

MEMORANDUM

TO: Chief Executive Officers and Payroll Officers,
TRS Participating Agencies

FROM: Donald L. Yancey
Director of TRS Benefits & Associate Counsel

DATE: October 20, 2008

SUBJECT: **NEW CONTRIBUTIONS AND EARNINGS LIMITATIONS**

Beginning July 1, 2009, the Annual Compensation Limit imposed on members of the Teachers' Retirement System who became members on or after July 1, 1996, will increase from the current level of \$230,000.00 annually to \$245,000.00 annually. Any employees who were members of the Teachers' Retirement System prior to July 1, 1996 are not subject to the cap on earnable compensation subject to TRS contributions and should contribute on total compensation.

The earnings limit for retired individuals who are employed on a part-time basis for a covered institution will increase to \$22,000.00 per year for the 2009 calendar year. Individuals who retire in 2009 will be subject to a monthly earnings limitation equal to one-twelfth of the annual limit which is \$1,833.33. We have enclosed for your reference an updated post-retirement earnings limitation memorandum. A copy should be placed in your agency manual, and should be provided to any retired employee seeking employment with your agency.

Please be reminded that it is the individual's responsibility to inform you that they are retired and it is the agencies' responsibility to make certain that retired individuals **do not exceed** the post-retirement earnings limitation in order that their retirement benefits and health insurance benefits not be jeopardized.

Should you or any of your employees have questions regarding these issues, please contact our office.

DLY/fbh