Please read the attached memo concerning ERS postretirement employment information. Contact us if you have any questions.

Thank you,

The Employees' Retirement System of Alabama
877.517.0020 or 334.517.7000

Teachers
Luther P. Hallmark, Chair
John R. Whaley, Vice Chair

Employees
State State Police Public Judicial
Kay Ivey, Chair
James E. Fibbe, Vice Chair

THE RETIREMENT SYSTEMS OF ALABAMA

David G. Bronner, CEO
Donald L. Yancey, Deputy Director

January 9, 2020

TO: ALL ERS AGENCIES

FROM: William F. Kelley Jr.
Director of ERS Benefits

SUBJECT: POST RETIREMENT EMPLOYMENT

Beginning in 2020, Post Retirement Employment is tracked through Employer Self-Service (ESS) and can be viewed by your agency through ESS by going to the *Services* Tab and selecting *Reports*, then *Post Retirement Employment Report.* If you find that you have retirees who have exceeded the earnings limitation, whose retirement benefits are not already suspended, you should notify RSA in writing. You <u>no longer</u> need to complete the Employing Agency Initial Notice (RSA_PREEAIN) or Employing Agency Annual Certification (RSA_PREEAAC). The limitation on retiree earnings is subject to change each year based upon the Consumer Price Index (CPI) and is currently $32,000 for calendar year 2020.

However, every RSA retiree must complete and return a RSA Form PRE RN (Retiree Notice), providing all information requested no later than February 29, 2020. Please communicate with the retirees employed by your agency to ensure the completion and submission of the Retiree Notice Form. Notice of employment by the retiree is a significant change in the law, and this form is required to accomplish compliance. All forms are available on the RSA website www.rsa-al.gov.

As a reminder, per the Code of Alabama Section 36-27-16, a member must withdraw from service to be eligible to receive a retirement benefit. Our office has interpreted this to mean that an employee must have at least one pay period break in employment from the date of retirement before returning to post retirement employment with an RSA agency.

Sincerely,

William F. Kelley Jr.

Good morning,

This email is being sent to all local employers under the Employees' Retirement System (ERS).

This is a reminder: It is imperative for you to set up your 2020-2021 payroll schedule(s) in the Employer Self-Service (ESS) Portal this week, if you have not already done so. Effective August 1, the ERS will not be able to process any retirement applications or member withdrawals for your agency until the 2020-2021 payroll schedule(s) are completed. This will only take a few moments to set up and the Employer Services Division is available to assist you with this task.

Please feel free to contact the Employer Services Division if you have any questions or need assistance. You can reach us by email at Employer.Services@rsa-al.gov or by phone at 334.517.7005.

Thank you,

Employer Services

Good afternoon,

This notification is being sent to all Employer Self-Service (ESS) Portal Contacts.

ERS has received many inquiries regarding the 2018-2019 Plan Year Annual Checklist. To clarify, in the training for the ESS Portal provided by RSA, employers were informed the Annual Checklist would be available in the Message Center of the ESS Portal. As an employer, you should review the information on the Annual Checklist for accuracy. If any changes need to be made, the employer should process these changes as a Prior Period Adjustment (PPAD) in the ESS Portal – please see attached. Upon review, whether changes were made or not, please provide the ERS with a signed and dated copy of the Annual Checklist no later than April 1, 2020.

Please note, with the implementation of our new operating system, some employers may have experienced an overlap of the initial pay period upon Go-Live with the ESS Portal on April 1, 2019. For example, some employers were reporting contributions when paid vs when earned. The ESS Portal is requiring contributions to be reported when earned; therefore, the initial Plan Year (2019) in the ESS Portal may result in an overlap. If this pertains to you, as an employer, corrections are not necessary because the contributions were remitted and received by ERS for your employees. Also, you may have employees working for more than one employer. This information can be found by checking the employee's enrollments. An employee can only receive the maximum of one month of service credit per month. They may have additional service credit with another employer. If this is the case, no service adjustment will be required.

If you have any questions regarding Prior Period Adjustments (PPADs), please contact Employer Services at 334.517.7005 or employer.services@rsa-al.gov. If you have any benefit related questions, please contact ERS at 877.517.0020.

Sincerely,

RSA Employer Services

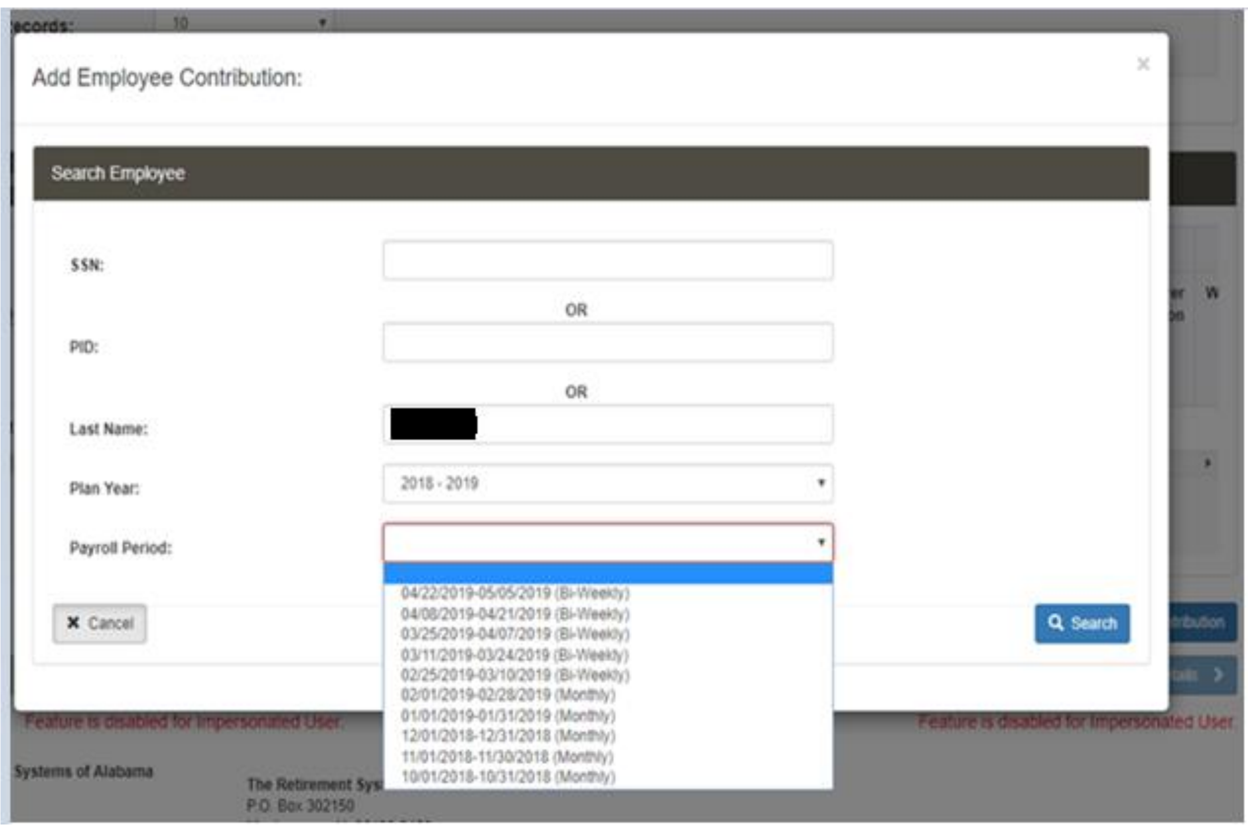
<u>**Prior Period Adjustments (PPADs)**</u>

File Submitter Employers have the option to use the Manual PPAD (Prior Period Adjustment) approach OR make the Adjustments via the next CONT File.

Prior Period Adjustments Manual option for file submitters
<u>(Preferred Option)</u>

A Manual-Prior Pay Period Adjustment can only be started when a new Contribution Submission has been created.

- **Select ADD CONTRIBUTIONS in the bottom right hand corner of the Details Screen.**
- **Search for the Employee by SSN, PID, or Last Name. Select the Plan Year for which you are making the adjustment.**
- **Most importantly, select the correct pay roll period that the mistake occurred in, then click Search.**
- **See Example below:**

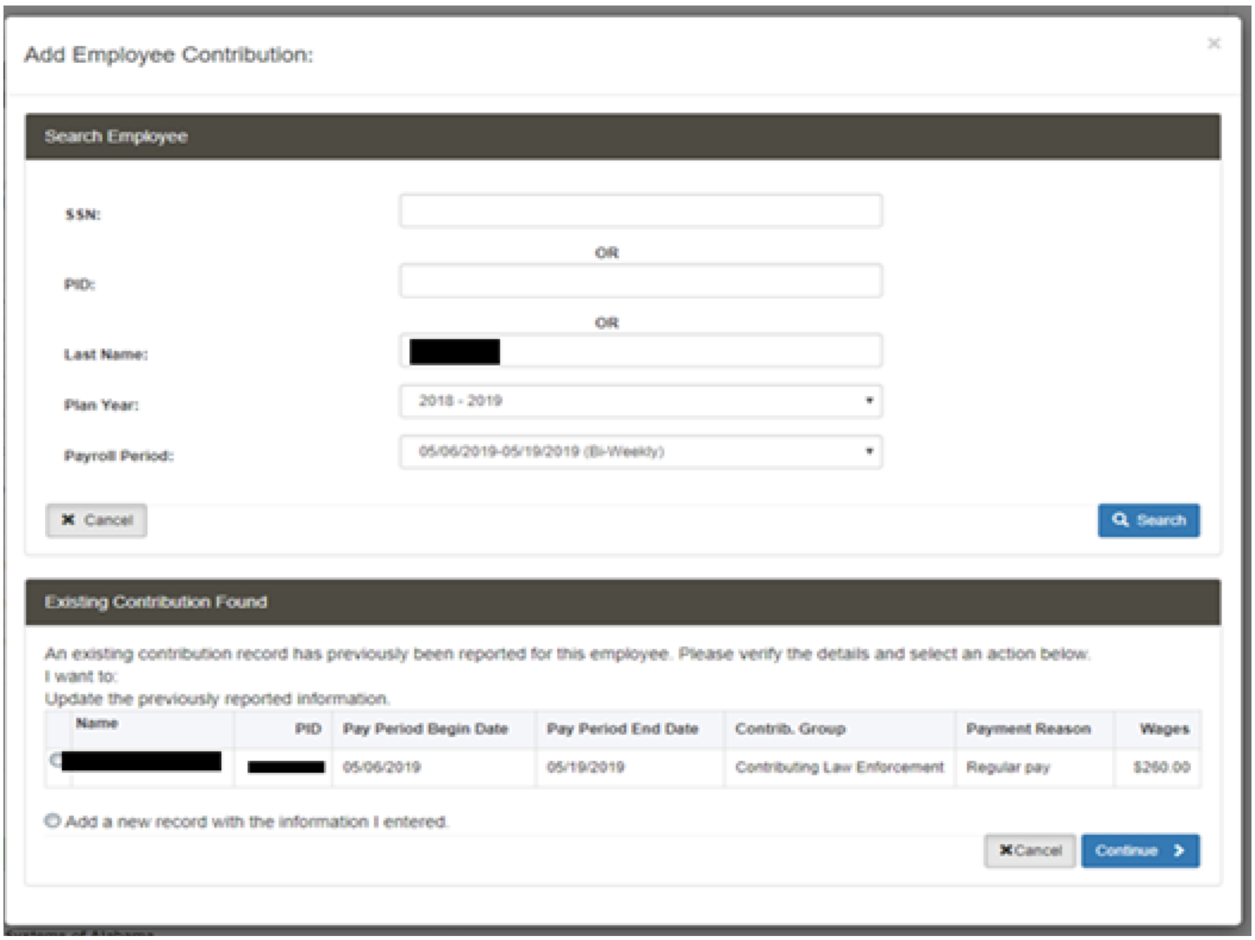


If the employee had a record during the selected pay period, their name will appear along with the pay period, payment reason, and wages that were reported. Select the radio button next to their name to edit data in that

particular detail record or you can select "add a new record with the information I entered".

- **The "Add a new record" option would be used if you are trying to add a payment reason that currently doesn't exist.**

- **See Example below:**



- **When doing a PPAD manually you overwrite the existing (incorrect) amounts with the correct amounts.**

  - **EX: An employer reported $500 in wages, should have been $400. When doing PPAD you would enter $400 for their wages.**

- **Please note when adding more than one record to an Employee you must go through this process for each record.**

File option for file submitters:

- **To do a Prior Pay Period Adjustment, the CONT file will have a separate record for each pay period reported.**
    - **One record would be the regular payment line for the CURRENT pay period.**
    - **The additional record would be for EACH pay period and payment reason requiring correction by a Prior Pay Period Adjustment. The dates in the file need to match the pay period for which adjustment occurred.**
- **The file needs to contain the DIFFERENCE (variance) in what was reported and what should have been reported.**
    - **EX: If wages of $500 were submitted and $400 in wages should have been submitted, the file needs to contain the difference which is -$100.**

The screen will display the new net amount of $400

Good morning/afternoon,

This email is being sent to all local employers under the Employees' Retirement System (ERS).

The Retirement Systems of Alabama (RSA) would like to remind you that now is the time to begin setting up your 2020-2021 payroll schedule(s) in the Employer Self-Service (ESS) Portal. Please keep in mind: ERS is unable to process any retirement applications or member withdrawals effective October 1, 2020, until the 2020-2021 payroll schedule(s) are completed.

If you have any additional questions please feel free to contact the Employer Services Division. You can reach us by email at Employer.Services@rsa-al.gov or by phone at 334.517.7005.

Thank you,
Employer Services
The Retirement Systems of Alabama

Good morning,

This email is being sent to all Employer Self-Service (ESS) portal contacts under the Employees' Retirement System (ERS).

We understand most of you have already set up your 2020-2021 payroll schedules. However, we have received phone calls from several employers stating their payroll schedules are incorrect after posting contributions. It is imperative that these are set up correctly prior to posting a 2020-2021 contribution submission to ensure all employees are able to receive their accurate service credit for the plan year as well as keeping your payroll records consistent from your system to ESS. The payroll schedules should flow from one plan year to the next.

Please take a moment to review your payroll schedules for the 2020-2021 plan year in detail. If you feel you may have entered something in error and need assistance with correcting this, please contact the Employer Services Division. We can be reached by phone at 334.517.7005 or by email at Employer.Services@rsa-al.gov.

Sincerely,
Employer Services

Good morning,

This email is being sent to all Employer Self-Service (ESS) Portal contacts under the Employees’ Retirement System (ERS).

As you are aware, the timely certification of retirement requests by employers is crucial as ERS is unable to provide members with their retirement calculations until this information is received. In ESS, there are Contact Types, which indicate who should receive notifications from RSA on particular topics. Recently, we began sending email notices for pending certifications to individuals with the Contact Type of ESS Certification. If you were assigned the role of ESS Staff when this change was implemented, we automatically added the Contact Type of ESS Certification to your profile.

As always, an ESS user must have the role of ESS Administrator or ESS Staff to access the certification tab. Please verify that everyone with your agency, who needs access to certifications in ESS, is assigned to one of these roles and has the Contact Type of ESS Certification so they will receive the emails. Even if you have not received an email, please take a moment and log in to ESS to determine if you have any certifications waiting.

Please contact Employer Services if you have any questions or need assistance, at 334.517.7005 or employer.services@rsa-al.gov.

Thank you,

Employer Services

Good afternoon,

This is a reminder to review and validate your 2019-2020 payroll schedule(s). Please make certain the payroll schedules are set up correctly in the Employer Self-Service (ESS) Portal. Also, keep in mind the RSA is recommending these reflect your actual payroll schedule(s). Incorrect payroll schedules and reporting have caused issues in the past. The RSA wants to ensure that you begin fiscal year 2020 correctly to avoid any future issues concerning your payroll schedule(s).

Reminders:

- The first pay period end date (not pay date) of October 1, or later, will be reported with the fiscal year 2020 employer rates.
- The contributions should be reported based on when they are earned and not when they are paid.

If you have any questions, please contact Employer Services at 334.517.7005.

Thank you,

Employer Services Division

Good morning/afternoon,

It has come to our attention that your agency is incorrectly reporting full time units on contribution submissions. For members to be awarded the correct amount of service credit, you must report the correct amount of full-time units based on the length of the pay period. This goes for all participating and non-participating employees.

Remember:

- The employee's enrollment is based on what you, the employer, are anticipating the employee will work per week.
  - It is okay for the employee's hours to vary, so when setting up the enrollment you will want to put an average of what they might work in a week for their Scheduled Units to Work per week.
  - The full-time amount should equal the number of hours an employee would work in this position to be considered full-time.

- The full-time units on the employee's contribution is based on the pay frequency and length of the pay period.
  - Weekly frequencies typically range from 32-44 hours depending on your agency's requirements for full time status.
  - Bi-Weekly frequencies typically range from 72-88 hours depending on your agency's requirements for full time status.
  - Semi-Monthly frequencies typically range from 80-96 hours depending on your agency's requirements for full time status.
  - Monthly frequencies typically range from 160-200 hours depending on your agency's requirements for full time status.

Please contact Employer Services for assistance by calling 334.517.7005 or by emailing Employer.Services@rsa-al.gov.

Sincerely,

Employer Services

Good afternoon,

This email is being sent to all Employer Self-Service (ESS) Portal contacts for local employers under the Employees' Retirement System (ERS).

The Retirement Systems of Alabama (RSA) will be automatically updating the employer contributions rates in the ESS Portal for Fiscal Year (FY) 2021 on September 8, 2020.

If your agency has adopted Act 2019-132, the FY 2021 rates will include the adoption, pending ERS Board approval, unless your agency has already been approved.

<u>Helpful questions & answers regarding rate changes:</u>

- When do I start to use FY 2021 ERS employer rates?
    - You will start using these rates on the first pay period in which the **pay period end date** is on or after October 1, 2020.
    - To best determine which pay date you will use, navigate to the Report tab > Payroll Schedule. Select the plus (+) button to the left of your 2020-2021 payroll schedule. You will want to look for the first pay period that **ends** on or after October 1, 2020. This will be the pay period you will begin remitting the new employer rates.

If you have any questions, please feel free to contact the Employer Services Division by calling 334.517.7005 or by emailing Employer.Services@rsa-al.gov.

Sincerely,

Employer Services

Good morning,

The Retirement Systems of Alabama (RSA) would like to remind you that all new employees should be enrolled into the RSA via the Employer Self-Service (ESS) Portal. You are no longer required to submit a Form 100 for new employees. The only form the new employee needs to submit to the RSA is the Designation of the Beneficiary Prior to Retirement (RSA_DBPR), which RSA sends to the member in the new employee welcome packet. The RSA_DBPR is also attached to this correspondence and can be found on the RSA website. Since this form requires a notarized signature, you may consider asking your new employee(s) to complete this form as part of their onboarding paperwork.

Thank you for all of your hard work in the ESS Portal. Please feel free to contact an Employer Services Representative with any question you may have. You can reach us by phone at 334-517-7005 or by email at employer.services@rsa-al.gov.

Thank you,

Employer Services
The Retirement Systems of Alabama

Designation of Beneficiary Prior to Retirement

Retirement Systems of Alabama
PO Box 302150, Montgomery, Alabama 36130-2150
877.517.0020 • 334.517.7000 • www.rsa-al.gov

Your SSN ___ ___ ___ ___ ___ ___ ___ ___ ___

This form must be signed and notarized for changes to be activated. To name contingent beneficiaries, use the back of this form. If you name contingent beneficiaries, you must sign both sides of the form. Do not use this form if you are retired or participating in DROP. Please contact the RSA for the proper form.

Type of Account: ☐ TRS ☐ ERS ☐ JRF

Your Information

Please note: Divorce or annulment of a marriage shall not revoke or void the designation of a spouse as beneficiary for any benefits payable by the RSA.

Name ______________________________
First Middle/Maiden Last

Address ______________________________
Street or P.O. Box City State ZIP Code

Telephone Number ____________ Email Address ____________

Date of Birth ____________ Sex ☐ Male ☐ Female

Designation of Primary Beneficiary

Primary beneficiaries will receive any benefits payable upon the member's death.

If you have more than four primary beneficiaries, please contact the RSA.

Name ____________ Relationship ____________ Date of Birth ____________

Address ______________________________
Street or P.O. Box City State ZIP Code

Social Security Number ____________ Sex ☐ Male ☐ Female

Name ____________ Relationship ____________ Date of Birth ____________

Address ______________________________
Street or P.O. Box City State ZIP Code

Social Security Number ____________ Sex ☐ Male ☐ Female

Name ____________ Relationship ____________ Date of Birth ____________

Address ______________________________
Street or P.O. Box City State ZIP Code

Social Security Number ____________ Sex ☐ Male ☐ Female

Name ____________ Relationship ____________ Date of Birth ____________

Address ______________________________
Street or P.O. Box City State ZIP Code

Social Security Number ____________ Sex ☐ Male ☐ Female

☐ Check if contingent beneficiary information is continued on the back of this form.

Signature Certification

Sign Here → **Your Signature** ______________________________ **Date** ____________

Please have your signature acknowledged before a Notary Public.

State of ____________, County of ____________

On this ______ day of ____________, 20 ________, personally appeared before me, the above named individual and acknowledged under oath that the statements made are true.

Seal

Signature of Notary Public ______________________________

My Commission Expires ______________________________

Designation of Beneficiary Prior to Retirement

If completing this side of the form, do not forget to sign at the bottom.

Name ______________________ **SSN** ___ ___ ___ ___ ___ ___ ___ ___ ___

Designation of Contingent Beneficiary

Contingent beneficiaries will receive benefits only if all primary beneficiaries are deceased at the time of the member's death.

List any Contingent Beneficiaries below.

Name ______________________ Relationship ____________ Date of Birth ____________

Address ____
Street or P.O. Box City State ZIP Code

Social Security Number ______________________ Sex ☐ Male ☐ Female

Name ______________________ Relationship ____________ Date of Birth ____________

Address ____
Street or P.O. Box City State ZIP Code

Social Security Number ______________________ Sex ☐ Male ☐ Female

Name ______________________ Relationship ____________ Date of Birth ____________

Address ____
Street or P.O. Box City State ZIP Code

Social Security Number ______________________ Sex ☐ Male ☐ Female

Name ______________________ Relationship ____________ Date of Birth ____________

Address ____
Street or P.O. Box City State ZIP Code

Social Security Number ______________________ Sex ☐ Male ☐ Female

Sign Here ➔ **Your Signature** ______________________ **Date** ____________

**Page two must be signed if any contingent beneficiary information is submitted on this side of the form.*

Good morning,

This email is being sent to all local employers under the Employees' Retirement System. As a friendly reminder, when reporting contribution submissions based on your agency's payroll frequency, the appropriate full-time units will need to be reported. In doing this, the ESS Portal will accurately calculate the amount of service credit an employee should receive based on the pay period.

For example, if 40 hours per week is the amount of hours an employee must work to be full-time, and employees are paid on a bi-weekly pay frequency, then 80 hours should be reported for the full-time hours on the contribution submission. This will be based on the individual agency's pay frequency and requirements for full-time status.

If you have any questions, please contact the Employer Services Division at 334.517.7005 or Employer.Services@rsa-al.gov.

Sincerely,

Employer Services Division

Good afternoon,

Please be advised that the deadline to file an Application for Retirement is 30 to 90 days prior to the retirement date, as required by the *Code of Alabama, 1975*. If you have employees who are unable to have the document notarized, or if you are unable to complete the employer portion due to the COVID-19 closures, you should advise employees to sign the application and submit it to the RSA without that information so they don't miss the deadline. They should always mail the original document to RSA at the address listed on the form, but, to meet the deadline, they may also submit a copy of the form by fax 877.517.0021 or email ers.info@rsa-al.gov.

Thank you,

Employees' Retirement System of Alabama