



STATE OF ALABAMA
Department of Finance
Office of the State Comptroller

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Robert Bentley
Governor

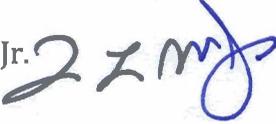
Marquita F. Davis, Ph.D.
Director of Finance

Thomas L. White, Jr., CPA
State Comptroller

Janice A. Hamm, CPA
Deputy State Comptroller

MEMORANDUM

TO: All Payroll and Personnel Clerks

FROM: Thomas L. White, Jr. 
State Comptroller

DATE: January 2, 2013

RE: New Defined Benefit Retirement Plan – TIER II

Act 2012-377, relating to retirement benefits for state employees, created a new defined benefit retirement plan (TIER II) for employees who first become a member of the Retirement System of Alabama (RSA) on or after January 1, 2013. According to this act, TIER II members hired on or after this date with no previous creditable retirement service will contribute a percentage of their salary into the plan and will be required to meet a minimum age and service requirement in order to retire under the new plan. The act also allows a portion of overtime payments for TIER II members to be included in earnable compensation, not to exceed 125 percent of any member's annual base compensation.

GHRIS created new retirement deduction and overtime retirement deduction codes for the new TIER II members (see attachment). **The new retirement codes should be entered on the PENS screen in GHRIS for all TIER II members.** The overtime retirement deduction codes entered on the MISC screen will continue to be handled by GHRIS staff for all current TIER I and new TIER II members. *Please do not enter overtime retirement deduction codes in GHRIS for any members.*

Ensure the correct retirement codes are entered for each member. Members entered with incorrect codes will over/under contribute to retirement and require further corrective action by your agency. To determine if a member hired on or after January 1, 2013, has previous creditable retirement service, visit the RSA website at <https://cra.rsa-al.gov> for verification. You will enter the nine digit SSN for your employee and based on current RSA records, the employee's name and TIER status will be provided. You will be able to print the page for your records, but if you should have other information that would lead you to believe that RSA records are incorrect, please contact RSA to discuss before initiating the first payroll deduction for the member.

All Payroll and Personnel Clerks

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January 3, 2013

The user name and password to the site is:

User Name: CRA-Upload

Password: R\$@upL0@d (that is the number "0")

Thank you for your attention to this matter. If you have any questions regarding the new retirement codes, please call the GHRs hotline at 334-242-2188. If you have questions regarding the TIER II Defined Benefit Plan or the employee verification process, please call RSA at 334-517-700 or 1-877-517-0020.

TLWjr/SHC/dt

Attachment

CC: Ms. Janice A. Hamm, Deputy State Comptroller
File

CURRENT TIER 1 RETIREMENT DEDUCTION CODES EMPLOYEE		2013 TIER 2 RETIREMENT DEDUCTION CODES EMPLOYEE	
CURRENT TIER 1 DEDUCTION TYPE	CURRENT TIER 1 DEDUCTION PLAN	CURRENT TIER 2 DEDUCTION TYPE	CURRENT TIER 2 DEDUCTION PLAN
REMPE	RCORE	R2EPE	R2COE
REMPE	RFIRE	R2EPE	R2FRE
REMPE	RINVE	R2EPE	R2IVE
REMPE	RJUDE	R2EPE	R2JDE
REMPE	RLENE	R2EPE	R2LNE
REMPE	RREGE	R2EPE	R2RGE
REMPE	RTEAE	R2EPE	R2TAE
RCARE	RCARE	R2CRE	R2CRE
RJUDE	RJUDE	R2JDE	R2JDE
RSETE	RSETE	R2STE	R2STE
RSE1E	RSE1E	R2S1E	R2S1E
RSE2E	RSE2E	R2S2E	R2S2E

CURRENT TIER 1 RETIREMENT DEDUCTION CODES EMPLOYER		2013 TIER 2 RETIREMENT DEDUCTION CODES EMPLOYER	
CURRENT TIER 1 DEDUCTION TYPE	CURRENT TIER 1 DEDUCTION PLAN	CURRENT TIER 2 DEDUCTION TYPE	CURRENT TIER 2 DEDUCTION PLAN
REMPR	RJUDR	R2EPR	R2JDR
REMPR	RLENR	R2EPR	R2LNR
REMPR	RREGR	R2EPR	R2RGR
RJUDR	RJUDR	R2JDR	R2JDR
RSETR	RSETR	R2STR	R2STR
RSE1R	RSE1R	R2S1R	R2S1R
RSE2R	RSE2R	R2S2R	R2S2R
RTEAR	RTEAR	R2TAR	R2TAR

INFORMATIONAL ONLY			
OTIME RETIREMENT CODES TO BE ENTERED BY GHR'S ONLY			
CURRENT TIER 1 OTIME/RETIREMENT DEDUCTION CODES EMPLOYEE		2013 TIER 2 OTIME/RETIREMENT DEDUCTION CODES EMPLOYEE	
CURRENT TIER 1 DEDUCTION TYPE	CURRENT TIER 1 DEDUCTION PLAN	CURRENT TIER 2 DEDUCTION TYPE	CURRENT TIER 2 DEDUCTION PLAN
REMOT	RCORE	R2MOT	R2COE
REMOT	RFIRE	R2MOT	R2FRE
REMOT	RINVE	R2MOT	R2IVE
REMOT	RJUDE	R2MOT	R2JDE
REMOT	RLENE	R2MOT	R2LNE
REMOT	RREGE	R2MOT	R2RGE
REMOT	RTEAE	R2MOT	R2TAE
RCOTE	RCARE	R2OCE	R2CRE
RJOTE	RJUDE	R2OJE	R2JDE
RSOTE	RSETE	R2OSE	R2STE
R1OTE	RSE1E	R2O1E	R2S1E
R2OTE	RSE2E	R2O2E	R2S2E

INFORMATIONAL ONLY			
OTIME RETIREMENT CODES TO BE ENTERED BY GHR'S ONLY			
CURRENT TIER 1 OTIME/RETIREMENT DEDUCTION CODES EMPLOYER		2013 TIER 2 OTIME/RETIREMENT DEDUCTION CODES EMPLOYER	
CURRENT TIER 1 DEDUCTION TYPE	CURRENT TIER 1 DEDUCTION PLAN	CURRENT TIER 2 DEDUCTION TYPE	CURRENT TIER 2 DEDUCTION PLAN
REOTR	RJUDR	R2OER	R2JDR
REOTR	RLENR	R2OER	R2LNR
REOTR	RREGR	R2OER	R2RGR
RJOTR	RJUDR	R2OJR	R2JDR
RSOTR	RSETR	R2OSR	R2STR
R1OTR	RSE1R	R2O1R	R2S1R
R2OTR	RSE2R	R2O2R	R2S2R
RTOTR	RTEAR	R2TER	R2TAR