

March 29, 2021

Good morning,

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

Employer Services sent the below email in early February regarding the Overtime Limit Report. We would like to add that if an employee retires during the plan year, the employee can only remit up to 120% or 125% of overtime based on the compensation earned for the months worked. We would also like to remind employers of the importance of reporting Regular (Base) Wages correctly as this directly has an effect on the amount of overtime that can be reported as pensionable.

Please let us know if we can be of any further assistance by calling 334.517.7005 or by emailing [Employer.Services@rsa-al.gov](mailto:Employer.Services@rsa-al.gov).

Sincerely,

Employer Services

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Good afternoon,

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

We would like to remind you of the Overtime Limit report. The Overtime Limit tracks the Base Wages that have been reported Year-to-Date (YTD), Annualized Base Wages, Other Reported Wages, Overtime Wages (YTD) and Estimated Overtime Limit. The purpose of this report is to provide a summary of employee wages for purposes of tracking the earnable compensation limit for employees of a specified employer. This report should be used as a tool when trying to calculate an employee's overtime limit.

The overtime limit for Tier 1 employees is 20% of their annual base salary and for Tier 2 employees is 25% of their annual base salary. For example, if the annual base salary for a Tier 1 employee is \$50,000, their overtime limit is \$10,000. If the annual base salary for a Tier 2 employee is \$50,000, their overtime limit is \$12,500.

As a reminder, for agencies who have adopted Act 2019-132 (Tier 1 benefits for Tier 2 employees), the Tier 2 employees will follow the Tier 1 overtime limit.

March 29, 2021

Please let us know if we can be of any further assistance by calling 334.517.7005 or by emailing [Employer.Services@rsa-al.gov](mailto: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).

Recently ERS has come across several agencies who are using the enrollment end reason of Hired In Error on their employees enrollments when they realize they set them up wrong in the ESS Portal. If any wages and/or contributions have been submitted under this enrollment, then they will need to be zeroed out and reported under the correct enrollment before using the end reason of Hired in Error. You can make these changes through Prior Pay Period Adjustments on your contribution submission.

*Please note: Someone from Employer Services will reach out to your agency if you have any employees who are currently set up this way.*

If you have any questions, please feel free to contact Employer Services by calling 334.517.7005 or by emailing [Employer.Services@rsa-al.gov](mailto:Employer.Services@rsa-al.gov).

Sincerely,  
Employer Services

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

We would like to remind you of the Overtime Limit report. The Overtime Limit tracks the Base Wages that have been reported Year-to-Date (YTD), Annualized Base Wages, Other Reported Wages, Overtime Wages (YTD) and Estimated Overtime Limit. The purpose of this report is to provide a summary of employee wages for purposes of tracking the earnable compensation limit for employees of a specified employer. This report should be used as a tool when trying to calculate an employee's overtime limit.

The overtime limit for Tier 1 employees is 20% of their annual base salary and for Tier 2 employees is 25% of their annual base salary. For example, if the annual base salary for a Tier 1 employee is \$50,000, their overtime limit is \$10,000. If the annual base salary for a Tier 2 employee is \$50,000, their overtime limit is \$12,500.

As a reminder, for agencies who have adopted Act 2019-132 (Tier 1 benefits for Tier 2 employees), the Tier 2 employees will follow the Tier 1 overtime limit.

Please let us know if we can be of any further assistance by calling 334.517.7005 or by emailing [Employer.Services@rsa-al.gov](mailto:Employer.Services@rsa-al.gov).

Sincerely,  
Employer Services

April 19, 2021

Good afternoon,

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

For ERS Employers, ER0322 has been changed to ER0332 and the severity has been upgraded from Warning to Error. This error will only occur when an employer tries to enroll a RSA retiree in a full-time capacity. Most of the time retirees come back to work in a part-time capacity and should be enrolled as such. *For example: Jane is a retiree who has come back to work part-time. She is scheduled to work 32 hours per week, but the position requires 40 hours per week to be considered full-time. When the employer enrolls Jane, they would enroll her as working 32 scheduled hours out of 40 full-time hours per week.* It is important to also remember to use the position status of Seasonal/Irregular when enrolling RSA retirees.

It is critical that employers enroll RSA retirees correctly as this can result in the suspension of their monthly retirement benefit. If you have an employee who is a retiree that will be working in a full-time capacity, please contact the ERS for assistance in enrolling these employees. ERS representatives are available Monday through Friday 8 a.m. to 5 p.m. and can be reached at 334.517.7000 or [ERS.Info@rsa-al.gov](mailto:ERS.Info@rsa-al.gov).

If you have any questions or need assistance with the ESS Portal, please contact the Employer Services Division at 334.517.7005 or [Employer.Services@rsa-al.gov](mailto:Employer.Services@rsa-al.gov). The Employer Services Division is available Monday through Friday 8 a.m. to 5 p.m.

Sincerely,

Employer Services

May 25, 2021

Good morning,

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 2021-2022 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, 2021, until the 2021-2022 payroll schedule(s) are completed.

If you have any additional questions, please feel free to contact the Employer Services Division. Employer Services Representatives are available Monday through Friday 8:00 a.m-5:00 p.m. and can be reached at 334.517.7005 opt. 1 or [Employer.Services@rsa-al.gov](mailto:Employer.Services@rsa-al.gov).

Sincerely,  
Employer Services  
The Retirement Systems of Alabama

Good afternoon,

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

The ERS has recently done an audit to review the Full Time Units that are being reported 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 Units amount should equal the number of hours an employee would work in this position to be considered full time per week.
- 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 72-96 hours depending on your agency's requirements for full time status.
  - Monthly frequencies typically range from 140-200 hours depending on your agency's requirements for full time status.

***There is no immediate action being requested to correct past contribution records. We are asking you to be sure you are reporting the correct amount of hours for the Full Time Units on contributions.***

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

Sincerely,

Employer Services

June 16, 2021

Good morning,

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

If you have not already done so, the Retirement Systems of Alabama (RSA) would like to remind you that now is the time to begin setting up your 2021-2022 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, 2021, until the 2021-2022 payroll schedule(s) are completed.

If you have any additional questions, please feel free to contact the Employer Services Division. Employer Services Representatives are available Monday through Friday 8:00 a.m-5:00 p.m. and can be reached at 334.517.7005 opt. 1 or [Employer.Services@rsa-al.gov](mailto:Employer.Services@rsa-al.gov).

Sincerely,  
Employer Services  
The Retirement Systems of Alabama



Good morning,

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

As a reminder, effective October 1, 2012, Act 2012-302 restricts compensation for use in retirement calculations to 120% of the base salary for Tier 1 members and 125% of the base salary for Tier 2 members during each fiscal year. Employers who have adopted Act 2019-132 to allow Tier 1 benefits for Tier 2 employees, all employees will be subject to the 120% rule on base salary. It is the responsibility of the employing agency to restrict the submission of contributions on overtime wages once the overtime limit has been met. In the coming weeks, RSA intends to run a new program to automatically refund ineligible employee and employer overtime contributions through ESS for the 2019-2020 fiscal year. After the close of the current fiscal year, RSA intends to run the same program to automatically refund ineligible employee and employer overtime contributions through ESS. To determine the limit, the program will multiply the total amount of Regular/Base wages for each employee as reported by your agency during the fiscal year by either 20% or 25%. Your agency will receive one invoice which includes the refund data for all impacted employees in your agency.

**Regular Pay** is defined as base wages including straight/gap pay, call-back pay, paid leave (not taken as a lump sum), and other related pensionable compensation.

**Lump Sum/Longevity Pay** is defined as pensionable bonuses and other one-time payments as part of an Employers' Personnel Manual, or any time worked outside the member's normal contract.

**Overtime Pay** is defined as wages earned in accordance with the Fair Labor Standards Act. This will vary based on the job an employee holds.

If you have not been correctly reporting overtime payments and need assistance with this, please contact Employer Services at 334-517-7005 or [employer.services@rsa-al.gov](mailto:employer.services@rsa-al.gov). Employer Services Representatives are available Monday-Friday 8:00 a.m. to 5:00 p.m.

Sincerely,  
Employer Services

August 26, 2021

Good morning,

This email is being sent as a reminder that it is time to set up your payroll schedule(s) for the Fiscal Year 2022 in the ESS Portal. The Employer Services Division has tried to contact your agency to offer our assistance in setting these up. It is imperative that these are set up as soon as possible as the Employees' Retirement System (ERS) is unable to process any Retirement or Withdrawal Requests until these are complete.

If you need assistance with setting these up, please feel free to contact the Employer Services Division at 334.517.7005 option 1 or [Employer.Services@rsa-al.gov](mailto:Employer.Services@rsa-al.gov).

Thank you,  
Employer Services

September 15, 2021

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) 2022.

Helpful questions & answers regarding rate changes:

- When do I start to use FY 2022 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, 2021.
  - 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 2021-2022 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.
- Where can I find the FY 2022 ERS Employer Rates?
  - When the rates have been updated in the ESS Portal, you will navigate to the Services tab > Employer Information.
  - This information will be under the Current Rates heading with the effective date of 10/01/2021.

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](mailto:Employer.Services@rsa-al.gov).

Sincerely,  
Employer Services

September 21, 2021

Good morning,

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

Employer Services is aware that there are enrollments that are not being ended until the employee receives their final paycheck or until the employee's last contributions are submitted.

Employee enrollments need to be ended as soon as possible as it will delay an employee's ability to withdraw their member account, transition from one contribution group to another or be enrolled by a TRS employer. It will also affect an employee's eligibility for PEEHIP insurance if they are not enrolled by their TRS employer timely.

The ESS Portal allows users to enter an enrollment end date prior to the employee's last day of work. The system will also accept contributions on wages earned through the employee's end date.

If you have any questions, please feel free to contact Employer Services by calling 334.517.7005 or by emailing [Employer.Services@rsa-al.gov](mailto:Employer.Services@rsa-al.gov).

Sincerely,

Employer Services

September 28, 2021

Good afternoon,

This email is being sent to all Employer Self-Service (ESS) Portal contacts whose employer has chosen to adopt Act 2019-132 effective 10/1/2021 under the Employees' Retirement System (ERS) which allows Tier 2 employees to receive Tier 1 benefits.

As we are nearing the end of plan year 2020-2021, ERS is preparing for your agency's conversion for the Tier 2 as Tier 1 change. Your agency will be receiving several communications from ERS regarding steps that need to be taken to ensure a smooth transition. **Please make sure to review all of the communications in their entirety.**

This first communication is to inform you of when we will begin our data conversion for your agency. As part of this conversion process, we will request that agencies complete their plan year 2020-2021 payrolls as timely as possible.

When you have completed your 2020-2021 payroll(s), you will receive a second communication requesting you to stop submitting any enrollment or payroll changes. At this point, ERS will begin to process the data required for your Tier 2 as Tier 1 conversion which will include ending your enrollments in the Tier 2 plans and creating new enrollments in the Tier 2 as 1 plan. Your Tier 2 enrollments will be ended on the last pay period end date of the 2020-2021 plan year for the payroll the person is being reported under – the new Tier 2 as 1 enrollment will begin the next day. The current LOA status and work schedule information will be copied from the old enrollment to the new enrollment.

After ERS has completed the data conversion, you will receive a third communication notifying your agency that you may begin making enrollment changes and reporting plan year 2021-2022 payrolls as normal.

Lastly, a few items to keep in mind while preparing for the Tier 2 to Tier 1 changes:

1. You will NOT need to create any new enrollments for your existing Tier 2 employees or change any of the information you send in the enrollment file. As part of the data conversion RSA will create the necessary enrollments for the impacted employees.
2. If your agency submits either Enrollment or Contribution files, there will be NO CHANGES to the File Format.
3. Ensure that your agencies' payroll systems are properly set up to withhold the correct contributions for your Tier 2 employees (7.5% Regular, 8.5% FLC) starting in the plan year 2021-2022.

4. If your agency is also adopting Act 2011-676, increasing your existing Tier 1 employees to the 7.5%/8.5% contribution rates, please ensure that your payroll systems are set up to withhold correctly starting in the plan year 2021-2022.

If you have any questions or need any assistance, please feel free to contact the Employer Services Division at 334.517.7005 or by emailing [Employer.Services@rsa-al.gov](mailto:Employer.Services@rsa-al.gov).

Sincerely,

Employer Services

September 30, 2021

Good afternoon,

If you are receiving this email please disregard the previous email with the subject "Tier 2 to Tier 1 FY 2021 Completed Payroll" from [noreply@rsa-al.gov](mailto:noreply@rsa-al.gov) that you received regarding Tier 2 to Tier 1 changes.

If you have any questions or need any assistance, please feel free to contact the Employer Services Division at 334.517.7005 or by emailing [Employer.Services@rsa-al.gov](mailto:Employer.Services@rsa-al.gov).

Sincerely,

Employer Services

November 10, 2021

Good afternoon,

As a reminder, effective October 1, 2012, Act 2012-302 restricts compensation for use in retirement calculations to 120% of the base salary for Tier 1 members and 125% of the base salary for Tier 2 members during each fiscal year. This means, Tier 1 employees will contribute on 100% of their regular/base salary and can contribute up to 20% of the regular/base salary in overtime wages. Tier 2 employees will contribute on 100% of their regular/base salary and can contribute up to 25% of the regular/base salary in overtime wages. It is the responsibility of the employing agency to restrict the submission of contributions on overtime wages once the overtime limit has been met. For employers who have adopted Act 2019-132 to allow Tier 1 benefits for Tier 2 employees, all employees will be subject to the 120% rule on base salary.

After the close of the current fiscal year, RSA will run a program to automatically refund ineligible employee and employer overtime contributions through ESS. To determine the limit, the program will multiply the total amount of Regular/Base wages for each employee as reported by your agency during the fiscal year by either 20% or 25%. Your agency will receive one invoice which will include the refund data for all impacted employees in your agency.

**Regular Pay** is defined as base wages including straight/gap pay, call-back pay, paid leave (not taken as a lump sum), and other related pensionable compensation.

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If you have not been correctly reporting overtime payments and need assistance with this, please contact Employer Services at 334-517-7005 or [employer.services@rsa-al.gov](mailto:employer.services@rsa-al.gov). Employer Services Representatives are available Monday – Friday 8:00 a.m. to 5:00 p.m.

Sincerely,  
Employer Services



**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

Jo Moore, Deputy Director for Administration

R. Marc Green, Deputy Director for Investments

TO: ALL ERS AGENCIES  
FROM: WILLIAM F KELLEY JR  
ERS DIRECTOR

Date: NOVEMBER 10, 2021  
SUBJECT: POST RETIREMENT EMPLOYMENT

The limitation on retiree earnings is subject to change each year based upon the Consumer Price Index (CPI) and will be \$34,000 for calendar year 2022. Post Retirement Employment is tracked through the Employer Self-Services Module (ESS) and can be viewed by going to the *Services* Tab in ESS and selecting *Reports*, then *Post Retirement Employment Report*. If you find that you have retirees exceeding the 2022 earnings limitation of \$34,000, you should notify RSA in writing. You no longer need to complete the Employing Agency Initial Notice (RSA\_PREEAIN) or Employing Agency Annual Certification (RSA\_PREEAAC).

RSA retirees must complete and return the RSA Form PRE RN (Retiree Notice), providing all information requested no later than January 31, 2022, or within 30 days of accepting employment with an RSA participating agency. Please communicate with all retirees employed by your agency to ensure the completion and submission of the Retiree Notice Form. Notice of employment by the retiree is required to accomplish compliance. All forms are available on the RSA website [www.rsa-al.gov](http://www.rsa-al.gov).

As a reminder, per Code of Alabama §36-27-16, a retiring employee must withdraw from service to be eligible to receive a retirement benefit. This means that an employee must have at least a 30-day break in employment from the date of retirement before returning to post retirement employment with an RSA agency.

November 15, 2021

Good afternoon,

The below email is being sent to all Employer Self-Service (ESS) Portal Contacts under the Employees' Retirement System (ERS).

The ERS has noticed some employers have enrollments open for people who may no longer be employed due to the lack of wages and contribution reporting. Employer Services would like to remind everyone of the **Current Enrollment Summary** and **Current Enrollment Detail** reports, which can help employers identify open enrollments that may need to be ended. These reports are readily available in the ESS Portal for employers to generate and review their current open enrollments. These reports can be accessed under the Services tab and selecting Reports.

We would like to encourage all employers to review their open enrollments to ensure everyone is enrolled correctly and there are no open enrollments for employees who have terminated with your agency.

If you have any questions or need assistance with these reports, please feel free to contact the Employer Services Division at 334.517.7005, select option 1 for ERS Employers or [Employer.Services@rsa-al.gov](mailto:Employer.Services@rsa-al.gov).

Sincerely,  
Employer Services

December 10, 2021

Good morning,

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

Since 2020, Post Retirement Employment is tracked through the ESS Portal and can be viewed by your agency by going to the *Services* tab and selecting *Reports*, then *Post Retirement Employment Report*. Employers must enroll and report RSA retiree earnings, including any retiree of a County Commission receiving what the employer classifies as an appointed "Supernumerary" benefit, in the ESS Portal. Retiree earnings must be reported as Regular Pay on your contribution submission. Please refer to the below table on how to enroll an RSA retiree.

	<b>TRS Retiree Part-Time</b>	<b>TRS Retiree Full-Time (Retirement Benefit will be suspended)</b>	<b>ERS Retiree Part-Time</b>	<b>ERS Retiree Full-Time (Retirement Benefit will be suspended)</b>	<b>ERS Retiree Appointed Supernumerary Full-Time (Retirement Benefit will be suspended)</b>
<b>Contribution Group</b>	Non-Participating	Contributing	Non-Participating	Non-Participating	Non-Participating
<b>Position Status</b>	Seasonal/Irregular	Regular	Seasonal/Irregular	Regular	Ineligible to Contribute
<b>Scheduled Units</b>	Must reflect part-time	Must reflect full-time	Must reflect part-time	Must reflect full-time	Must reflect full-time

If you find that you have retirees who have exceeded the earnings limitation, whose retirement benefits are not already suspended, you should notify the RSA in writing. You no longer need to complete the Employing Agency Initial Notice (RSA\_PREEAIN) or Employing Agency Annual Certification (RSA\_PREEAAC). The limit on retiree earnings is subject to change each year based upon the Consumer Price Index (CPI). The limitation for the 2022 calendar year will be \$34,000.

Every RSA retiree must complete and return as RSA\_PRERN (Retiree Notice), providing all information requested no later than February 28, 2022. Please communicate with the retirees employed by your agency to ensure the completion and submission of the Retiree Notice. 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 at [www.rsa-al.gov](http://www.rsa-al.gov).

If you have any questions regarding the forms mentioned above, please contact the ERS at 334.517.7000 or [ERS.Info@rsa-al.gov](mailto:ERS.Info@rsa-al.gov). ERS Counselors are available Monday – Friday, 8:00 a.m. – 5:00 p.m.

If you have any questions or need assistance with reporting retirees, please contact Employer Services at 334.517.7005, option 1, or [Employer.Services@rsa-al.gov](mailto:Employer.Services@rsa-al.gov). Employer Services Representatives are available Monday – Friday, 8:00 a.m. – 5:00 p.m.

Sincerely,

Employer Services