program and for the dissolution of a participating volunteer fire department or volunteer emergency medical services agency.

1. As soon as administratively practicable on or after July 1, 2025, Section 2.3, addressing Default and Cessation of Membership, is hereby amended to be and read as follows:

2.3 Default and Cessation of Membership. If the Program does not receive any contributions by or on behalf of a Member for six months, the Member's membership in the Program shall be forfeited pursuant to Section 2.4. Once forfeited, membership may only be reinstated through written request to the Board, or its designee, accompanied by a check for \$25.00, the fee for reinstatement. Additional charges and/or fees may apply. A member in good standing who notifies the Board, or its designee, of his intention to cease contributions and resume at a later date, can reapply and will be reinstated without paying the \$25.00 fee. Upon reinstatement, the Member shall not be entitled to any forfeited funds. The Member may recontribute any funds with interest that were distributed under Section 2.4.

2. As soon as administratively practicable on or after July 1, 2025, the Program is hereby amended by adding a Section 2.4, addressing Forfeiture upon Default and Cessation of Membership, to be and read as follows:

2.4 Forfeiture upon Default and Cessation of Membership. If a Member's membership is forfeited pursuant to Section 2.3, and the Member is not eligible for a Service Award under Section 5.2, then all funds held in the Department Account and General Fund Account of any such Member shall be forfeited. Any such forfeitures shall be used to reduce future expense reimbursements to the Virginia Retirement System from the Fund pursuant to *Code of Virginia* § 51.1-1200. However, if the Department or Squad or local government political subdivision is currently making contributions to the Program at the time the forfeiture occurs, forfeitures of Department Accounts shall be used to reduce future contributions by the Department or Squad or local government political subdivision or other source. If at the time that a Member's membership is forfeited the Member is not eligible for a Service Award but has funds in a Member Account, the balance of the Member Account shall be paid to the Member by no later than the December 31 following the end of the Program Year in which the Member's membership in the Program is forfeited. If at the time that a Member's membership is forfeited pursuant to Section 2.3 the Member is eligible for a Service Award, the Service Award shall be

paid pursuant to Section 5.2 by no later than the December 31 following the end of the Program Year in which the Member's membership in the Program is forfeited.

3. As soon as administratively practicable on or after July 1, 2025, Section 3.6, addressing Forfeitures, is hereby amended to be and read as follows:

3.6 **Forfeitures.** Forfeitures of a Member's Department Account and his General Fund Account will occur when a Member withdraws his Member Account before meeting the criteria for the Service Award pursuant to Section 5.3. Forfeitures of Department Accounts shall be used to reduce future contributions by the Department or Squad or local government political subdivision or other source. Forfeitures of General Fund Accounts shall be used to reduce future expense reimbursements to the Virginia Retirement System from the Fund pursuant to *Code of Virginia* § 51.1-1200.

4. As soon as administratively practicable on or after July 1, 2025, the Program is hereby amended by adding a Section 3.8, addressing Dissolution of Department, to be and read as follows:

3.8 **Dissolution of Department.** If the Program Administrator determines that a Department or Squad has ceased to exist as a legal entity, then all funds held in the Department Account or General Fund Account of any Member of the Department or Squad who is not eligible for a Service Award under Section 5.2 shall be forfeited. Any such forfeitures shall be used to reduce future expense reimbursements to the Virginia Retirement System from the Fund pursuant to *Code of Virginia* § 51.1-1200. Any Member who is not eligible for a Service Award but who has funds in a Member Account shall be paid the balance of the Member Account by no later than the December 31 following the end of the Program Year in which it is determined that the Department or Squad ceases to exist. Any Member who is eligible for a Service Award shall be paid the balance in the Member Account, Department Account, and General Fund Account pursuant to Section 5.2 by no later than the December 31 following the end of the Program Year in which it is determined that the Department or Squad ceases to exist.

5. In all other respects, the Program shall be and remain unchanged.

IN WITNESS WHEREOF, the undersigned has executed this amendment to the Program
this _____ day of _____, 2025.

**VOLUNTEER FIREFIGHTERS' AND
RESCUE SQUAD WORKERS' SERVICE
AWARD PROGRAM BOARD**

By: _____

Printed Name: _____

Title: _____

Date: _____



Volunteer

Firefighters' & Rescue Squad Workers'

Service Award Program

DATE

Re: Program Updates

Dear VOLSAP community:

As you may know, the Virginia Retirement System (VRS) administers the Volunteer Firefighters' and Rescue Squad Workers' Service Award Program (VOLSAP). Established in 1999 to recognize the invaluable efforts of Virginia's volunteer first responders, VOLSAP allows participating volunteers to save money in a dedicated account known as the member account. In addition, contributions may be made by the volunteer's department, squad, or locality, and these funds go into the department account. Upon satisfying the applicable age and service requirements set forth in the *Code of Virginia*, an eligible volunteer may receive a distribution (service award) from these accounts.

At its April 2025 meeting, the VOLSAP Board adopted changes to the VOLSAP program document that are designed to (i) clarify the procedures for addressing inactive VOLSAP accounts, i.e., accounts to which contributions are no longer being made, including how to handle VOLSAP accounts for departments and squads that have ceased operations, and (ii) facilitate distributions to eligible VOLSAP members with inactive accounts. To meet these goals, legislation passed during the 2025 session of the Virginia General Assembly (2025 Va. Acts ch. 440) permits VOLSAP funds that are unclaimed for more than five years after a member's account becomes inactive or the dissolution of the department or squad be transferred to Virginia's Unclaimed Property Program.

While approximately 79% of the total assets in VOLSAP are associated with volunteers at departments and squads that made contributions to VOLSAP in fiscal year 2024, over 500 member accounts with VOLSAP had no contributions in fiscal year 2024. Many of these accounts have had no contributions for several years. At their core, the program document amendments and legislation are designed to improve the administration of VOLSAP by standardizing the process for identifying and processing dormant VOLSAP accounts.

Here is a summary of the program amendments. In the event of an account default, which occurs when no VOLSAP contributions have been made to an account for the requisite time period set out in the *Code of Virginia*, or in the event that a department or squad ceases operation, the following will occur at the end of the program year in which the default or cessation of operations occurs:

- In the event a department or squad ceases operations:
 - A volunteer will be eligible to receive the funds in the member account and, if eligible for a service award, also the funds in the department account.
 - Funds in the department account not distributed as part of a service award will be forfeited to VOLSAP to be used to cover the program's administrative expenses.



Volunteer

Firefighters' & Rescue Squad Workers'

Service Award Program

- In the event of an account default:
 - A volunteer will be eligible to receive the funds in the member account and, if eligible for a service award, also the funds in the department account.
 - If the department or squad is active (i.e., has participants in VOLSAP who are not in default), the funds in the department account not distributed as part of a service award may be used by the department or squad to offset future contributions to VOLSAP.
 - If the department or squad is inactive, the funds in the department account not distributed as part of a service award will be forfeited to VOLSAP to be used to cover the program's administrative expenses.

VRS will take all reasonable steps to notify a volunteer who is entitled to receive a distribution of funds as described above. The funds to which the volunteer would be entitled will ultimately be transferred to Virginia's Unclaimed Property Program if the volunteer cannot be located within five years.

It is important to note that the program document amendments and new legislation will never result in a VOLSAP participant losing their contributions to VOLSAP or any distribution to which the participant may be entitled under VOLSAP. Instead, the proposed changes will provide greater opportunities for inactive members to receive the funds to which they are entitled.

These VOLSAP program amendments will substantially improve program administration and should result in fewer dormant accounts and more volunteers getting access to their funds. As VOLSAP program improvements are implemented, please contact David Cotter (dcotter@varetire.org; 804-344-3120) if you have questions about the changes to the VOLSAP program.

Thank you for your continued commitment to serving communities throughout the Commonwealth of Virginia.

Sincerely,

Patricia S. Bishop or VOLSAP Board