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## GSEPS Legislative Changes

HB 764 (Act 663) was recently signed by the Governor and includes significant changes for some of the GSEPS population. GSEPS members becoming eligible for membership on or after July 1, 2014 will have an initial contribution rate of 5% of their salary (rather than 1%) to the 401(k) plan, unless they opt out or otherwise elect to change their contribution rate through [GaBreeze](#). The automatic enrollment change from 1% to 5% allows members to take advantage of the full employer match offered by the state.

More information and updated communication materials will be released on the ERSGA website for download in June. Materials and information will include:

- GSEPS Automatic Enrollment Acknowledgement form for new hires to sign, acknowledging that they have been informed about the 5% automatic enrollment. This signed form will remain onsite with local HR as part of the employee's personnel file and should not be returned to ERS.
  - HR will also be required to populate a new PeopleSoft field verifying receipt of the employee signed GSEPS Automatic Enrollment Acknowledgement form.
- Updated GSEPS plan brochures.
- Updated GSEPS 401(k) Enrollment Notice.

An email will be sent to all HR and Payroll contacts once materials are posted and available for download on the ERSGA website and will include more information about the new PeopleSoft field.

## Change in Retiree Direct Deposit Payments

Beginning June 2014, a retiree's first pension payment will now be direct deposited to their bank account! Previously, the first payment was sent by check and all subsequent payments by direct deposit. Retirees no longer have to worry about waiting for their first retirement check via snail mail. Now, they can enjoy retirement, knowing their pension payment will make its way to their account on the last business day of each month.

When you meet with retiring members, please let them know that all monthly payments are now made by direct deposit. If they have elected a Partial Lump Sum Option (PLOP), they will still receive a check for their requested PLOP.



## Address Changes for Active Members

In the event an active member needs to update their address, employers must submit such changes to ERSGA electronically with the monthly detail file. Changes cannot be sent via email, fax, or snail mail, or called into ERSGA.

Corrections must be transmitted in one of two ways:

### FTP Employers:

Corrections should be transmitted in the monthly employee detail. Enter the appropriate employee address data into the employer's payroll software system prior to creation of the monthly detail file. The transmitted changes will automatically update the employee's pension account.

### Manual Employers:

Corrections can be entered online via Monthly Detail. Enter the appropriate employee address data in the required fields on the employee's Demographics Tab from Employer Desktop > Maintain Monthly Detail Data Module, and save. The transmitted changes will automatically update the employee's pension account. **Important:** Changes will not update if the transmitted employee name or date of birth does not match the pension account name and date of birth on file with ERSGA. In addition, changes will not update if both P.O. Box and street address are transmitted for an employee, as in the example below. Please only use the street address OR the P.O. Box.

Joe Doe  
P.O. Box 1234  
1996 Northside Drive  
Atlanta, Georgia 30318

Employers should contact their ERSGA employer reporting representative with questions or to confirm address changes. Let your employees know the importance of keeping their demographic information up to date, so the information can be shared with ERSGA.

# Rehired Retiree Indicator in PeopleSoft

Retirement plan statutes for ERS, JRS, and LRS limit rehired retirees to no more than 1,040 hours worked within a calendar year and require employers to notify the retirement system when a retiree has been hired and has reached the limit.

Identifying a new employee as a state retiree has been a challenge for employers. Because of this, a number of retirees go unreported to the retirement system each year. To resolve this issue, the State Accounting Office (SAO), in cooperation with Department of Administrative Services (DOAS) and ERSGA, has added a retiree indicator for statewide and Technical School employers using PeopleSoft. The retiree indicator is a checkbox labeled "Retiree", located on the Job Data panel.

Work Location			
<b>Effective Date:</b>	06/01/2008	<input checked="" type="checkbox"/> Retiree	
<b>Effective Sequence:</b>	0	<b>Action:</b>	Termination
<b>HR Status:</b>	Inactive	<b>Reason:</b>	Retirement
<b>Payroll Status:</b>	Terminated	<b>Job Indicator:</b>	Primary Job

Upon identifying a new employee as a retiree, employers must:

- Submit a completed Rehired Retiree Form to ERSGA within 30 days of hire
- Use the Rehired Retiree module on the ERSGA Employer Desktop to report/approve rehired retiree hours worked
- Ensure the employee is not enrolled in GDCP

For more information about your responsibilities, please refer to the Re-Employment section of the Employer Manual. Employer Manuals for all plans are available on the [Employer page](#) of the ERSGA website.

## Online Forfeited Leave Update

The one year anniversary of the Online Forfeited Leave Module on the Employer Desktop is next month! We have received excellent feedback from our employers on how the module can be improved, and several suggestions have been implemented. One such change was to provide statewide employers with access to view preliminary leave data for employees who have retired. Another was to add the employer name on invoices for employers with centralized HR and Payroll to make reviewing and processing leave payments more efficient.

As a reminder, employers have the option to pay for final forfeited leave service by using direct debit (ERSGAACH), SAO ACH, ARIS (Treasury), or by check. Please continue to monitor your emails for our notifications and make prompt payment for your employees. The invoice cycle ends on the 16th of each month. The employer contribution for forfeited leave payments is part of the Annual Required Contribution (ARC).

### Pre June 2013 Invoices

The new online process does not incorporate unpaid forfeited leave costs prior to June 2013. We appreciate your assistance as our Member Services staff works to ensure that all past forfeited leave service is properly certified and paid. If your agency has retired employees in the past and forfeited leave has not been certified and/or paid, please make it a priority to contact us for resolution.

## For Your Information

### PSERS Reminder

Your last reporting month for this fiscal year is May 2014. Please ensure that PSERS deductions are not made for June, July, and August. If deductions are made in error, they should not be reported and members should be refunded immediately.

# Pension Plan New Hire Tips

Reporting an employee incorrectly or failing to enroll an employee can be costly for the employer and the plan. For employees eligible for the GSEPS 401(k) plan, an employer can be responsible for 50% of the retroactive employee contributions in the event the employer fails to enroll in a timely manner. These brief enrollment and eligibility tips are provided as a reminder and quick reference for employer plan enrollment responsibilities:

- Verify plan eligibility - Use the Plan Eligibility Module on the Employer Desktop or contact your assigned employer reporting representative. It is very important that your employee is enrolled in the plan for which he/she is eligible.
- Enroll the employee in the GSEPS 401(k) Plan, if applicable.
- Report correct hire date - The date the employee was hired or became eligible for the plan. Employees transitioning from part-time to full-time (GDGP to ERS) must be reported with a new hire date as of the plan change. Employees transferring from one employer to another should be reported with the hire or transfer date of the last employer.

All employees should be enrolled in a pension plan unless they qualify for an exemption for the following:

1. Employee is a rehired retiree
2. Employee is age 60 at time of hire under ERS (although exempt from ERS, should be enrolled in GDGP)\*
3. Employee has service in excess of 34 years under ERS, (these members are reported to ERS with salary and employer contributions)
4. Employee meets the student exemption under GDGP
5. Employee is a substitute working less than 60% time under PSERS or
6. Other exemption, such as certain foreign work permits not requiring Social Security participation, etc.

\* Please contact ERS before enrolling an age 60 employee in GDGP.

## Refunds Available Online

Terminated members of ERS, PSERS, and GDGP who are not entitled to a vested pension benefit, can request their refund online! Currently, more than half of all GDGP refunds are initiated online. This was added for ERS and PSERS members in the fall of 2013, and many of these terminating employees are already using the online functionality.

Members can only use the online process once their account status has been updated to Inactive. We update this as soon as we receive the termination date from your agency, either with the monthly contributions file, or through Ad Hoc Termination Reporting on your Employer Desktop. For the new process to function smoothly, it is important that termination dates be entered in your payroll system or on your Employer Desktop as soon as the employee terminates employment.

Using the online tool for refunds benefits members, employers, and the retirement system. When your employees use the online process, you won't have to complete the Employer Certification on the Refund Application or mail the Application to us. Also, members with more than \$200 of taxable interest will be able to make a Rollover Election at the time they apply online for their refund, rather than filling in separate paperwork and delaying receipt of their refund.

When you're meeting with a terminating employee or providing information, please advise that it will take approximately two to six weeks for their account to be updated to an Inactive status, at which time they can go online at [www.ers.ga.gov](http://www.ers.ga.gov) to request a refund. Please encourage your separating employees who are not eligible for a monthly pension to take advantage of this online process if the employee wishes to receive a refund.



# Employer Reporting – Back to Basics

Employee detail records uploaded each month are systematically assessed using a data validation process. This process checks for approximately 200 specific data conditions, validating that salary and demographic data posted to a member's account are accurate and in accordance with plan requirements. Records that fail the validation process are flagged and reviewed by ERSGA Employer Reporting representatives. Forty percent of the records flagged are due to the three specific data conditions below:

## Full-time Equivalent Salary (FTE Salary)

Unless an action has caused a significant increase or decrease, the salary reported each month should be consistent. Actions resulting in significant changes must be reported with appropriate reasons, e.g., promotion or demotion. Actions which include retroactive compensation adjustments must be corrected prior to reporting on the 1st of each month. For example, you have included \$500 earned in March 2014 with the compensation for April 2014. As part of the employer reporting process, you are required to re-distribute the salary from the month it was paid (April 2014) to the month it was earned (March 2014).

## Hire Date

New hires must be reported with the latest hire date and rehires must also have a rehire date (not the original hire date) for all Plans. For example, employees who transfer from one county DFACS to another county DFACS must be reported with the latest hire date. Each employer is unique and any employment with a new employer must be reported with the latest hire/start date with that employer.

## Termination Date

Zero records reported for members who have terminated more than 30 days prior should not be reported. Please contact your payroll vendor to ensure your file does not include zero records for members who have terminated more than 30 days prior to the current report month.

ERSGA would like to collaborate with you to minimize the number of errors your data generates. If you have had issues with any of the above, please contact your payroll vendor for a solution to correct your reported data.

# New Employer Rates Announced

At the Annual Meeting of the Board of Trustees, held on April 17, 2014, the Fiscal Year 2016 employer rates were approved. Both the FY 2015 and 2016 rates have been published on [www.ers.ga.gov](http://www.ers.ga.gov) under [Employer Forms and Information](#).

One of the critical factors in assessing the health of a retirement plan is the consistency of employers making the Annual Required Contributions (ARC). The State of Georgia has an excellent record of making employer contributions each year. We appreciate your timely reporting and payments each month.

*Click image for FY 2015/2016 rates*

ERS Employer Plan Contribution Rate by Contribution Group			
Contribution Code	Contribution Group Description	FY 2015 ERS CON %	FY 2016 ERS CON %
0000	NEW PLAN	22.00	22.00
0001	New Plan General Fund Salary	22.00	22.00
0002	New Plan General Fund Salary	22.00	22.00
0003	New Plan General Fund Salary	22.00	22.00
0004	New Plan General Fund Salary	22.00	22.00
0005	New Plan General Fund Salary	22.00	22.00
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0050	New Plan General Fund Salary	22.00	22.00
0051	New Plan General Fund Salary	22.00	22.00
0052	New Plan General Fund Salary	22.00	22.00
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0054	New Plan General Fund Salary	22.00	22.00
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0087	New Plan General Fund Salary	22.00	22.00
0088	New Plan General Fund Salary	22.00	22.00
0089	New Plan General Fund Salary	22.00	22.00
0090	New Plan General Fund Salary	22.00	22.00
0091	New Plan General Fund Salary	22.00	22.00
0092	New Plan General Fund Salary	22.00	22.00
0093	New Plan General Fund Salary	22.00	22.00
0094	New Plan General Fund Salary	22.00	22.00
0095	New Plan General Fund Salary	22.00	22.00
0096	New Plan General Fund Salary	22.00	22.00
0097	New Plan General Fund Salary	22.00	22.00
0098	New Plan General Fund Salary	22.00	22.00
0099	New Plan General Fund Salary	22.00	22.00
0100	New Plan General Fund Salary	22.00	22.00

## Are your employees taking advantage of ERSGA's Online Tools?

Please encourage employees to visit [www.ers.ga.gov](http://www.ers.ga.gov) and click on the [account access](#) button to register or log in to their account.

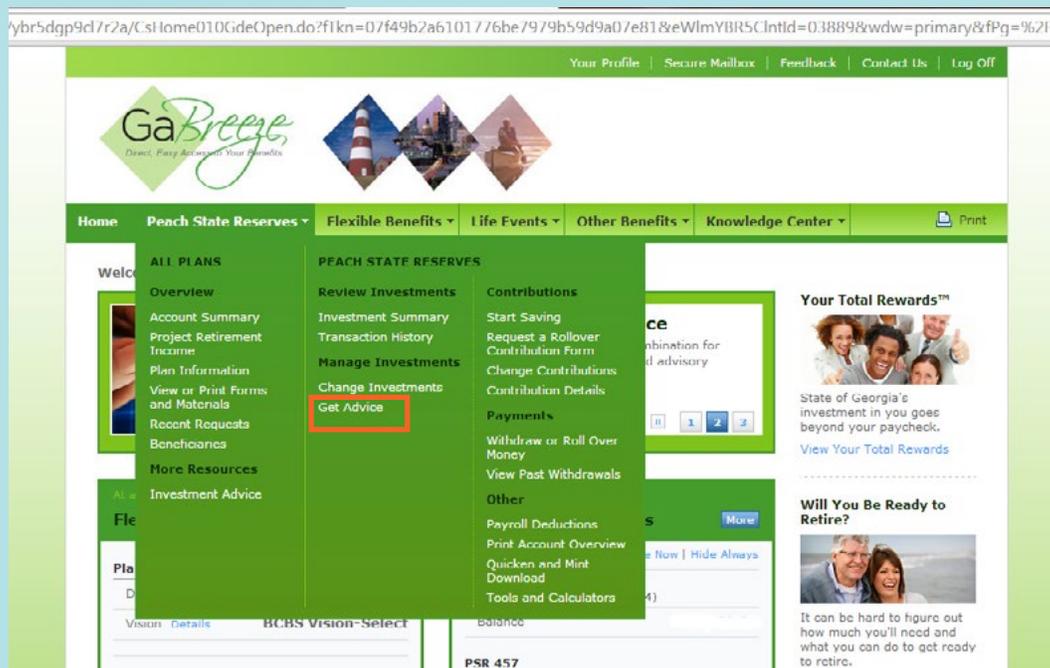
As a registered member they can:

- Access benefit statements
- Generate an estimate of future pension benefits
- Access member newsletters
- Receive important ERSGA communications in their email inbox

## Help Employees Take Advantage of Financial Engines and GaBreeze Tools

Did you know that there is a tool on the [GaBreeze website](#) that helps employees determine how their Peach State Reserves account can be used to help meet retirement goals? Employees can enter their estimated monthly pension amount, along with any other savings and investment account information to run calculations. This tool suggests recommended changes to the employee's Peach State Reserves account to help better meet retirement goals. Retirement goals and assumptions in the tool can also be modified to meet individual needs.

The tool is available at no charge to all Peach State Reserves participants. To access the tool, employees need to log in to their GaBreeze account and select the *Peach State Reserves* tab, then click *Get Advice* under *Manage Investments*. If employees have trouble using the tool, they can contact 1-877-342-7339 for assistance.



## MetLife Financial Education Seminars

In cooperation with the Department of Administrative Services, ERSGA will host Financial Education seminars beginning this summer. The seminars will be presented by MetLife and cover a range of topics, such as budgeting, financial planning, investment basics, wills, trusts and estate planning, social security, and ERS and GSEPS 401(k) plan benefits. More information will be provided soon.

## Call, Click, or Come In!

ERSGA provides multiple resources to assist state employees with retirement questions. Employees may call our Customer Care Group, attend a Workshop for Retirement Application Processing (WRAP) Seminar, or view the WRAP Seminar online. Additionally, employees may visit our website at [www.ers.ga.gov](http://www.ers.ga.gov) to view plan guides/handbooks and to register online to access their individual account information, member statements, and generate estimates. If employees have additional questions after using these resources, they may visit our office in Atlanta.

### Answers by Phone

Our Customer Care Group representatives are trained to answer retirement benefit and pension plan questions over the phone. Our local number is 404-350-6300; our toll-free number is 1-800-805-4609. Representatives are available Monday through Friday from 8:00 am to 4:30 pm.

### WRAP

The ERS Workshop for Retirement Application Processing (WRAP) seminar provides an overview of retirement benefits with representatives from the ERS Pension Plan, the State Health Benefit Plan, and the Peach State Reserves 457 and 401(k) Plans. This event is intended for members who will retire within 90 days. WRAP is held at the Atlanta ERSGA office. Doors open at 8:30 a.m., and sessions begin promptly at 9:00 a.m. All ERS retirement forms are provided. Employees should visit our website prior to the day of attendance for any announcements or schedule changes.

WRAP is also available to view online! Visit our website to access the [WRAP presentation](#). Generally, after attending or watching a WRAP seminar, most employees are prepared to submit their Retirement Applications without further questions.

### Visiting our Offices

If there is a need to see an ERSGA representative in person, employees are strongly encouraged to schedule an appointment before visiting ERSGA. Visitor hours are Monday through Friday, 9:00 a.m. to 4:00 p.m. Please remind employees that visitors without an appointment will be accommodated based on availability, and an unscheduled office visit will not result in expedited processing of requests.

### Communications from ERSGA

Please be aware that occasionally ERSGA will send emails directly to employers, members, and retirees. These communications provide important and time-sensitive information.

These emails may contain links to our website or GaBreeze. Some members may be apprehensive about clicking the links due to concerns about phishing or other internet scams. Emails coming from ERSGA will always have *Employees Retirement System of Georgia* <[info@ers.ga.gov](mailto:info@ers.ga.gov)> or *Peach State Reserves* <[gabreeze.ga.gov](http://gabreeze.ga.gov)> in the 'from' field. The emails will also contain the ERSGA, GABreeze, or PSR logo.

If you or an employee are concerned about any email from ERSGA, please contact Jamie Jones at ERSGA ([jamie.jones@ers.ga.gov](mailto:jamie.jones@ers.ga.gov)) to verify authenticity. If you or an employee are not comfortable with clicking links in an email, you may type the address directly into your web browser.

### For Your Information

The 2014 Legislative Session has come to a close. Legislative Updates and information about the General Assembly can be found on our [Legislative Page](#). Updates are posted on a weekly basis during Legislative Session.

Be sure to check out [2014 Enacted Legislation](#) to see what was recently enacted into law.