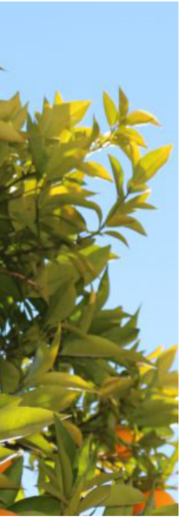
ACERA

ALAMEDA COUNTY EMPLOYEES
RETIREMENT ASSOCIATION



Participating Employers Handbook

Participating Employers Handbook

ACERA
ALAMEDA COUNTY EMPLOYEES RETIREMENT ASSOCIATION

475 14TH STREET, SUITE 1000, OAKLAND, CA 94612

About the ACERA Participating Employer Handbook

As an Alameda County Employees' Retirement Association (ACERA) Participating Employer, it is important to understand your organization's role in managing and administering retirement, death, survivor and disability benefits for your eligible employees. The handbook includes information on:

- The ACERA organization
- Description of the ACERA benefit plans
- The responsibilities and the procedures to be followed by ACERA Participating Employers
- The tools and resources available to help fulfill your responsibilities as a Participating Employer. ACERA staff has made every effort to ensure this handbook is complete and up to date. With that said, you can expect changes to ACERA regulations and procedures from time to time. We recommended that you become familiar with this handbook. Please check here first when you have questions, but do not hesitate to contact ACERA at (510) 628-3000 with your inquiries.

Calendar of Events

Month	Key Events
JANUARY	Annual notices to employers due to ACERA Annual request for actuarial data Annual letter regarding reimbursement to Departments for active members who are elected to the ACERA Board of Retirement Swearing in of new members of the Board of Retirement
FEBRUARY	Posting interest to reserves and members' accounts
MARCH	Respond to Audit Confirmation Letters
APRIL	Annual letter to request authorization of employer contributions to the employer's Internal Revenue Code 401(h) account
MAY	In-service distribution notifications to employers
JUNE	Employer must complete by June 30th: The authorization to fund the employer's Internal Revenue Code 401(h) account, and Forward a copy of the corresponding resolution passed by the employer's governing body to ACERA, if applicable
JULY	Employers make 401(h) contributions beginning the first pay period in July Distribution of ACERA's Comprehensive Annual Financial Report (CAFR) and Popular Annual Financial Report (PAFR) Notification of new employer and member contribution rates
AUGUST	Posting interest to reserves and member's accounts Notification of Board of Retirement Election, when applicable
SEPTEMBER	New employer and member contribution rates effective for the last pay date in September Participating Employers Meeting
NOVEMBER	In-service distribution notification to employers Distribution of ballots within departments for ACERA Board of Retirement election, during the year an election is held
DECEMBER	Annual notification of compensation limits to employers Election results ACERA calendar year-end (December 31)

Table *of* Contents

ACERA's Mission Statement

The ACERA organization's mission is to provide ACERA members and employers with flexible, cost-effective, participant-oriented benefits through prudent investment management and superior member services.

Section 1: About ACERA

The purpose of Section I is to provide an overview of ACERA and how a defined benefit retirement plan—like the ACERA plan—works.

What is ACERA?

The Alameda County Employees' Retirement Association (ACERA) is governed by State and Federal laws including but not limited to the provisions of the County Employees Retirement Law of 1937 (CERL), found in sections 31450–31898 of the California Government Code. The Alameda County Board of Supervisors established ACERA in 1948 to provide retirement, survivor, disability, and death benefits to Alameda County and member district employees.

The ACERA retirement plan provides lifetime benefits to employees working in ACERA-covered positions (ACERA members) that meet the minimum age and length-of-service requirements or are eligible for disability retirement. The plan is a significant and fundamental part of the comprehensive benefits package that participating employers offer to eligible employees.

What We Do

The ACERA organization works to provide ACERA-covered employees (members) and participating employers with cost-effective benefits, to prudently manage investment of ACERA plan funds, and to provide superior service to our members.

We are committed to carrying out our mission through a competent, professional, impartial and open decision-making process. Investments are managed to balance the need for security with superior performance. Our personnel treats all people fairly, with courtesy and respect in providing ACERA benefits and services. We strive for excellence in all our activities.

The ACERA Board of Retirement

The ACERA Board of Retirement (Board) administers the pension plan in accordance with State and Federal laws including but not limited to the CERL. The Board is responsible for protecting plan assets and the interests of its beneficiaries and for prudently managing the critical risks facing ACERA. **The Board's other responsibilities include:**

- Establishing the policies that govern the administration of ACERA's retirement plan;
- Setting investment strategies;
- Selecting actuaries and auditors;
- Selecting investment advisors and managers to invest the ACERA fund's assets in stocks, bonds, real estate, and other high grade income-producing investments; and conducting reviews to ensure the trust's security and earnings;
- Providing and reviewing processes for disability retirements; and
- Selecting a Chief Executive Officer who, under the Board's direction, is charged with operating the plan, implementing board policy and maintaining a competent staff to handle day-to-day operations

The Board has nine members and two alternate members; it operates under authority granted by CERL and Article XVI of the Constitution of the State of California. The table below shows the composition of the Board. All Board members, with the exception of the County Treasurer, serve three-year terms.

ACERA BOARD OF RETIREMENT

TYPE OF MEMBER	ELECTED/APPOINTED BY	NUMBER OF MEMBERS
County Treasurer	By virtue of position	1
County Resident	Appointed by County Board of Supervisors	4
Active General Member of ACERA	Elected by active General members	2
Active Safety Member of ACERA	Elected by active Safety members	1
Retired Member of ACERA	Elected by retired members	1
Alternate Safety Member of ACERA	Elected by active Safety members	1
Alternate Retired Member of ACERA	Elected by retired members	1

Regular monthly board meetings are held every third Thursday. In addition, the Board may meet in special sessions as circumstances warrant. The Board also has standing committees that meet once a month. Meetings are typically held in the ACERA C.G. "Bud" Quist Board Room at 475 14th Street, Suite 1000, Oakland, CA 94612.

How ACERA Benefits Work

ACERA is a "defined benefit pension plan" qualified under Section 401(a) of the Internal Revenue Code. Under a defined benefit plan, employees working in ACERA-covered positions receive a lifetime benefit at retirement, calculated by a set formula. The plan's formula includes, but is not limited to, the employee's age, years of service, member type and salary. Refer to page XX of this handbook for more discussion of the ACERA plan benefit formula.

ACERA also provides disability benefits for employees working in ACERA-covered positions who become permanently incapacitated while working for a participating employer and whose disability prevents them from performing their usual and customary job duties.

Plan Funding

The funding objective of the pension plan is to establish employee and participating employer contribution rates, which are relatively stable as a percentage of payroll, unless plan benefit provisions are changed.

Statutory pension benefits are funded through three sources: employee contributions, employer contributions, and the earnings on invested assets held by the plan. Earnings on investments provide approximately 75% of the funding for retirement benefits, and the remaining 25% of funds are provided through employee and employer contributions.

Investment Earnings

The ACERA Board is responsible for the prudent investment and diversification of ACERA's assets to minimize the risk of loss and to maximize the rate of return on investments. To achieve ACERA's investment return and diversification objective, the Board invests ACERA's assets in a broad range of asset classes under the advice of professional investment consultants in collaboration with staff and with the investment services provided by external investment managers.

The Board establishes ACERA's General Investment Guidelines, Policies, and Procedures (Investment Policy) to prudently administer the assets invested and to effectively mitigate risk. The Board conducts periodic reviews of ACERA's investments to ensure that assets are invested in compliance with the Investment Policy. The Board also closely monitors its investment managers to ensure that they are complying with its policies and meeting ACERA's long-term investment return objectives.

SRBR Funding

In addition to the pension plan benefit, ACERA manages a range of non-vested benefits for members provided through the Supplemental Retiree Benefit Reserve. The SRBR is a fund administered by the Board to pay additional "non-vested" benefits, such as medical plan contributions for retired members (Monthly Medical Allowance) and supplemental cost of living adjustments (COLAs) to retired members and their beneficiaries. Because the benefits funded by the SRBR are not vested, they may be modified or eliminated at the Board's discretion.

ACERA's funding for the SRBR stems from regularly credited interest credited based on an actuarial assumption rate, and 50% of any interest earnings that are above the investment assumption rate, as noted under "Semi-Annual Interest Crediting" on the next page.

ACERA's Board of Retirement has no authority to demand future funding from Participating Employers to fund the SRBR. These non-vested benefits may continue to be provided at the Board's discretion as long as assets are available. If SRBR reserves are depleted, no additional money will be available to pay these non-vested benefits.

Postemployment Medical Benefits (OPEB)

To help retired members with the cost of medical benefits in retirement, ACERA provides the following postemployment medical benefits:

- Monthly Medical Allowance (MMA)
- Medicare Part B premium reimbursements
- Dental and vision plan contributions

Refer to the ACERA website for details on the MMA, the Medicare Part B premium reimbursement program, and the dental and vision plans.

In accordance with federal tax law (Internal Revenue Code 401(h)), postemployment medical benefits are paid through a 401(h) account, funded in part through Participating Employer contributions. Refer to Section 5 of this handbook for more information regarding Participating Employer 401(h) contributions in support of postemployment medical benefits.

Non-OPEB Benefits

ACERA also provides non-medical postemployment benefits, including a supplemental COLA.

Refer to the ACERA website for details on the non-OPEB benefits offered to retired members.

Implicit Rate Subsidy—Applicable to Alameda County Only

The "implicit rate subsidy" is the amount of cost to a Participating Employer that is caused by the presence of retired employees in the medical insurance plans maintained for active employees (i.e., non-Medicare-eligible employees). As required under the Governmental Accounting Standards Board (GASB 45), this amount is included in the Employer's calculation of its OPEB liability and reported in its annual financial statements.

Semi-Annual Interest Crediting

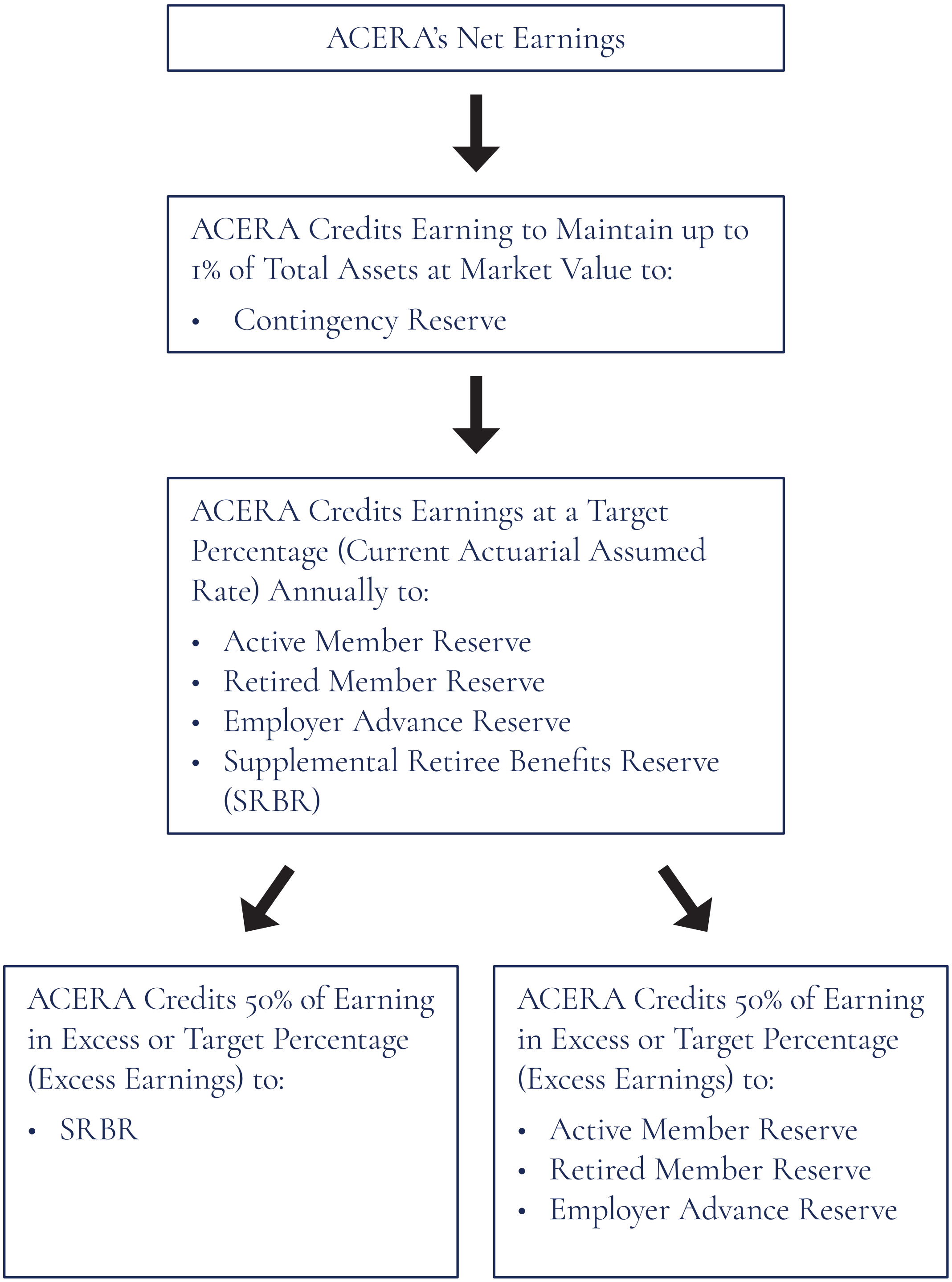
In accordance with Article 5.5 of the 1937 Act, ACERA updates its reserve balances on a semi-annual basis as of June 30 and December 31 each year. To the extent that net earnings are available, interest is credited at the actuarial assumed interest rate to ACERA's reserves, as follows:

- Active Member Reserve
- Employers' Advance Reserve
- Retired Member Reserve
- Supplemental Retiree Benefit Reserve

For any investment earnings that are above the target investment assumption rate, 50% is credited to the Supplemental Retiree Benefit Reserve and the remaining 50% is credited, based on the scheduled outlined through the 1937 Act, to the other reserves.

Refer to the chart on the next page to see how interest is credited to the various ACERA reserves.

Semi-Annual Interest Crediting—Where The Money Goes -



The ACERA Comprehensive Annual Financial Report describes the different reserves and the interest crediting process, in more detail.

Section 2: ACERA Membership

This section describes the employers that participate in ACERA, and identifies the employment positions under which employees are eligible for ACERA membership.

Employer Participation

ACERA's Participating Employers are Alameda County, the Superior Court of California for the County of Alameda, and also include four Special Districts:

- First 5 Alameda County
- Housing Authority of the County of Alameda
- Alameda Health System
- Livermore Area Recreation and Park District

All risks and costs, including benefit costs, are shared by the Participating Employers.

What is a "Special District"?

"Special District" refers to an organizational entity, formed under the laws of the state, located wholly or partially within the county other than a school district. This also includes:

Any institution operated by two or more counties, in one of which an ordinance has been adopted to place this chapter in operation

Any organization or association authorized by Chapter 26 of the Statutes of 1935 (as amended by Chapter 30 of the Statutes of 1941 or by Section 50024) that is maintained and supported entirely from county derived funds, whose board is authorized to receive the officers and employees of that organization or association into the retirement system

Any sanitary district formed under Part 1 (commencing with Section 6400) of Division 6 of the Health and Safety Code

Any city, public authority, public agency, and any other political subdivision or public corporation formed or created under the Constitution or laws of this state and located or having jurisdiction wholly or partially within the county

Any nonprofit corporation or association conducting an agricultural fair for the county pursuant to a contract between that corporation or association and the board of supervisors under the authority of Section 25905

Eligibility for ACERA Membership

Full-Time Employees

Membership in ACERA requires appointment to a permanent full-time position with an ACERA Participating Employer. The term "full-time employee" indicates employees who are classified as full-time by the Employer. Membership is continuous until termination or a change in employment that results in a change in eligibility status. ACERA membership is mandatory for eligible employees. ACERA's membership policy is available on the website, containing more expansive information regarding eligibility.

Membership is effective on the first day of the second pay period following the employee's hire date into an ACERA eligible position (except the Housing Authority, and Livermore Area Recreation and Park District as noted below). This is the date of entry into ACERA membership. As of the date of entry, payroll deductions for retirement contributions begin and service credit for each hour worked is earned.

For the Housing Authority, membership is effective on the first day of the employee's hire in an ACERA eligible position. This is the first date of entry into ACERA membership. As of this date of entry, payroll deductions for retirement contributions begin and service credit for each hour is earned.

Part-Time Employees

Part-time employees who were once full-time employees (and therefore previously enrolled as members of ACERA) are required to maintain membership from the date of transfer. Such part-time employees accrue ACERA service in an amount proportional to their part-time service.

Types of Membership

ACERA has two membership types, Safety and General, which are based on job classifications:

- Safety Members work in active law enforcement, firefighting, or positions that have been designated as Safety by the Board of Retirement (e.g., Juvenile Hall Group Counselor, Probation Officer, etc.).
- General Members are all other members.

Types of Benefit Levels

ACERA has multiple benefit levels, or "Tiers," for each membership type, which are based on the member's date of entry or re-entry into the retirement system and the Participating Employer they work for:

Benefit Levels/Tiers

Participating Employers	Tiers
Alameda County	• TIER 1: General and Safety Members with an entry date prior to July 1, 1983 • TIER 2 • Tier 2A: General Members with an entry date on or after July 1, 1983; . • Tier 2B: Safety Members with an entry date on or after July 1, 1983 Safety Members with an entry date on or after July 1, 1983 through October 16, 2010 • Tier 2C and 2D: Safety Members with an entry date on or after October 17, 2010 through December 31, 2012 • TIER 4: General and Safety Members with entry dates on or after January 1, 2013
Alameda Health System; Superior Court; First Five:	• TIER 1 General Members with an entry date prior to July 1, 1983 • TIER 2 General Members with an entry date on or after July 1, 1983 through December 31, 2012 • TIER 4 General Members with an entry date on or after January 1, 2013
Housing Authority	• TIER 1 General Members with entry dates prior to September 30, 2011 • TIER 2 General Members with an entry date on or after September 30, 2011 through December 31, 2012 • TIER 4 General Members with an entry date on or after January 1, 2013

Livermore Area Recreation and Park District	• TIER 1 General Members with an entry date prior to October 1, 2008 • TIER 3 General Members with entry date October 1, 2008 through 12/31/2012 • TIER 4 General Members with entry date on or after January 1, 2013

The formula used to calculate the member's benefit is based on the plan and tier they fall under The member and employer pay contribution each pay period on the appropriate plan and tier in order to fund the benefit during a member's retirement eligible employment. Service credit is earned as the contributions are transmitted into the member account. At retirement, members may have service credit under more than one tier and the service credit totals and highest average salary earned in each tier will be determined separately based on the appropriate formulas. Refer to the ACERA website for additional information.

Exclusions from ACERA Membership

Employees working in part-time, project, temporary, TAP, seasonal, services as needed, or intermittent (extra help) positions, are generally not eligible for ACERA membership, unless they began employment as full-time permanent and changed employment status.

Note, however, that employees working in retirement-ineligible positions may elect to purchase service credit for their previously ineligible service if they become eligible for membership at some point in the future (i.e., if an employee moves into a full-time position). Employers may consult the ACERA website for more information.

Regardless if a member has reciprocity, the employer will enter the member at the corresponding CPEPRA tier.

For Alameda Health Systems, mandatory membership is pursuant to AB 1008 (Government Code §31552.4 and Health and Safety Code §101851). Unless stated otherwise, all references to statutes are California State statutes

Section 3: Overview of Participating Employer Responsibilities

This section describes an ACERA Participating Employer's essential responsibilities, such as establishing new members with ACERA, maintaining accurate records, notifying ACERA of changes to the Employer's programs and procedures, and terminating membership.

Be sure to refer to Section 7 of this handbook for more details about "what to do when" you need to facilitate and report various employee work and life events.

ACERA Reporting Officials

Each ACERA Participating Employer must designate one reporting official and his/her back up, who serves as the organization's ACERA contact. (Note: Employers may choose to designate two reporting officials: one from Human Resources and one from Payroll.) Your organization's reporting official should be the person who does the organization's work related to ACERA—not necessarily the employer's top management official.

The reporting official is authorized to sign ACERA documents and is responsible for timely and accurately managing, transmitting, and reporting the organization's active member and Employer contributions. The reporting official's duties include:

- Identifying employees eligible for ACERA membership (members)
- Deducting, reporting, and transmitting employee retirement contributions for eligible employees
- Reporting retro payments including period for which payment was made
- Maintaining member records
- Managing certain member "events"
- Settlements impacting member retirement benefit or reinstatement to employment

Employers are required to provide ACERA with the name and telephone number of their organization's reporting official, and to notify ACERA immediately if there is a change in the reporting official or a change in the reporting official's address or contact information. Be sure to provide the telephone number where ACERA can contact the reporting official during normal working hours.

ACERA Employer ID Number

ACERA assigns each organization a unique three-digit ACERA employer identification number. Use this number on all ACERA correspondence and reporting forms.

- Alameda County – 001
- Housing Authority of the County of Alameda – 003
- Livermore Area Recreation and Park District – 004
- Alameda Health System – 006
- The Superior Court of California – County of Alameda – 007
- First 5 Alameda County – 008

Establishing and Reporting Newly-Eligible Employees (members) to ACERA

It is a Participating Employer's responsibility to distribute an ACERA New Member Enrollment Questionnaire to all membership eligible employees upon hire and/or in the event they move into an eligible position. Instruct the employee to provide the following required information on the form:

- Name
- Address
- Social Security number
- Date of Birth (employees are also required to provide a valid proof of birth with an official document (e.g., birth certificate, passport, or naturalization papers)
- Designate the beneficiary(ies) to whom benefits are payable upon the employee's death

The employer should complete the following information on the Questionnaire:

- Employer name
- Department employee is working for
- Job Title/Item Class
- Date of Employment
- Current Compensation/Bi-weekly or Monthly Salary depending on payroll cycle
- Employer certification. Must be completed by supervisor/payroll clerk or human resources personnel.

Participating Employers should submit these documents to ACERA within the first week of the employee's hire date or date of transfer to eligible position. The original, signed New Member Enrollment Questionnaire should be submitted via QIC or regular mail to ACERA. The employee's personal data will also be included with a Participating Employer's regular data transmittal files. ACERA reconciles the questionnaire with the data provided through the transmittal file, and will contact an Employer in the event of discrepancies. If Employer certification is not completed, ACERA will return to the Employer. This will cause delays in processing the new member. Refer to page 27 of this handbook for more information regarding the transmittal file.

If ACERA determines that a New Member Enrollment Questionnaire is missing for an individual employee or group of employees, we will send a memorandum to the employee's Participating Employer, listing the employee(s) for whom a questionnaire is not on file. The Employer should provide a questionnaire to the employee(s). If the Employer does not respond, ACERA will provide notification and the questionnaire directly to the employee.

The New Member Questionnaire also allows new members to notify ACERA of important information impacting their membership coverage such as prior public service which may allow reciporcal membership and entry into a legacy plan Tier (vs. Tier 4). In additiona, a member may notify ACERA of prior employment status that will allow for the purchase of additional credit towards membership. For some service, members must state their intent to purchase within one year of membership.; therefore, it is imperative that they are made aware of this option, which is explained on the New Member Enrollment Questionnaire.

If an employee wishes to purchase service credit for eligible prior time worked, they must make a written election and submit that election to ACERA within one (1) year of the date of entry into ACERA membership; otherwise, they will lose eligibility to ever make a purchase.

If ACERA members plan to purchase the following types of ACERA service credit, ACERA policy requires members to declare their intent to do so within one year from the notice.

- Disabilty or FMLA leave
- Part time work
- TAP (County Temporary Assignment Pool) work
- Intermittent (Seasonal) work
- Project work
- Temporary work
- Other public agency employment

Other types of service credit not listed that are eligible to purchase do not require a declaration of intent.

Eligible Employee (Members) Effective Entry Date

For most employers, an employee's ACERA membership is effective on the first day of the pay period following the date of hire in an ACERA-eligible position. However, for Alameda County Housing Authority and Livermore Area Recreation and Park District, an employee's ACERA membership is effective on his/her date of hire.

As of the employee's effective entry date, payroll deductions for retirement contributions begin and the employee earns service credit for each hour worked.

If The New Member Enrollment Questionnaire Is Missing A Beneficiary Designation

ACERA will contact members to obtain information. If a beneficiary designation is not on file at the time of the employee's death, benefits will be payable to the employee's estate.

Maintaining and Transmitting Accurate Member Data to ACERA

Reporting accurate member data and contribution information is critical. Employers do so through their transmittal files to ACERA.

> Take Note! Do not keep copies of the New Member Enrollment Questionnaire in your files. Beneficiary designations are confidential ACERA information. Also, because employees may change their beneficiary information with ACERA without notifying their employer, copies in employer files may not be accurate, regular "transmittal files" to ACERA. Refer to page 27 of this handbook for more information regarding the transmittal file.

Accurate Records Start With Accurate Social Security Numbers

Be sure to keep a copy of each member's Social Security card in their personnel file. As you submit data to ACERA, verify that you have only ONE Social Security number per person and that the number is correct. Corrections to Social Security numbers must be submitted to ACERA in writing. Provide the following information in your correspondence:

- Name
- Incorrect Social Security number
- Correct Social Security number
- The period of time during which the incorrect Social Security number was used
- A copy of the member's valid Social Security card

Providing ACERA with Employer Program Information and Notification of Changes

Participating Employers are required to provide ACERA with information about their programs, processes and procedures, impaccting ACERA membership,and Employers should notify ACERA when changes are made.

Participating Employers and ACERA need to communicate on a regular basis regarding the following programs, processes and procedures:

- Retirement Benefit Enhancements
- Employer System Changes, Enhancements & Upgrades
- Administrative Processes and Procedures
- Collective Bargaining Agreements
- Job Classifications
- Salary Changes
- Payroll and Processing Schedules
- Retro/Records Adjustments
- Sick Leave Accrual
- Vacation Accrual
- Vacation Purchase
- Vacation Sell-Back and/or Cash-Out
- Resolutions regarding any items impacting retirement benefits
- Publicly Available Pay Schedules
- AHS – Transfers to Acquired Hospitals

Further information regarding each topic is included below.

Retirement Benefit Enhancements

As noted in Section 1 of this handbook, ACERA provides members with a lifetime retirement benefit at retirement whose value is based on a formula. The formulas vary for General and Safety members. Also, as permitted under the 1937 Act, a Participating Employer may choose which formula it offers their employees, based on their member type and Tier. In addition, the State has mandated new plan formulas for new members as a result of pension reform.

Member Tiers

TIER	MIN. AGE FACTOR %	MAX. AGE FACTOR %	CALIFORNIA CODE SECTION	FINAL COMP. PERIOD FOR SALARY CALC.
General Tier 1	1.33% at 50	2.61% at 62	31676.12	1 year
General Tier 2A	1.18% at 50	2.43% at 65	31676.1	3 years
General Tier 3 (LARPD)	2.00% at 50	2.50% at 55	31676.18	1 year
General Tier 4	1.00% at 52	2.50% at 67	7522.20	3 years
Safety Tier 1	1.87% at 41	3.00% at 50	31664.1	1 year
Safety Tier 2B	1.87% at 41	3.00% at 50	31664.1	3 years
Safety Tier 2C	1.25% at 41	2.62% at 55	31664	3 years
Safety Tier 2D	1.43% at 41	3.00% at 55	31664.2	3 years
Safety Tier 4	2.00% at 50	2.70% at 57	7522.25	3 years

To begin the process of providing a new benefit to employees, Participating Employers request an actuarial valuation from ACERA. The valuation provides the Employer and employee contribution costs required to fund the benefit based on the selected formula.

Once the valuation is completed, these additional actions are required to implement a new benefit formula:

The new benefit formula must be approved by the County Board of Supervisors or the Board of Directors of a Participating Employer (if other than the County of Alameda).

ACERA and the Employer must meet to discuss the timing of the new benefit implementation and any effects to transmittal files, contribution rates, and member notification.

If the new benefit formula results in a reduction in benefits, members must have the option to elect the new benefit or maintain the current benefit.

If the benefit formula is not currently provided in the CERL, legislation must be approved in order to provide a new benefit.

System Changes

An upgrade or change to a Participating Employer's payroll and/or human resources record keeping systems can have a significant impact on the data provided to ACERA, the format in which the data is delivered, and the lead-time required for transmittal of the data to ACERA.

As an Employer considers, plans, and implements changes to its systems (for example, implements PeopleSoft HRIS or changes to a new payroll provider), the Employer must contact ACERA to discuss the implications for its regular data transmittals. Refer to page 27 of this handbook for more information regarding the transmittal file

> Take Note! If employees belong to more than one bargaining unit, Participating Employers must provide information on accrual limits and other benefits information for each unit.

Testing Transmittal File

ACERA highly recommends testing transmittal files to ensure program code changes perform in accordance with software requirements. We must ensure that new changes to the transmittal file do not adversely affect previous files' functionality.

Employers should coordinate with ACERA and must submit a "test file" prior to implementing transmittal file changes into production. This will allow us to validate the "test file," confirm results, and report issues prior to implementation.

Collective Bargaining Agreements

When a new Memorandum of Understanding (MOU) is finalized, a Participating Employer must provide a copy to ACERA. Information regarding salary increases, retroactive increases, changes in accruals, and other areas are necessary for ACERA to administer program benefits accurately.

Job Classifications

When changes in a Participating Employer's job classifications occur, including job title, job code and hour nominator (full-time 80, full-time 75, or part-time hours, etc.), the Employer needs to provide ACERA with documentation on the new job classification information.

Failure to submit the new job classification information may result in an exception when ACERA imports a Participating Employer's transmittal file, which can result in processing delays and the assessment of penalties and administration fees to the Employer. Refer to page 29 of this handbook for more information regarding exceptions during the data transmittal process.

Determining Compensation To Be Included In Retirement Calculation

The components of pensionable compensation may vary, based on the Employer's and employee's benefits, job classification, and collective bargaining agreements, if applicable. Section 4, beginning on page 19 of this handbook, describes ACERA-covered compensation in more detail.

Payroll And Processing Schedules

Due dates for data transmittals and contribution payments to ACERA are based on Participating Employers' pay dates. Thus, Participating Employers must provide ACERA with their annual pay cycle schedules in writing each year. ACERA will provide annually to Employers' Transmittal Deadline Schedule. Refer to page 27 of this handbook for more information on the deadlines for receipt of transmittal files and Employer contribution payments.

Retro Records/Adjustments

Participating Employers must explain in writing how retroactive records and adjustments are reported in each Employer's transmittal file. ACERA uses this information to determine retroactive contribution payments and adjustments from regular pay. Refer to page 28 of this handbook for more information regarding contribution payments and the transmittal file.

Sick Leave Accrual

ACERA's pension plan rules allow for the inclusion of a portion of eligible unused sick leave hours as additional service credit at retirement. To appropriately administer this benefit plan feature, Participating Employers must provide ACERA with their organization's sick leave accrual caps.

Vacation Purchase

Some Participating Employers provide employees the opportunity to purchase vacation. If so, the Employer must provide ACERA with a description of its plan, including an explanation of how the compensation is coded when purchased vacation is used. This compensation is not considered pensionable compensation, and service credit is not reported when purchased vacation hours are used.

In communicating a vacation purchase plan to employees, Participating Employers must explain that purchased vacation, when used, is exempt from pensionable compensation and that service credit is not reported/credited to ACERA when purchased hours are used.

Vacation Sell Back/Accruals

Vacation sellback is included in pensionable compensation (not for Tier 4) but is limited to whichever is lesser between the amount that is earned and the amount that is payable (sellable). Thus, Participating Employers need to inform ACERA if they permit employees to sell vacation accruals for cash payment and if so, how many hours can be sold and earned per year and how the sale is reported in its transmittal file.

Service Purchase Contract Payments

Prior to 2014, ACERA allowed members to purchase service credit through pre-tax payroll deductions for certain ineligible employment with our participating employers, as well as redeposit their contributions from prior memberships. For years, the IRS approved pre-tax service credit purchases through payroll deductions based upon the pre-tax provisions in Internal Revenue Code (section 414(h)(2)).

In late 2013, the IRS provided new guidance on using pre-tax payroll deductions for employee contributions, which provides that pre-tax payroll deductions can only be used for mandatory contributions, not for voluntary contributions, like service credit purchases and redeposits. Therefore going forward, you can make pre-tax service credit purchases and redeposits by rolling over funds from an eligible pre-tax retirement account such as a 457 plan, a 401K, or an IRA, and you can make purchases with a lump sum payment or through monthly payroll deductions on a post-tax basis. This change will apply to all service credit purchase contracts received by ACERA on or after January 1, 2014.

Notifying ACERA of Employee Terminations

Employees who terminate employment cease their contributions to ACERA and cease accruing service credit. When an employee terminates ACERA-covered employment before retirement eligibility, he/she must submit a Termination of Election of Membership Form. The employee may request this form from the Participating Employer or download a copy through the ACERA website, www.acera.org.

Following an employee's termination, it is the Participating Employer's responsibility to send the correct termination date to ACERA. This data is reported through the Employer's transmittal file. Employers must report all terminations on the transmittal form.

Employees who terminate employment have different options available to them.

- Employees who terminate with fewer than five years of credited service are considered non-vested employees. Non-vested employees may take a refund of contributions plus interest, or they may choose to leave funds on deposit with ACERA. However, members are not eligible for a monthly retirement benefit allowance payment unless funds are on deposit until age 70. Participating Employers should direct non-vested employees to ACERA for further information on their options for withdrawing contributions.
- Employees who terminate with more than five years of credited service are considered vested employees. Vested employees also may take a refund of contributions (plus interest). A vested employee, upon reaching a specified age, may also in the future be eligible to receive a lifetime benefit allowance if their funds remain on deposit with ACERA. Participating Employers should direct vested employees to ACERA for further information on the options available.

Reciprocity with Other Retirement Systems

Reciprocity is the joining or linking of similarly administered California public retirement systems. This allows employees who move between certain California retirement systems to preserve and enhance their total retirement benefits. All 1937 Act County Employee Retirement Systems and all Public Employees Retirement System (PERS) agencies have reciprocal agreements. As a result, ACERA has reciprocal agreements with most California counties, the State of California, and many of California's cities and public agencies.

Benefits Of Establishing Reciprocity

There are several benefits to establishing reciprocity if an employee is joining ACERA from a reciprocal agency, or leaves active ACERA membership at some point in the future and moves to another reciprocal public employer:

If the employee is Tier 1, 2, or 3, the employee contribution rate with ACERA is determined using the age of entry in the previous system (if applicable). Since contribution rates are based on a member's age, this results in a lower employee contribution rate requirement, because the employee was younger when joining the previous system;

Service credit earned in a reciprocal agency is combined with ACERA service when establishing vesting rights and eligibility to retire. This means there is no need to "start over" when moving to a reciprocal public employer; and

- The highest compensation attained under any reciprocal agency is used by all reciprocal systems to calculate final average salary and determine retirement benefits.

IMPORTANT Overlapping employment will disqualify employees for reciprocity. They must terminate from the first employer before starting with a second employer. Remaining on payroll while using up accruals is also considered overlapping service. Employees should discuss and coordinate their situation with ACERA membership services in both retirement systems if they are considering reciprocal membership.

Agencies That Have Reciprocal Agreements With ACERA

County Systems (Retirement Law of 1937)

- Contra Costa
- Fresno
- Imperial
- Kern
- Los Angeles
- Marin
- Mendocino
- Merced
- Orange
- San Bernardino
- San Diego
- San Joaquin
- San Mateo
- Santa Barbara
- Sonoma
- Stanislaus
- Tulare
- Ventura

Statewide Systems

- California Public Employee's Retirement System (CalPERS)
- California State Teachers' Retirement System (STERS)**
- Judge's Retirement System I & II**

ACERA has limited reciprocity**

Other Systems/Independent Public

- Concord City Employees' Pension Plan
- Fresno City Employees' Retirement System
- Los Angeles City Employees' Retirement System (LACERS)
- Sacramento City Employees' Retirement System
- San Diego City Employees' Retirement System
- San Francisco City and County Employees' Retirement System
- City of San Jose Retirement System
- Contra Costa Water District
- East Bay Municipal Utility District
- San Luis Obispo County Employees' Pension Trust

No Reciprocity With University of California Retirement System (UCRS)

ACERA does not have a reciprocity agreement with the University of California Retirement System (UCRS), so previous employment with UCRS does not qualify you for reciprocity (or service purchase).

> Take Note! Communication of correct termination dates ensures ACERA's ability to update employee accounts to refund employee contributions r if retiring, process the first payment timely.

Qualifications For Reciprocity

To qualify for reciprocity, employees must do all of the following:

- Elect to leave contributions on deposit and defer retirement with their previous employer's retirement system.
- Begin membership in the next system within six months after termination of covered employment in the first system.
- Avoid any overlapping service, as this may disqualify the employee for eligibility.
- Retire from each reciprocal retirement system on the same day.

Establishing Reciprocity

When employees complete ACERA Member Enrollment Questionnaire as a new member, they will be asked about previous experience with public agencies. If they indicate their funds were left on deposit with the previous employer(s), ACERA will send an election letter explaining the benefits and requirements of establishing a reciprocal agreement with the previous employer's retirement plan.

Administering Benefit Limits

Section 415(b) of the Internal Revenue Code limits the benefits paid to individuals participating in a tax qualified benefit plan. The limit applies to employees who retire with a benefit enhancement, including a golden handshake, and to any individual who entered ACERA membership on or after January 1, 1990. The limit changes every one to two years with cost of living.

The Section 415(b) limit differs for Safety members and General members. (Note: The IRS defines Safety members as police officers, firefighters, Sheriffs, and EMTs working in a fire department.) The limit for both groups may also be adjusted based on the employee's balance of post-tax contributions and other factors. Contact ACERA for information regarding the limits in effect for the current year.

Each year, ACERA screens retiree accounts to test their benefits for eligibility or exclusion under the Section 415(b) limits. New retiree accounts are also screened for limitation. Individual limits are determined by ACERA's actuary and recorded in ACERA's record keeping system, PensionGold.

Under Internal Revenue Code Section 415(m), Participating Employers must provide a benefit replacement plan to pay employees the difference in benefits that are limited under Section 415(b) and benefits payable under the defined benefit formula. If an affected retired employee in a Participating Employer's organization hits this limit, ACERA will annually provide the Employer with employee data to use in producing Section 415(m) replacement plan benefit payments.

ACERA communicates with affected retired members well in advance to inform them if they will reach the 415(b) limit during the current year. We also work in conjunction with Participating Employers to explain the 415(m) replacement plan process.

The two benefit amounts (i.e., the retiree's regular monthly benefit allowance payment allowed under the Section 415(b) limit and the replacement benefit payment provided through the Employer's Section 415(m) plan) are paid to the member at the same time each month following the time in which the retiree reaches the limit.

In addition to benefit limits under 415(b), new Tier 4 members are subject to different benefit and compensation limits. Benefit replacement plans are not requires for Tier 4 retirees. See the following chart, which displays how various members are impacted by IRS, and Federal limits..

		General Tiers				Safety Tiers				
Limit	2017	Tier 1	Tier 2	Tier 3	Tier 4	Tier 1	Tier 2	Tier 2-B	Tier 2-B	Tier 4
Maximum Annual §415 Payout at Maximum Benefit Limit	$215,000	✓	✓	✓		✓	✓	✓	✓	
Maximum Amount of Annual Compensation that can be taken into account for Determining Benefits or Contributions under a Qualified Plan — 401(a)(17)	$270,000	✓	✓	✓		✓	✓	✓	✓	
Wage Based for Social Security	$118,775				✓					
Tax Compensation and Retirement Benefit Limit	$142,530									✓

Supporting the Annual Actuarial Data Request

ACERA uses an independent actuarial consulting firm to conduct annual actuarial valuations of the pension plan and ACERA's supplemental benefits. The valuation's purpose is to assess the magnitude of ACERA's benefit commitments to employees. The valuation compares the assets expected to be available to support those commitments. Employer and employee contribution rates may be adjusted annually as necessary.

Employee demographic and contribution data are sed in creating the valuation. ACERA relies on Participating Employers to provide a portion of the data requested, for example, the number of ACERA covered employees within their respective organizations, the hours scheduled, and hours paid.

In January of each year, ACERA provides Participating Employers with an annual actuarial data request. Employers are asked to provide the data in a specified file format within the timeframe requested by ACERA, usually by the end of January.

Supporting the Board Election Process

As noted in Section 1 of this handbook, the ACERA Board of Retirement is responsible for administering the ACERA pension plan. The Board's members include five elected officials who serve three-year terms. As Board positions come up for election, Participating Employers are required by ACERA policy to support the election process with active employees.

Elections normally occur in December; however, in the case of a vacancy, the ACERA Board can adopt a resolution calling for an election. In this case, the election can take place within the timeframe prescribed by the Board.

ACERA's Chief Executive Officer, or his/her designee, is responsible for providing Participating Employers with a sufficient number of ballots, voters' handouts, secrecy envelopes, and self-addressed identification/

return envelopes, all of which are provided to eligible voters. ACERA mails the election collateral to active members, retirees, and deferred members through U.S. Mail.

Following the election period, results are published through the ACERA website, www.acera.org, and the Alameda County website, http://www.acgov.org. In addition, active employees and retired members are notified of the results by e-mail and/or U.S. Mail.

When an Employee In Your Department Is Elected to the ACERA Board of Retirement

As approved by the ACERA Board of Retirement, ACERA may provide reimbursement to departments in an amount not to exceed 25% of the cost of salary and benefits (exclusive of overtime and lump sum sell-backs) paid to an active department employee who is elected to the ACERA Board. This policy helps to mitigate some of the work load impacts that can occur for a department as an employee engages in his/her Board responsibilities over the course of his/her term.

ACERA makes one payment, annually, to departments with employees elected to the ACERA Board in an amount not to exceed 25% of salary (exclusive of overtime and vacation sell back) and benefit costs. Payment of this reimbursement can be affected by budgetary constraints and is subject to modification and/or deletion by the ACERA Board.

To request the reimbursement, your department must submit the ACERA Voluntary Elected Board Member Employer Reimbursement Request Form and a copy of the employee's payroll expenditure report to ACERA. The form is available on request from ACERA by e-mail (administrator@acera.org).

If an active elected Board member fails to complete his/her term on the ACERA Board, the department must refund to ACERA the pro-rated amount of the reimbursement.

Take Note! ACERA welcomes the opportunity to conduct training regarding a Participating Employer's responsibilities in supporting ACERA's benefit programs. ACERA staff provides training at Employer sites, and invites Employer representatives to visit the ACERA offices as well. To schedule staff training, contact ACERA Member Services at 510-628-3000.

Section 4: ACERA-Covered Compensation

Section 4 describes the wages and compensation that are included in or excluded from an employee's "pensionable compensation" and reported to ACERA.

The California Public Employees' Pension Reform Act (C-PEPRA) changed pensionable compensation for new members as of January 1, 2013. As a result, we are providing information on pensionable compensation in two groups. The first group includes members in Tier 1, 2 and 3. The second group includes new members in Tier 4 (C-PEPRA plans for General and Safety members) with entry dates on or after January 1, 2013.

Pensionable Compensation

Tiers 1, 2 and 3

Pensionable compensation includes all items paid to employees in cash for services rendered or special skills. For most employees, this includes:

- Base salary
- Pay premiums that recognize special duties, qualifications, or skills
- Use of vacation pay, sick leave, paid leave, and floating holidays
- Use of compensatory time accruals (exclusive of overtime)

Employee contributions are derived from their pensionable compensation; in addition, pensionable compensation is used to determine an employee's final average salary at retirement, which is an important component to the ACERA pension plan benefit formula. Pay codes can be found at the ACERA website.

Other Forms of Pensionable Compensation

In addition to the sources noted above, several other forms of compensation are included in pensionable compensation, as follows:

- Vacation sell back and/or cash-out payments
- Retro back pay
- Retro adjustments
- Legal settlements

Note: Overtime pay and severance pay are not forms of pensionable compensation. Further information regarding these forms of compensation is included below.

Vacation Sell Back And/Or Cash-Out Payments

Through the "Ventura Settlement Agreement," the cash value for vacation received (as a result of vacation sell back and/or vacation cashed-out due to termination or retirement) can be included in an employee's final average salary calculation at retirement. The amount eligible for inclusion in an employee's final average salary depends on the employee's member type, as noted in the table that follows.

Service Purchase Contract Payments

Prior to 2014, ACERA allowed members to purchase service credit through pre-tax payroll deductions for certain ineligible employment with our participating employers, as well as redeposit their contributions from prior memberships. For years, the IRS approved pre-tax service credit purchases through payroll deductions based upon the pre-tax provisions in Internal Revenue Code (section 414(h)(2)).

In late 2013, the IRS provided new guidance on using pre-tax payroll deductions for employee contributions which provides that pre-tax payroll deductions can only be used for mandatory contributions, not for voluntary contributions, like service credit purchases and redeposits. Therefore going forward, you can make pre-tax service credit purchases and redeposits by rolling over funds from an eligible pre-tax retirement account such as a 457 plan, a 401K, or an IRA, and you can make purchases with a lump sum payment or through monthly payroll deductions on a post-tax basis.

If ACERA did not implement the revenue ruling guidance, it could result in large economic risks to ACERA's participating employers and/or to ACERA's tax exempt status.

This change will apply to all service credit purchase contracts received by ACERA on or after January 1, 2014.

TIER 1 – GENERAL OR SAFETY	TIER 2 – GENERAL OR SAFETY
Up to one year's worth of vacation accruals can be converted to pay for purposes of calculating final average salary, by either selling back of vacation during the last year of employment and/or receiving a vacation payoff (cash-out) upon retirement.	Up to three years' worth of vacation accruals can be converted to pay for purposes of calculating final average salary, by either selling back of vacation during the last 3 years of employment and/or receiving a vacation payoff (cash-out) upon retirement.

Tier 4 - C-PEPRA Plans for General and Safety Members

Pensionable compensation of a Tier 4 member means the normal rate of pay or base pay of the member paid in cash to a similarly situated member of the same group or class of employment for services rendered on a full-time bases during normal working hours, pursuant to publicly available pay schedules. It does not include any additional pay items such as payments in cash for vacation and sick leave accruals.

Limits to Pensionable Compensation

Members With Entry-Dates Prior To January 1, 2013 (Tier 1, 2 And 3):

Internal Revenue Code 401(a) (17) imposes an annual limit on compensation taken into account for determining benefits under defined benefit plans. Pursuant to Government Code Section 31671, employees who enter ACERA membership on or after January 1, 1996 are subject to this limit, which is adjusted annually to reflect cost of living increases.

ACERA notifies Participating Employers annually of their employees who will attain this limit during the calendar year. The employee is also notified. Once an employee reaches this compensation limit, the Participating Employer should no longer withhold retirement contributions from his/her payroll checks for the remainder of the year.

When the affected employee retires, his/her final average salary will be limited based on the compensation limit set under 401(a)(17) for the final one year or three years of employment depending on his/her plan Tier (and if his/her salary continued to reach the compensation limit during this time period). Assembly Bill (AB) 1963, Compensation Proposal, signed into law on August 1, 2008, allows Participating Employers to set up a supplemental benefits plan. Participating Employers are encouraged to seek advice from legal counsel on establishing the above-mentioned plan.

Members With Entry Dates On And After January 1, 2013 (Tier 4):

The California Public Employees' Pension Reform Act (C-PEPRA) mandated new benefit plans for members with entry dates on or after January 1, 2013. These are the Tier 4 Plans. C-PEPRA also imposes an annual limit on compensation taken into account for determining benefits. For this membership, the Federal compensation limit used for the Social Security wage base is imposed.

ACERA notifies Participating Employers annually of the compensation limit and of the employees who will attain this limit during the calendar year. The employee is also notified. Once an employee reaches this compensation limit, the Participating Employer should no longer withhold retirement contributions from his/ her payroll checks for the remainder of the year.

When the affected employee retires, his/her final average salary will be limited based on the Federal compensation limit for the final three years of employment (and if his/her salary continued to reach the compensation limit during this time period).

Provided below is information regarding retro back pay and settlement pay. The compensation limits described above must be applied when issuing these types of payments. Member contributions on any compensation may not be withheld once they have received the limited amount for any year.

Retro Back Pay And Legal Settlements

While back pay and legal settlements may constitute federal taxable income, they may or may not be included in ACERA pensionable compensation, depending on the situation. Employers should take care in understanding what exactly to include in pensionable compensation when encountering employees eligible for back pay or payment from a wage-related legal settlement.

Retro back pay is defined as pay received in one period for wages earned in a prior period. It can include pay under federal or state laws intended to create an employment relationship (including cases where there is unlawful refusal to hire) or to protect an employee's right to wages. Payments received for back pay, in some cases, may be included in ACERA pensionable compensation if paid for service that would have been ACERA covered employment.

Legal settlements over wage-related and other issues may be reached between employees and employers either in or out of court. Settlement payments may be included in ACERA pensionable compensation only to the extent that they are the wages that would have been paid but for the employment dispute, and can be identified with a particular period of service. Penalties or lump-sum awards not equivalent to the wages that would have been paid resulting from legal settlements are not included in pensionable compensation.

Budgeting for and reporting an Employer's share of back pay and legal settlements can be tricky. Federal compensation limits must also be addressed. Many times, the parties will negotiate a decrease in the settlement's gross amount, for example, due to wages received from an interim job. The parties may also increase the amount of the settlement by amounts of non ACERA-covered items, such as medical expense reimbursements. Here are some examples that illustrate the complexity of these situations:

EXAMPLE: Employee Jones was terminated, reinstated, and awarded $20,000 in back pay and $3,000 for medical expenses. Employee Jones earned $10,000 with a private employer while he was off. The parties agreed that Jones would receive a net check of $13,000, after deducting the interim pay and adding in the medical expenses. However, because the agreement made represents the amount of pay that Jones would have received but for the termination, ACERA contributions must be collected on the full $20,000 of back pay.

EXAMPLE: Employee Smith was terminated, sued the employer, and twelve months later agreed to accept a lump-sum payment of $5,000 to drop the lawsuit. The $5,000 was called "back pay" in the settlement agreement, even though Smith would have earned $20,000 had he remained employed for the period following termination. However, because this $5,000 payment is a lump-sum award not representative of Smith's actual pay lost, it is not included in Smith's ACERA pensionable compensation.

Participating Employers need to report to ACERA when a legal settlement or back pay is included in ACERA pensionable compensation. To report the compensation accurately, be sure to allocate the wages to the quarter(s) during which the employee would have been paid, using the contribution rates applicable to that time. **We encourage you to work directly with ACERA to ensure**

correct reporting of an affected employee's pensionable compensation.

Retroactive Reinstatement

As a remedy for an employment dispute, an involuntarily terminated employee may be retroactively reinstated in ACERA-covered employment and be allowed to restore ACERA service credit. If the employee has taken an ACERA contribution refund and wishes to restore service credit upon reinstatement, the employee must repay the amount of the refund plus accrued interest to ACERA. The employee must make this payment within 90 days of the reinstatement order or agreement.

In this situation, Participating Employers are not required to take action to initiate the employee's refund repayment to ACERA. However, at the employee's request, Employers must provide a copy of the employment dispute's settlement to ACERA upon the employee's reinstatement to ensure action is taken within the 90-day repayment window.

Exclusions from Pensionable Compensation for all Members

For ACERA purposes, the following types of pay are excluded from pensionable compensation:

- Overtime payments
- Lump sum forms of compensation other than vacation for Sheriffs (vacation and sick leave payments are excluded for Tier 4 members)
- Compensation received for purchased vacation time used

Preparation of Year-End Wage Statements

Participating Employers must furnish their organization's ACERA-covered employees with a year-end wage statement report using the IRS Form W-2 Wage and Tax Statement. These forms are issued following the guidelines published by the Internal Revenue Service and the Franchise Tax Board.

When completing the year-end Form W-2 Wage and Tax Statement, follow these procedures:

- **Step 1** Check Box 13 Retirement Plan, as ACERA is qualified plan under Internal Revenue Code Section 401(a)
- **Step 2** Report the amount of the employee's ACERA contributions in Box 14
- **Step 3** Report taxable ACERA contributions returned to the employee through the employer as instructed below, if applicable

Reporting Returned Contributions On Year-End Wage Statements

In the event contributions are returned to an employee, an Employer should pay particular attention to the taxability of the payment. ACERA contributions are currently made on a pre-tax basis for federal and state income tax purposes. This means contributions returned to employees may be subject to both federal and/or state taxes when paid, depending on the time period during which they were originally withheld.

When a payment is made outside of the payroll system, be sure to increase the federal wages (Box 1) and state wages (Box 16) on the Form W-2 Wage and Tax Statement by the amount of the returned contributions. If federal or state tax is imposed, the federal and state withholding taxes and boxes must also be adjusted.

Take Note! Contact the local Internal Revenue Service office with questions concerning income tax adjustments. Contact the Franchise Tax Board with questions concerning California state income tax adjustments.

Employer Pay Codes

When members retire, ACERA calculates their retirement allowances with the 3-factor retirement formula. One of the factors in the formula is Highest Average Monthly Salary.

Besides gross base pay, some other pay codes—sometimes called "footnotes"—will be included in the calculation of Highest Average Monthly Salary.

The California Public Employees' Pension Reform Act (CPEPRA), passed in 2012, requires ACERA to analyze all types of pay to determine if they will be included in this Highest Average Monthly Salary. For Tiers 1, 2, and 3, pay that is included is called "compensation earnable." For Tier 4, included pay is called "pensionable compensation."

- Alameda County
- Alameda Health System
- First 5 Alameda County (189K)
- Housing Authority of the County of Alameda (63K)
- Livermore Area Recreation and Parks District
- Superior Court of California – County of Alameda (217K)

New Pay Codes - Approval Process

IIf an employer establishes a new pay code, ACERA must review and determine whether that item is pensionable. Below are the steps taken to complete this process:

1. Employer completes the Request for ACERA's Review of a New Pay Item/Code form. The form includes a list of questions regarding the pay code that must be answered. The requests must be submitted at least three weeks prior to the Operations Committee meeting (which is held the first Wednesday of each month)
2. ACERA will review the completed form and required information submitted by the Employer..
3. ACERA will acknowledge receipt of the request from the employer and if needed request further clarification.
4. ACERA will make a determination based on the information provided and the parameters set forth in regulations and present the request for New Pay Item/Code to the Operations Committee (Final approval takes place at the Board of Retirement meeting).
5. If the request for the New Pay Item/Code is approved by the Operations Committee, ACERA will obtain Board of Retirement adoption of said Pay Item/Code through the Action Items approval process at the next Board of Retirement meeting.
6. After the Board of Retirement meeting a Board's Decision Regarding Pay Item/Code memorandum is sent to the requesting Employer.
7. If the Employer disagrees and wishes to object to ACERA's determination, the Employer can petition the Board of Retirement.

ACERA will evaluate and respond to the Employer within 45 days including Board of Retirement approval.

Publicly Available Pay Schedules

C-PEPRA has required Employers to submit a publicly available pay schedule providing substantive detail for each pay item/earnings code. This pay schedule must be adopted by the Employer's governing board in a public meeting and made available on their website. These must be updated annually.

Section 5: ACERA Contributions

This section describes how employee and Participating Employer contributions to ACERA pension plan benefits work. It also describes the Participating Employer's responsibilities for reporting and remitting contributions to ACERA.

Authority for Establishing and Amending Obligations to Make Contributions

The ACERA pension plan provides lifetime retirement benefits to its eligible members. The 1937 Act establishes the basic obligations for Participating Employers and employees working in ACERA-covered positions to make contributions to the pension plan. Employee and Employer contribution rates are set annually. They are recommended by an independent actuary and adopted by the Board of Retirement. The rates vary based on membership type (General or Safety) and Tier (Tier 1, 2, 3 and 4). The pension plan under the 1937 Act has no legal or contractual maximum contribution rates.

Funding Objective

As noted in Section 1 of this handbook, the funding for retirement benefits paid to current retirees, future retirees, and other qualified recipients covered under the ACERA plan comes from three sources: employee contributions, Participating Employer contributions, and the earnings on investments held by the plan. This section discusses employee and Participating Employer contributions; Section 1 of this handbook for information regarding investment earnings.

Active Employee Contributions

Employees working in ACERA-covered positions are required by statute to contribute toward their ACERA pension plan benefits. Rates are affected by changes in assumed interest rates, cost-of-living benefits, changes in the level of benefits, and changes in life expectancy actuarial tables. ACERA investment gains or losses do NOT impact employee contribution rates.

The required employee contribution rate is a percentage of base pay and certain pay differentials. The types of pay included in an employee's "pensionable compensation" are noted in Section 4 of this handbook.

For Tiers 1, 2, and 3, employee contribution rates are determined by the employee's age of entry or re-entry into ACERA membership, membership type (General or Safety), and plan Tier. This means that although employees may be employed in the same job classification at the same salary, they are unlikely to have the same contribution rate.

For Tier 4 which includes members with entry dates on or after January 1, 2013, a flat rate is used.

Employee contributions are made through regular bi-weeklyy payroll deductions and are deducted from an employee's pay on a pre-tax basis. Employee contributions are credited to each employee's ACERA retirement account. Interest on funds that have been in an employee's account for at least six months is credited to the account on June 30 and December 31 of each year, as ACERA earns investment income.

After 30 Years Of Service Credit

- Safety members who attain 30 years of retirement service credit make no further employee contributions. Date of entry into ACERA is not considered when determining thirty (30)-year membership for safety members. (Board Resolution Number 00-134)
- General Members
    - The (30)-year membership applies only to those members who entered or re-entered ACERA

membership on or before March 7, 1973. Members who have been continuously making contributions to ACERA and/or a reciprocal Agency since March 7, 1973, make no further contributions upon attaining thirty (30) years of retirement service credit, provided the reciprocity requirements of Government Code Section 31836.1 are met.

  - The thirty (30)-year membership status is not applicable to those members who re-entered ACERA membership after March 7, 1973, except as noted in the footnote. Those members will make contributions for as long as they remain active members.

- Tier 4 Members
  - Effective January 1, 2013, for General and Safety members who are Tier 4, Section II, K (1) and (2) does not apply. Thirty (30) year membership is not applicable to Tier 4 members. Those members will make contributions for as long as they remain active members.

Employers continue to make contributions even when an employee meets these criteria.

Withdrawals Of Contributions

An employee may withdraw contributions ONLY if he/she terminates employment. ACERA will refund contributions no sooner than 30 days following termination. Termination and immediate rehire for the purpose of withdrawing contributions is not allowed and is a federal violation. Also, there are no provisions for an emergency withdrawal of funds from an employee's ACERA account.

Participating Employer Contributions

ACERA Participating Employers are required by statute to contribute the necessary amounts to fund the estimated benefits accruing to ACERA members that are not otherwise funded by employee contributions or expected investment earnings.

Participating Employer contribution rates are set annually and can vary from year-to-year. Rates depend on the level of established benefits, rate of return on investments, and the cost of administering benefits. The contributions made on an employee's behalf by Participating Employers are based on the employee's membership type (Safety or General), plan Tier, and the employee's salary.

Employees do not benefit from employer contributions until retirement—these contributions are used, along with employee contributions, to fund the pension portion of benefits at retirement.

Employer contributions are never refundable—employees who terminate employment and elect to receive a lump sum payment will not receive employer contributions made on their behalf, nor are they refunded to the employer.

Participating Employer Contribution Rates

Each year ACERA provides written notice of the contribution rates effective for the upcoming fiscal year to Participating Employers. The notice informs the Employer of the pay period in which the new rates become effective. (The new retirement contribution rates are to take effect not later than 90 days following the commencement of the fiscal year, per California Government Code section 31454.) Employer contributions are based on a percentage of payroll and are exclusive of age of entry.

Employee Contribution Rates

See member contribution rate charts with columns providing under and over $161 rates.

Active Employee Contributions

Employees working in ACERA-covered positions are required by statute to contribute to their pension plan benefits. From year to year, contribution rates can be affected by changes in assumed interest rates, cost-of-living benefits, changes in the level of benefits, and changes in life expectancy actuarial tables. Unlike for employers, investment gains or losses do NOT affect employee contribution rates.

The required employee contribution rate is a percentage of base pay and certain pay differentials. The types of pay included in an employee's "pensionable compensation" are noted in Section 4 of this handbook.

For Tiers 1, 2, and 3, employee contribution rates are determined by the employee's age of entry or re-entry into ACERA membership, membership type (General or

Safety), and plan Tier. This means that although employees may be employed in the same job classification at the same salary, they are unlikely to have the same contribution rate.

As stated before, all Tier 4 employees, (members with entry dates on or after January 1, 2013) pay a single or flat contribution rate. That is, employee contribution rates are not based on age of entry or reentry into the system. Therefore, all General and Safety, Tier 4 members pay the same percentage-based contribution rate, as well as a 50/50 split of the normal cost.

Employee contributions are made through regular bi-weekly payroll deductions and are deducted from an employee's pay on a pre-tax basis. Employee contributions are credited to each employee's ACERA retirement account. Interest on funds that have been in an employee's account for at least six months is credited to the account on June 30 and December 31 of each year, as ACERA earns investment income.

Contribution Offset

The County Employees' Retirement Law contains three different sections that authorize a Participating

Employer to pay all or a portion of an employee's retirement contribution obligation on the employee's behalf. However, C-PEPRA prohibits the Employer from paying any portion of the employee contribution unless provided for in a Memorandum of Understanding in effect as of January 1, 2013. However, once the MOU expires, or as of January 1, 2018, no Employer offset may be provided.

SECTION 31581.1

This section grants the Employer's Board the authority to pay up to one-half of the contributions normally required of employees for any designated period of time. Under this provision, the contributions paid by the Employer do not become part of the employee's account. Therefore, the employee is not entitled to these funds should he/she terminate and choose to withdraw funds. The statute permits the Employer the freedom to choose which employees are entitled to this pension plan benefits regardless of the employee's bargaining unit.

SECTION 31581.2

This section permits the Employer to pay any portion of contributions required of an employee. The payments are made in lieu of wages and credited to the employee's account. Therefore, the contributions are available to the employee if he/she terminates and decides to withdraw funds. The payments are not considered a vested right and may be terminated at any time by the Employer provided the Employer engages in the requisite employment "meet and confer" process.

SECTION 31630

This section permits the Employer to pay any portion of an employee's normal contribution. The contributions made remain the employer's asset and are not credited to the employee's account. Therefore, the employee has no right to these funds if he/she terminates and withdraws funds. Before agreeing to the offset, the employer must conduct an actuarial analysis, and the payment must be approved by the Board of Retirement.

Contribution Payments and Reporting

Contribution Payments

Retirement contribution payments for each payroll period (scheduled on either a bi-weekly, monthly, or other basis) are due to ACERA on the pay date of each pay period. Payments must be made by physical check or electronic funds transfer.

Contributions made via wire transfer should be directed to the ACERA's deposit account at Wells Fargo Bank, as follows:

- Bank Name: Wells Fargo Bank
- ABA/Routing Number: #121000248
- Account: #4375-676707
- Account Reference: Alameda County Employees' Retirement Association
- Message: ACERA

Employers should notify ACERA of the wire transfer amount via e-mail on the date payment is made. Direct this notice to the attention of accounting@acera.org.

Transaction detail for amounts related to individual employees is submitted through ACERA's file transfer protocol (FTP) site, which enables transfer of files through a network such as the Internet, in text or PDF format, or in hard copy via U.S. mail or GSA. Transaction detail, including employee contributions, employer contributions, and additional "on cycle" pay data must be complete and agree in total with the related wire transfer amount for the current pay period.

In addition to transaction detail for individual employees, ACERA should also receive remittance advice for each pay period contribution, specifying the total contribution, the employer/employee portion, and amounts for repurchase contracts, if any. Documentation for each payment is due on the payment date for that contribution. ACERA retains the right to determine the accuracy and completeness of documentation in support of contribution payments.

Take Note! Two wire transfers are sent in the event that a Participating Employer has retirees. The first wire transfer is the total employer and employee contribution, minus the required 401(h) contribution. The second wire transfer is the required 401(h) contribution only.

Reporting Via The Transmittal File

The Retirement Interface Transmittal File ("transmittal file") is the most critical information file a Participating Employer provides to ACERA. The transmittal file contains the pertinent retirement-related information on every ACERA-eligible employee. It contains information such as:

- Employee demographics
- Gross, earnable, and pensionable salary
- Period of time and units worked
- Contributions
- Service purchase contract payment information
- Contributions reported over the Social Security Cap limit

It is the responsibility of each employer to ensure the accuracy as well as the timeliness of transmittal file submission. ACERA uses this information in its benefits administration system, Pension Gold, to update information on employees, compute benefit estimates, perform benefit calculations, establish official termination dates, process termination refunds of contributions, and update employee account balances. Appendix A of this handbook includes the current transmittal file layout specifications. Employers should contact ACERA's PRISM department, Business Applications Support Services (BASS) team, at allapplicationsupport@acera.org with questions regarding the layout and contents of the transmittal file. Transmittal files are due, as indicated in each participating employer's interagency agreement with ACERA, as follows:

PARTICIPATING EMPLOYER	TIMING	METHOD
Alameda County	Follows bi-weekly pay calendar, with paydays every other Friday. Employer generates transmittal file for ACERA by the Wednesday before payday.	Employer's payroll staff member posts the payroll and creates a transmittal file, which is available for download by ACERA on a secured website.
• Alameda County Medical Center • First 5 Alameda County • Housing Authority of the County • of Alameda • Livermore Area Park and • Recreation District • Superior Court of California for the County of Alameda	Follows bi-weekly pay calendar, with paydays every other Friday. Employer generates transmittal file for ACERA three business days prior to each payday.	Employer's payroll staff member posts the payroll, creates a transmittal file, uploads the file to ACERA's FTP site, and confirms with ACERA via e-mail to AllApplicationSupport@acera.org, that the file uploaded correctly.

To minimize errors and exceptions in the transmittal file, employers need to complete the ACERA Transmittal Form and submit it with their transmittal file. The checklist on the Transmittal Form alerts ACERA staff of system errors encountered, communicates changes in job codes, documents retro-payments, ensures contributions are accurately reconciled, and provides a format to document benefit-related changes. The most updated version of the form is always available at www.acera.org/transmittal-form.

Reconciling Data And Documenting Exceptions

Upon receipt of a Participating Employer's transmittal file, ACERA's PRISM Department Business Analysts review the file for accuracy. If the file is acceptable, contact ACERA Benefits confirming the file is ready to be imported into production in the PensionGold database. PensionGold compares the incoming information from the Employer file to the information currently stored in the database, and computes the contributions it expects to receive. If incoming information from an Employer's file does not match what PensionGold considers accurate, an exception is generated.

Some common exceptions include:

- Data missing for a new or current employee
- An employee's record provided in the transmittal file is not found in PensionGold
- Actual versus calculated employee contributions are out of balance
- Actual versus calculated employee service purchase payments are out of balance
- Reporting of employees who have been rehired or return to work from a leave
- Duplicate salary and contribution records
- Employees with same name and date of birth, but different Social Security numbers
- Inconsistent or invalid separation dates reported
- Contributions reported over the Social Security Cap limit

ACERA staff reviews all exceptions for each pay period and determines the origin of the exception. ACERA staff then corrects the exception and adjusts any contribution amounts accordingly. ACERA will communicate any issues to a Participating Employer.

ACERA retains the right to determine the adequacy of documentation submitted in support of contributions and off cycle adjustments. A Participating Employer should designate appropriate staff to respond to requests for supplemental information in the event that ACERA requests additional documentation.

Refer to Appendix 2: Exceptions Causation and Resolution for more information on the causes for common exceptions and the steps Employers can take to avoid and/or resolve exceptions when they occur.

401(h) Contributions

As noted in Section 1 of this handbook, ACERA administers a postemployment medical benefits program for retired employees. These benefits are paid, in part, through Participating Employer contributions in accordance with Section 401(h) of the Internal Revenue Code.

Participating Employers are required to pay and identify at the designated pay date the Employer's share of pension contributions and 401(h) contributions separately. As authorized by the Board of Retirement, after these contributions are made, ACERA transfers an equal amount of the 401(h) contributions from the Supplemental Retiree Benefit Reserve to supplement the Employer pension contributions for employee pension plan benefits.

Where applicable, Participating Employers' 401(h) contributions must be approved by their respective governing bodies.

Audit Confirmations

As a part of ACERA's annual financial audit, ACERA's outside auditor sends a letter to each Participating Employer requesting the verification of certain data. It is the Participating Employers' responsibility to respond to the letter, based on instructions, to confirm the accuracy of contribution amount(s) made to ACERA as of December 31 of the previous year as stated in the letter, or to provide clarifying information if the Employer identifies a discrepancy between the amount reported and its internal records.

ACERA's auditor will also take a sample of employee data from ACERA's PensionGold recordkeeping system and ask Participating Employers to verify the accuracy of the data against the Employer's records. The Participating

Employer's responsibility is to respond to the letter by the requested deadline provided.

C-PEPRA provides the Board of Retirement authority to audit the records of the Employer in order to determine accuracy of retirement benefits, reportable compensation, enrollment and reinstatement.

Section 6: Administrative Fees and Costs

This section describes ACERA's administrative fees and the circumstances under which penalties may apply.

ACERA Administrative Fees

ACERA charges Participating Employers administrative fees in the event of significant and continued preventable errors pertaining to transmittals and contribution payments. ACERA reserves the right to modify the fee amounts provided below.

Payroll Transmittal Exceptions

If the number of transmittal exceptions for a single pay period equals an amount over 3% of total payroll transactions for three or more consecutive pay periods or for three or more pay periods in a single quarter, ACERA will alert the Employer that they have exceeded the acceptable threshold for errors.

Following this notification, ACERA will hold meetings and conduct training with the Employer's staff to determine the cause of the errors and resolve the process and/or system issues causing the high volume of exceptions.

If the exceptions do not fall below the acceptable threshold (3% of total payroll transactions) consistently during the following quarter, fees will be assessed for each pay period in which the threshold is exceeded, as follows:

- Under 50 exceptions (over 3% of total): $3,000
- 50 to 100 exceptions (over 3% of total): $6,000
- Over 100 exceptions (over 3% of total): $8,000

The basis for these fees reflect the cost of labor for ACERA staff to analyze, resolve, and communicate outcomes with the Employer and the employee.

Employment Transaction Processing

If an employee account is not processed in a timely manner for new member enrollment, employment status changes, or termination of employment for three or more consecutive pay periods or for three pay periods within a single quarter, ACERA will alert the Employer that they have exceeded the acceptable threshold for errors.

Following this notification, ACERA will hold meetings and conduct training with the Employer's staff in an effort to improve the processing of transactions.

If improvements do not occur consistently during the following quarter, fees will be assessed for each pay period in which transactions are not processed in a timely manner. Fees are based on the number of missing or delayed transactions, as follows:

- Under 50 transactions: $3,000
- 50 to 100 transactions: $6,000
- Over 100 transactions: $8,000

The basis for these fees reflect the cost of labor for ACERA staff to analyze, resolve, and communicate outcomes with the Employer and the employee.

Payment Discrepancies

Employer and employee contributions stated on electronic or hardcopy reports from the Employer, including but not limited to transmittal files, spreadsheets, and other reporting formats, should match actual payment amounts. Any discrepancy between these amounts requires communication from the Employer upon remittance of payment. This communication must contain an explanation of the discrepancy and the action required to resolve it.

ACERA staff will send a notice to the Employer, via e-mail, if the contribution payment is not accompanied by an explanation of discrepancy. This notice will alert the Employer of a potential fee assessment. If the discrepancy continues for three consecutive pay periods, fees will be incurred on the fourth pay period. The fee for each discrepancy per pay period is $500.

The basis for these fees reflect the cost of labor for ACERA staff to analyze, resolve, and communicate outcomes with the Employer.

Employer Transmittal Files

Transmittal files must be formatted correctly and contain correct employee information. In addition, pensionable salary for each employee must be stated accurately and contributions must be accurately calculated based on that salary.

If a transmittal file contains serious errors, which prohibits import of the file into PensionGold, the Employer must create a new file. In the event an Employer cannot provide a new or corrected file and ACERA must correct the errors in the existing file, fees will be assessed based on a median hourly rate per hour of work required by ACERA.

Interest on Late Contribution Payment and Administrative Charges

Payment for the full amount of retirement contributions is due on the pay date of each pay period, as explained in Section 5 of this handbook. Any payment and/or partial payment received after the pay date are considered late payments.

As authorized under Gov't Code section 31580.1 and the California Constitution, a Participating Employer is assessed an interest penalty for late payments. ACERA will ordinarily apply interest to the underpaid amount at ACERA's semi-annual interest crediting rate (Gov't Code § 31472.1), but reserves the right to assess additional interest (e.g., ACERA's assumed rate of investment return) and add penalties to the underpaid amount in cases of intentional late payments or delays in remedying late payments. A Participating Employer may appeal in writing to the Board of Retirement for abatement of interest for reasonable cause.

ACERA will invoice an Employer for additional payment of interest for late payment of contributions, supported by the calculation of interest. An Employer should ensure that payment is received by ACERA within ten days of the date of the invoice, unless an appeal is filed for abatement. Interest will continue to accrue if the payment is not received within ten days of the invoice date or in case of failure to file an appeal for abatement.

Section 7: What To Do When...

This section is designed to help Participating Employers facilitate and report the events that employees may encounter in their work and personal lives. It highlights what Participating Employers need to do, when to take action, and the possible impact of change on an employee's pension plan and other ACERA benefits. The forms required to facilitate a work or life event, if any, are clearly identified.

At any time, if you have questions or need assistance, contact ACERA Member Services.

Hiring an ACERA-Eligible Employee

When hiring an ACERA-eligible employee, the Participating Employer's payroll clerk or Human Resources department provides the employee with an ACERA New Member Enrollment Questionnaire. The employee completes and returns this form to his/her Employer. The Participating Employer processes the form, and the new employee's demographic and employment-related information is provided to ACERA through the Participating Employer's transmittal file. The Participating Employer also forwards the completed form to ACERA for inclusion in the member's file.

Refer to the ACERA website for more details on establishing new employees with ACERA.

Job Status Changes

Change From Full-Time To Part-Time, Tap, Per Diem, Services As Needed, Intermittent, Or Temporary

During the course of ACERA-covered employment, an employee's job status may change from full-time permanent to part-time, seasonal, TAP, per diem, services as needed, intermittent, or temporary status.

The employee will remain a contributing ACERA member. The employee contributions continue and the employee continues to earn ACERA service credit for hours worked. Contributions will continue for as long as the employee continues employment in the new position; the employee cannot discontinue membership unless he/she terminates employment.

Change From Part-Time, Tap, Per Diem, Seasonal, Services As Needed, Intermittent, Or Temporary Status To Full-Time Status

If an employee begins employment in one of these positions and then later begins working in a full-time permanent position, he/she becomes eligible for ACERA membership.

When an employee becomes eligible, the Participating Employer's payroll clerk or Human Resources department provides the employee with an ACERA New Member Enrollment Questionnaire. The employee completes and returns this form to his/her Employer. The Participating Employer processes the form, and updated information is provided to ACERA through the transmittal file.

Refer to the ACERA website for more details on the ACERA New Member Enrollment Questionnaire and establishing a newly-eligible employee with ACERA.

Moves from One Participating Employer to Another

In general, an employee's move from one Participating Employer to another (such as from Alameda County to Alameda Health S) should be seamless if there is no break in employment. In most cases, no action is required. However, in the event the employee receives a Termination Election of Membership Form from ACERA, he/she will follow these steps:

The employee will contact the new Participating Employer, letting them know he/she is already an ACERA member.

The employee is NOT required to complete an ACERA New Member Enrollment Questionnaire.

If the employee's contribution is not withheld during his/her first pay period, the Participating Employer must notify ACERA. ACERA will determine the amount required for the member to pay for a missed contribution. This will ensure no loss of service credit.

Becoming Disabled

In the event an employee becomes ill or injured and permanently unable to perform his/her job duties, the employee may be eligible for disability retirement through ACERA.

ACERA is the administrative facilitator of member disability applications—Participating Employers should refer employees who wish to apply for disability retirement directly to ACERA.

For detailed information regarding the disability retirement application process, refer to the ACERA Disability Retirement Handbook. A copy of the handbook is available on the ACERA website, www.acera.org, or available upon request from ACERA Member Services.

Termination After Completing Six Months of Employment but Prior to Retirement Eligibility

Participating Employers should provide the employee with a Termination Election of Membership Form, and submit the form to ACERA, unless the employee has been hired by another Participating Employer.

If the employee requests an ACERA refund, instruct the employee to complete Section C of the form.

Retroactive Reinstatement following Involuntary Termination

Participating Employers should notify ACERA immediately of the employee's reinstatement.

If ACERA refunded an employee's contributions during the period between termination and reinstatement, the member has 90 days from the date of the reinstatement agreement to repay the refund plus accrued interest. If the employee repays the refund, the service credit will be reinstated.

Employers need to provide ACERA with a signed copy of the order or agreement to return to employment. If the employee does not pay back the refund plus interest within the 90-day period, he/she is required to pay the actuarial cost of an ACERA buy-back to receive credit for the refunded period. The actuarial cost may be substantially greater than repaying the refund plus interest.

Termination At Retirement Eligibility

Encourage the employee to contact ACERA for retirement counseling, and make sure the employee completes the Application for Service Retirement Form. Avoid providing advice, as your organization could be held legally liable for any information provided.

Working After Retirement

Generally, working after retirement will not affect a retiree's retirement benefit:

- A member who retires cannot have a prearranged agreement (either written or oral) to return to work for the employer after retirement, regardless of the length of the break in service.
- Regardless of the age of retirement, general ACERA members who have retired won't be eligible to return to work (for a limited duration, in any capacity, in any form) for an ACERA employer for a period of 180 days following retirement, except under special circumstances. (This even applies to work under contract or via an employment agency).
  - If there are special circumstances, the employer can certify in writing it is necessary to fill a critically needed position and the hiring has been approved by the Board of Supervisors or governing body of the Participating Employer in an open public meeting and not on the consent calendar.
- ACERA safety members cannot return to work within 90 days of retirement if they retire at an age younger than 50, except under special circumstances, under IRS rules.
- An eligible retiree may return to work for a limited duration of time with a participating employer and for a period of 960 hours or less in any fiscal year and continue to receive his/her retirement allowance. Sometimes, this is called becoming a "Retired Annuitant." During

this limited duration post-retirement employment, the member will not accrue any additional ACERA service credit or pension benefits, nor will the member or the employer pay contributions for this service.

- A retiree's pay must fall within the range of other employees performing comparable duties.
- ACERA members who received a retirement incentive, such as a golden handshake or early separation program payoff, won't be eligible to work for an ACERA employer for a period of 180 days following retirement.
- Retirees are not eligible to return to work if they have collected unemployment compensation arising out of prior employment with a public agency during the 12 months before their appointment to the position with one of ACERA's participating employers.

Reporting Wages under the Wrong Social Security Number

In the event an employee's wages are reported under the wrong Social Security number, Participating Employers should provide ACERA with the following information:

- Employee's name
- Incorrect Social Security number
- Correct Social Security number
- Quarter(s) and year(s) reported incorrectly
- Dollar amount of wages involved by quarter
- A copy of the employee's Social Security card

Changes in Marital Status

In the event an employee marries or divorces after his/her ACERA membership entry date, the employee will need to update his/her plan beneficiary information. To do so, the employee completes and returns an ACERA Active or Deferred Member Beneficiary Designation Form. The form is available through the ACERA website, www.acera.org, or upon request from ACERA Member Services.

Also, while not required, the employee may wish to provide ACERA with a copy of the marriage certificate and spouse's birth verification. This information will be required at the time of retirement and it may be needed in the event of the employee's death for benefit payment to his/her spouse.

Beneficiary Change Requests

Participating Employers should provide the employee with an Active or Deferred Member Beneficiary Designation Form, and instruct him/her to return the form directly to ACERA.

Encourage employees to keep their retirement plan beneficiaries up-to-date with ACERA. Employees can make changes to beneficiaries at any time. They simply need complete and return an ACERA Active or Deferred Member Beneficiary Designation Form. The form is available upon request from ACERA Member Services or through the ACERA website, www.acera.org.

Address Changes

Participating Employers should instruct active employees to complete his/her address change request through the Employer's designated channel (i.e., HR self-service and/or paper form). Once updated by the Employer, this data is passed to ACERA through the Employer's transmittal file.

An Active Employee's Death

In the event of an active employee's death, the Participating Employer should contact ACERA and provide the following information:

- The employee's name
- The employee's Social Security number
- The date of the employee's death (provided through the Participating Employer's transmittal file)
- The name, address, and phone number of a family member or other contact person

When an employee dies while an active ACERA member, a range of death benefits may be available to the employee's beneficiary(ies) or surviving spouse/registered domestic partner and eligible minor children. Beneficiaries should be prepared to notify ACERA as well. Beneficiaries will need to take the following steps:

- Contact ACERA and report the employee's death
- Provide a certified copy of the employee's death certificate to ACERA
- Provide the employee's birth certificate if it is not already on file with ACERA

Refer to ACERA's Website for more information regarding the death benefits that may be available to an employee's beneficiary.

Section 8: ACERA Forms and Publications

ACERA members need to complete forms from time-to-time to update account information or to request information from ACERA. In addition, Participating Employers should be aware that ACERA sponsors a broad range of regular publications for our membership and the public, so we can keep members and Participating Employers alike updated on our retirement fund's financial position and provide updates on ACERA benefits.

This section provides an overview of our most frequently used forms and publications. Copies of all forms and publications are available for download through the ACERA website, www.acera.org.

Frequently Used ACERA Forms

The table below lists frequently used ACERA forms, summarizing their purpose—why and when they are used.

FORM	WHY AND WHEN TO USE IT
Active or Deferred Member Beneficiary Designation Form	Employees use this form to designate and change beneficiary(ies) for ACERA plan benefits in the event of their death.
Agreement and Order for Division of Retirement Benefits	In the event of an employee's divorce, this document is used to document agreement to divide retirement benefits between the employee and his/her spouse.
Application for Disability Retirement	In the event of an employee's disability, this form is used to apply for nonservice-connected or service-connected disability. Note, an example only of this form is included on ACERA's website. Employees and/or Participating Employers must contact ACERA Member Services to request the form and initiate the disability retirement application process.
Application for Service Retirement	In the event of an employee's disability, this form is used to apply for nonservice-connected or service-connected disability. Note, an example only of this form is included on ACERA's website. Employees and/or Participating Employers must contact ACERA Member Services to request the form and initiate the disability retirement application process.
New Member Enrollment Questionnaire	Employees use this form to provide their personal information and beneficiary designations to ACERA. Participating Employers collect these forms and submit them to ACERA for processing.
Purchase Request Form	Employees use this form to request a cost estimate for purchasing service credit.
Redeposit Request Form	Employees use this form to request a cost estimate for a redeposit of previously withdrawn ACERA contributions.
Retirement Estimate Request Form	Employees use this form to request an estimate of their retirement benefit allowance from ACERA. Estimate requests must be made in writing, using this form. Employees can also use this form to request their current ACERA account balance, including employee contributions and accumulated interest.
Termination Election of Membership Form	Employees use this form to notify ACERA of their termination of ACERA-covered employment and make related elections regarding their ACERA benefit—to defer membership and leave their account on deposit with ACERA; to establish a reciprocal agreement with another public employer; or to terminate ACERA membership and withdraw their contributions.

Important ACERA Member Communications and Publications

ACERA members can take advantage of a wide range of ACERA-sponsored publications. These resources are designed to educate members about their retirement benefits and foster a sense of community among ACERA members.

ACERA Website

The ACERA website, www.acera.org, provides comprehensive information regarding the ACERA plan. The site includes important announcements and notices, benefits summaries, information regarding retiree health insurance benefits, retirement planning tools, downloadable forms and publications, and an online benefit estimate calculator. It also provides information about the ACERA organization, including a schedule of Committee and Board meetings, the Board meeting minutes, legislative updates, and investment performance reports.

Web Member Services

In addition to providing mission-critical information, ACERA's website includes a secure account feature (requiring login and password) called Web Member Services (WMS). After creating an account and logging in, members can:

- Access personal retirement account information 24/7
- Check the balance of contributions and service credit
- Generate multiple retirement allowance estimates by combining the following factors in various ways:
    - Retirement date
    - Final average salary
    - Sale of vacation/Purchase of service credit

WMS is an effective tool for obtaining access to personal retirement options.

Retirement Seminars

ACERA sponsors member seminars throughout each year, as follows:

- Pre-retirement seminars. These seminars are designed for employees planning to retire within the next three-five years. During the 3-hour seminar, an ACERA Retirement Specialist will review the plan's retirement benefit formula, retirement allowance options, retirement application process, and non-vested postemployment retirement benefits, including medical, dental, vision and death benefits.
- Mid-career seminars. These seminars are designed for employees planning to work in ACERA-covered employment until retirement age, who wish to begin planning for retirement. During the 2.5-hour seminar, an ACERA Retirement Specialist will provide information on what it means to be a vested member and to participate in a defined benefit pension plan. Additional information is also presented regarding reciprocal agency retirement benefits, service purchases and redeposits, employment termination options, and benefit formula components.
- New employee seminars. These seminars are for brand new ACERA members or members with less than 5 years of service. During the 2-hour presentation, participants will learn about what they can do throughout their careers to prepare for retirement, about retirement eligibility, what to expect retirement, the benefits of ACERA membership, options for leaving employment, and more.

Employees can reserve a space in any of our seminars by registering on the ACERA website.

ACERA Publications

A summary of our most frequently requested and used publications is provided below. Remember, copies of all publications are available through the ACERA website, www.acera.org.

Disability Retirement HandbookThis handbook provides detailed information on ACERA's disability retirement benefit and its application process.

PUBLICATION	PURPOSE
ACERA "What's Up" Newsletter	"What's Up" is ACERA's quarterly newsletter for both active employees and retired members. The newsletter includes important news and announcements, highlights of ACERA benefit plan provisions, a summary of plan investment performance, the Board meeting schedule, and special feature articles.
Comprehensive Annual Financial Report (CAFR)	Published annually, the CAFR provides the public and financial community with a comprehensive report on the state of the ACERA organization and its financial performance.
Benefits Reference & Open Enrollment Guide	Published annually, this guide provides retired members with information regarding their medical, dental and vision benefits and the annual enrollment process.
Popular Annual Financial Report (PAFR)	Published annually, the PAFR is designed for ACERA members as a summary version of the CAFR. It provides highlights of ACERA's annual accomplishments, summarizes ACERA's financial position and lists other ACERA organizational facts, such as the current number of ACERA members.
Disability Retirement Handbook	This handbook provides detailed information on ACERA's disability retirement benefit and its application process.

Take Note! We encourage Participating Employers and employees alike to visit the ACERA website often— it's a one-stop resource for all ACERA information needs.

Section 9: ACERA Contact Information

When you have questions, need information, or require assistance, feel free to contact ACERA through the following general channels.

By Mail	Alameda County Employees' Retirement Association 475 14th Street, Suite 1000 Oakland, California 94612-1900, QIC Code: 22901
In Person	475 14th Street, Suite 1000 Oakland, California 94612-1900 8:00 a.m. – 5:00 p.m. Pacific Time Monday – Friday
Phone	510-628-3000 Toll free: 800-838-1932 8:30 a.m. – 5:00 p.m. Pacific Time Monday – Friday
Email	Member Services Inquiries and General Questions: info@acera.org Financial Reporting: accounting@acera.org Report Website Bugs: webmaster@acera.org Technical Issues and Transmittals: AllApplicationSupport@acera.org
Website	www.acera.org
Fax	510-268-9574

Appendix 1: Current Transmittal File Layout Specifications

Current Transmittal File Layout Specifications *(As of 04/2006)*

All character and date fields should be blank filled if no data is present. All numeric fields should be zero filled if no data and should be preceded with leading zeros to fill a field with data.

Field #	Transmittal Header Record	Type	Len	From	To	Example	REQ	If Retro record, field is required	ACERA comments
	Batch Number			1	15			/a	
F001	Fund ID	char	3	1	3	001	Y	N/A	
F002	Employer ID	char	3	4	6	001	Y	N/A	This is a unique 3 digit character that identifies the employer "001"-Alameda County "002"-Alameda County Fire Department "003"-Alameda Co Housing Authority "004"-LARPD "005"-Alameda Office of Education "006"-Alameda County Medical Center "007"-Alameda County Superior Court "008"-First 5 Alameda County
F003	Fiscal Year	char	4	7	10	2000	Y	N/A	Payroll year (applicable tax year for the payroll)
F004	Batch Reporting Type	char	1	11	11	T	Y	N/A	
F005	Batch Pay Period Code	char	2	12	13	01	Y	N/A	
F006	Batch Sequence Num	num	2	14	15	00	Y		If there are adjustment batches for a prior pay period then this field cannot be the same as the original batch submitted. For example if you are submitting information for a supplemental payroll run for which a transmittal file has already been created and that transmittal file sequence number was 00, then the supplemental payroll file being submitted for this payroll should be 01.
F007	Batch Create Date	date	8	16	23	20000117	Y	N/A	CCYYMMDD
F008	Batch Reporting Type	char	5	24	28	TRAN	Y	N/A	
F009	Batch Pay Period Code	char	2	29	30	01	Y	N/A	Same as position 12-13 of the header record - Batch Pay Period Code
F010	Batch Frequency Type	char	5	31	35	BW	Y	N/A	

Field #	Transmittal Header Record	Type	Len	From	To	Example	REQ	If Retro record, field is required	ACERA comments

F011	Batch Pay Period			1	15			/a	
F012	Batch Pay Period	8	36	43	20000101	Y	N/A	CCYYMMDD	
F013	Record Header	char	3	52	54	REC	Y	N/A	
F014	Transmittal	char	4	7	10	2000	Y	N/A	Payroll year (applicable tax year for the payroll)
F015	Batch Fund Name	char	30	60	89		Y	N/A	ACERA
F016	Batch Employer Name	char	30	90	119		Y	N/A	Alameda County, Alameda Co Housing Authority, Alameda County Medical Center, Alameda County Superior Court, LARPD, First 5 Alameda County

Note: Throughout this file negative values, when allowed, must be signed in the leftmost (first) character position of the field. Highlighted items are required fields for records designated as retro.

Transmittal Record Layout				**Records beyond 1 per SSN must be for earlier pay periods & contain Retro flag.**					
Field #	**Transmittal Detail Record**	**Type**	**Len**	**From**	**To**	**Example**	**REQ**	**If Retro record, field is required**	**ACERA comments**
	Batch Number			1	15				
F001	Fund ID	char	3	1	3	001	Y	Y	
F002	Employer ID	char	3	4	6	001	Y	Y	Same as in header
F003	Fiscal Year	char	4	7	10	2000	Y	Y	Payroll year
F004	Batch Reporting Type	char	1	11	11	T	Y	N/A	
F005	Batch Pay Period Code	char	2	12	13	01	Y	N/A	
F006	Batch Sequence Num	num	2	14	15	00	Y		If there are adjustment batches for a prior pay period then this field cannot be the same as the original batch submitted. For example if you are submitting information for a supplemental payroll run for which a transmittal file has already been created and that transmittal file sequence number was 00, then the supplemental payroll file being submitted for this payroll should be 01.
F007	Batch Create Date	date	8	16	23	20000117	Y	N/A	CCYYMMDD
F008	Batch Reporting Type	char	5	24	28	TRAN	Y	N/A	
F009	Batch Pay Period Code	char	2	29	30	01	Y	N/A	Same as position 12-13 of the header record - Batch Pay Period Code
F010	Batch Frequency Type	char	5	31	35	BW	Y	N/A	
F011	Batch Pay Period Beg Date	date	8	36	43	20000101	Y	N/A	CCYYMMDD
F012	Batch Pay Period End Date	date	8	44	51	20000114	Y	N/A	CCYYMMDD
F013	Record Header	char	3	52	54	REC	Y	N/A	
F014	Record Type	char	5	55	59	TRANS	Y	Y	

F015	Record Action Type	char	2	60	61	A	Y	Y	
F016	Record Retro Flag	char	1	62	62		Y	Y	“Y” in a record for a previous pay period…not the current pay period.
F017	Mbr SSN	char	15	63	77	123456789	Y	Y	9 digits
F018	Per Person Type	char	5	78	82	MEMBR	Y	0	
F019	Filler	char	16	83	98				
F020	Per Person Status Code	char	5	99	103	ACTIV	A	Y	
F021	Per Name Prefix	char	5	104	108				
F022	Per First Name	char	25	109	133		Y	Y	
F023	Per Middle Name	char	25	134	158		Y	Y	
F024	Per Last Name	char	25	159	183		Y	Y	
F025	Per Name Suffix	char	5	184	188				
F026	Per Gender Code	char	5	189	193	M	A		Used for actuarial calculations.
F027	Per Ethnicity Code	char	5	194	198	W			
F028	Per Marital Status Code	char	5	199	203	M	A	Y	If you do not provide legal marital status it is important that this field be unknown. It should not be left blank.
F029	Filler	char	15	204	218				
F030	Mbr Entry Date	date	8	219	226	yyyymmdd	Y	Y	Most recent entry into the retirement system.
F031	Mbr Employment Date	date	8	227	234	yyyymmdd	Y	Y	Most recent hire/rehire date.
F032	Mbr Separation Date	date	8	235	242		A	Y	This could result from employment termination or status change from full to part-time or regular to project. Should be blank if member re-enters system. There should only be a date supplied here if the member is currently separated from the retirement system
F033	Mbr Adjusted Entry Date	date	8	243	250	yyyymmdd			
F034	Mbr Adjusted Employment Date	date	8	251	258	yyyymmdd			
F035	Filler	char	6	259	264				

F036	Plan ID	char	2	265	266	01	Y	Y	01=General Tier I - N/I 02=General Tier II - N/I 03=General Tier I - Int 04=General Tier II - Int 05=Safety Tier I - N/I 06=Safety Tier II - N/I 07=District General Tier I - Int 08=District General Tier II - Int 09=District General Tier I - N/I 10=Safety Tier I - Int 11=Safety Tier II - Int 12=District General Tier II - N/I 13=AHS General Tier I - Int 14=AHS General Tier I - N/I 15=AHS General Tier II - Int 16=AHS General Tier II - N/I 17=First 5 General Tier I - Int 18=First 5 General Tier I - N/I 19=First 5 General Tier II - Int 20=First 5 General Tier II - N/I 21=Courts General Tier I - Int 22=Courts General Tier I - N/I 23=Courts General Tier II - Int 24=Courts General Tier II - N/I 25=Safety @ 2% Tier I - Int 26=Safety @ 2% Tier I - N/I 27=Safety @ 2% Tier II - Int 28=Safety @ 2% Tier II - N/I 29=Safety Def. Fire Tier I - N/I 30=Safety Def. Fire Tier II - N/I 31=LARPD General Tier I - N/I 32=LARPD General Tier III - N/I 33=Safety 3% @55 A Tier I - Int 34=Safety 3% @55 A Tier I - N/I 35=Safety 3% @55 A Tier II - Int 36=Safety 3% @55 A Tier II - N/I 37=Safety 3% @55 B Tier I - Int 38=Safety 3% @55 B Tier I - N/I 39=Safety 3% @55 B Tier II - Int 40=Safety 3% @55 B Tier II - N/I 41=AHS General Tier IV - Int 42=AHS General Tier IV - N/I 43=Courts General Tier IV - Int 44=Courts General Tier IV - N/I 45=District General Tier IV - Int 46=District General Tier IV - N/I 47=First 5 General Tier IV - Int 48=First 5 General Tier IV - N/I 49=General Tier IV - Int 50=General Tier IV - N/I 51=Safety Tier IV - Int 52=Safety Tier IV - N/I 53=LARPD General Tier IV - N/I Additional plans to be determined

F037	Mbr Contribution Basis Date	date	8	267	274	yyyymmdd	A		Should be used to determine contribution rate. Data source must be available for retirement staff override.
F038	Embr Comp Time Balance	num	12	275	286	10000			Not Used
F039	Filler	char	22	287	308				
F040	Embr Sick Balance	num	12	309	320	7850000	A		Provide only at death or retirement.
F041	Embr Vacation Balance	num	12	321	332	240000			Not Used
F042	Embr Holiday Balance	num	12	333	344	0			Not Used
F043	Embr Plan Member Status	char	5	345	349	ACTIV			Not Used
F044	Embr Plan Member Eff Date	date	8	350	357				Not Used
F045	Embr Status	char	5	358	362	ACTIV			Not Used
F046	Embr Status Eff Date	date	8	363	370				Not Used
F047	Sal Record Type	char	5	371	375	CONTR	Y	Y	
F048	Sal Status Code	char	5	376	380	POST	Y	Y	
F049	Sal Status Eff Date	date	8	381	388	19901027	Y	Y	Use check date.
F050	Sal Pay Period Begin Date	date	8	389	396	19970701	Y	Y	CCYYMMDD
F051	Sal Pay Period End Date	date	8	397	404	19970715	Y	Y	CCYYMMDD
F052	Sal Pay Period Number	char	2	405	406	01	Y	Y	
F053	Sal Payroll Process Date	date	8	407	414	19970720	Y	Y	Current PAYDAY Date. Same for all records including retroactive.
F054	Sal Reporting Period Type	char	5	415	419	TRAN	Y	Y	
F055	Sal Reporting Date	date	8	420	427		Y	Y	
F056	Sal Reporting Status Date	date	8	428	435		Y	Y	
F057	Sal Gross Salary Amt	num	11	436	446	110000	Y	Y	Negative amt ok in Retro records only.
F058	Sal Earnable Salary Amt	num	11	447	457	110000	Y	Y	Pensionable Salary less VacCash/Sell amts, less SickLeave CashOut amt, plus any retirement eligible unpaid leave such as SDI and FMLA.
F059	Sal Pensionable Salary Amt	num	11	458	468	110000	Y	Y	Includes VTO wages. Negative amt ok in Retro records only.
F060	Sal Work Indicator	char	1	469	469	H	Y	Y	"H" = hours

F061	Filler	char	16	470	485		N		
F062	Sal Pensionable Units Worked	num	8	486	493	8000	Y	Y	Retirement eligible HOURS excluding VacSell/VacCashOut hours. Negative amt ok in Retro records only.
F063	Contr Record Type	char	5	494	498	CONTR	Y	Y	
F064	Contr Status	char	5	499	503	POST	Y	Y	
F065	Contr Status Eff Date	date	8	504	511	19901027	Y	Y	Use check date.
F066	Contr Pay Period Begin Date	date	8	512	519	19980101	Y	Y	CCYYMMDD
F067	Contr Pay Period End Date	date	8	520	527	19980115	Y	Y	CCYYMMDD
F068	Contr Reporting Method	char	5	528	532	TRANP	Y	Y	
F069	Contr Reporting Date	date	8	533	540		Y	Y	
F070	Filler	char	10	541	550				
F071	Contr Employee Owner	char	1	551	551	E	Y	Y	
F072	Contr Employee Pre Tax Amt	num	11	552	562	7000	Y	Y	It is expected that contributions will be pre-tax in most cases. Negative amt ok in Retro records only.
F073	Contr Employee Post Tax Amt	num	11	563	573	0	Y	Y	Negative amt ok in Retro records only.
F074	Contr Employer Owner	char	1	574	574	R	Y	Y	
F075	Contr Employer Pre Tax Amt	num	11	575	585	9000	Y	Y	Negative amt ok in Retro records only.
F076	Contr Employer Post Tax Amt	num	11	586	596	0	Y	Y	Negative amt ok in Retro records only.
F077	Contr Voluntary Owner	char	1	597	597	E	Y	Y	
F078	Contr Voluntary Pre Tax Amt	num	11	598	608	0	Y	Y	Negative amt ok in Retro records only.
F079	Contr Voluntary Post Tax Amt	num	11	609	619	0	Y	Y	Negative amt ok in Retro records only.
F080	Contr Contract Owner	char	1	620	620	E	Y	Y	
F081	Contr Contract Pre Tax Amt	num	11	621	631	0	Y	Y	Negative amt ok in Retro records only.
F082	Contr Contract Post Tax Amt	num	11	632	642	0	Y	Y	Negative amt ok in Retro records only.
F083	Job Employment Type	char	5	643	647	FT	Y	Y	
F084	Job Bargaining Unit	char	5	648	652	FED	A		Used for benefit calculations.
F085	Job Department Code	char	5	653	657		A		Add leading zeros to produce a 4-digit entry.

F086	Filler	char	5	658	662			Filler
F087	Job Division Code	char	5	663	667			
F088	Filler	char	5	668	672			
F089	Job Class Code	char	5	673	677			
F090	Job Class Eff Date	date	8	678	685			
F091	Job Title Code	char	5	686	690		Y	
F092	Job Title Eff Date	date	8	691	698		Y	
F093	Job Pay Grade	char	5	699	703			Not Used
F094	Job Pay Grade Amt	num	11	704	714			Not Used
F095	Job Pay Grade Eff Date	date	8	715	722			Not Used
F096	Job Pay Status	char	5	723	727	ACTIV		Not Used
F097	Job Pay Status Eff Date	date	8	728	735	19960630		Not Used
F098	Birth Date	date	8	736	743	19550501	Y	CCYYMMDD
F099	Birth Place	char	50	744	793			
F100	Birth County	char	20	794	813			
F101	Birth Certificate Filed Flag	char	1	814	814	T		
F102	Death Date	date	8	815	822			
F103	Death Type	char	5	823	827	DTY		
F104	Death Certificate Filed Flag	char	1	828	828	T		
F105	Death SEA Flag	char	2	829	830	F		
F106	Death Reporting By	char	30	831	860			
F107	Death Relationship	char	5	861	865	WIFE		
F108	Death Reported Date	date	8	866	873			
F109	Death Cause Code	char	5	874	878	ACCID		
F110	Addr Eff Date	date	8	879	886		A	

F111	Addr Type Code	char	5	887	891	HOME	A		Use mailing address.
F112	Addr Line 1	char	30	892	921		A		
F113	Addr Line 2	char	30	922	951				
F114	Addr Line 3	char	30	952	981				
F115	Addr City	char	30	982	1011	San Jose	A		
F116	Addr State Code	char	5	1012	1016	CA	A		
F117	Addr Zip Code	char	9	1017	1025	95014	A		
F118	Addr E-mail Address	char	50	1026	1075	dk@lrs			
F119	Addr MailStop Description	char	10	1076	1085	c10			
F120	Addr Country Code	char	5	1086	1090				
F121	Addr County Description	char	20	1091	1110	San Jose			
F122	Phn Eff Date	date	8	1111	1118				
F123	Phn Type Code	char	5	1119	1123	HOME			
F124	Phn Country Code	char	5	1124	1128				
F125	Phn Area Code	char	3	1129	1131	510			
F126	Phn Number	char	15	1132	1146	2775137			
F127	Phn Extension Number	char	5	1147	1151				
F128	Social Security Integration Flag	char	1	1152	1152	T	Y		If plan participation is in an integrated plan, then should be "T", if in a nonintegrated plan then it should be "F"
F129	VTO/MTO Basic Amount	num	11	1153	1163	7000	A	Y	Employer-paid employee contibutions
F130	VTO/MTO Cola Amount	num	11	1164	1174	7000	A	Y	
F131	Employer offset basic	num	11	1175	1185	7000	A	Y	Employer-paid employee contibutions
F132	Employer offset cola	num	11	1186	1196	7000	A	Y	
F133	Vacation Accrual Rate	num	12	1197	1208	1200000	A		
F134	Vacation cash out/sell back Amt	num	11	1209	1219	7000	A	Y	Negative amt ok in Retro records only.

F135	Vacation cash out/sell back units	num	12	1220	1231	7850000	A	Y	Negative amt ok in Retro records only.
F136	Sick Leave cash out Amt	num	11	1232	1242	7000	A	Y	Negative amt ok in Retro records only.
F137	Sick Leave cash out units	num	12	1243	1254	7850000	A	Y	This information should be suppied only at retirement or death, not each pay period. Negative amt ok in Retro records only.
F138	Contribution Reason Code	num	2	1255	1256	01	Y	Y	Use code number 10 to indicate a check reversal, online check and normal check combination Use code number 20 to indicate a retro salary adjustment Use code number 30 to indicate a prior pay period adjust-ment Use code number 40 in the contribution reason code to indicate a payment as a result of Vacation Sell/Payoff.
F139	Social Security Income Cap	char	1	1257	1258	N	Y	Y	This flag is to have a value of null or Y. A value of null indicates the member has not reached the Social Security Base Cap. A value of Y indicates the member has reach the Social Security Base Cap and Employee and Employer contributions are NOT withheld and reported as zero in the transmittal file. NOTE: The Social Security Base Cap is adjusted annually based on the Consumer Price Index for all Urban Consumers.

Field #	Transmittal Trailer Record	Type	Len	From	To	Example	REQ	If Retro record, field is required	ACERA comments
	Batch Number			1	15				
F001	Fund ID	char	3	1	3	001	Y	N/A	
F002	Employer ID	char	3	4	6	001	Y	N/A	Same as in header
F003	Fiscal Year	char	4	7	10	2000	Y	N/A	Payroll year
F015	Batch Fund Name	char	30	60	89		Y	N/A	ACERA
F004	Batch Reporting Type	char	1	11	11	T	Y	N/A	
F005	Batch Pay Period Code	char	2	12	13	01	Y	N/A	
F006	Batch Sequence Num	num	2	14	15	00	Y	N/A	Use pay period number, such as 01, 02,. . . ,25,26.
F007	Batch Create Date	date	8	16	23	20000117	Y	N/A	CCYYMMDD
F008	Batch Reporting Type	char	5	24	28	TRAN	Y	N/A	
F009	Batch Pay Period Code	char	2	29	30	01	Y	N/A	
F010	Batch Frequency Type	char	5	31	35	BW	Y	N/A	
F011	Batch Pay Period Beg Date	date	8	36	43	20000101	Y	N/A	CCYYMMDD
F012	Batch Pay Period End Date	date	8	44	51	20000114	Y	N/A	CCYYMMDD

F013	Record Header	char	3	52	54	REC	Y	N/A	
F014	Transmittal Record Type	char	5	55	59	TRAIL	Y	N/A	
F015	Batch Fund Name	char	30	60	89	0	Y	N/A	ACERA
F016	Batch Employer Name	char	30	90	119	0	Y	N/A	Same as in header
F017	Tot Record Count	num	11	120	130		Y	N/A	
F018	Tot Employee Contribution Amt	num	11	131	141		Y	N/A	Sum all recs pos 552-562 & 563-573
F019	Tot Employer Contribution Amt	num	11	142	152		Y	N/A	Sum all recs pos 575-585 & 586-596
F020	Tot Voluntary Contribution Amt	num	11	153	163		Y	N/A	Sum all recs pos 598-608 & 609-619
F021	Tot Contract Payment Amt	num	11	164	174		Y	N/A	Sum all recs pos 621-631 & 632-642
F022	Tot Receivable Amt	num	11	175	185		Y	N/A	Sum of previous 4 fields

Appendix B:
Exceptions Causation and Resolution

Every pay period, each Participating Employer submits a transmittal file to ACERA containing their employee/member information. When ACERA imports this information into our PensionGold member accounts database, we receive an exceptions report. These exceptions are caused when our database receives information determined to be incorrect, or if it is determined that information is missing or comes across as unexpected.

Each pay period, ACERA staff must research why these exceptions occur. This can be a time-consuming process, as they have to review member files, employer payroll information, and the PensionGold account in order to determine the issue that has caused each exception. If monetary exceptions occur continuously, staff must perform reconciliation of contributions and service in order to correct the member's account. This may also result in overpayments of contributions, which then have to be refunded to the member, or underpayments that must be collected from the member.

This document contains a description of each exception, the causes of that exception, what the employer should do to prevent the exception, and what ACERA staff must do to resolve the exception. We hope that this document will help the Employer's staff to understand our processes and help them independently process transactions accurately in order to avoid unnecessary exceptions. Employer staff should communicate with ACERA staff for clarification of any of the information provided herein.

Contents List

1. Required Date Missing for a New Member

Causes

System Triggers:

- This error will be reported if one of the following fields is missing on employer's file:
    - Tax Identification Number
    - Entry Date
    - Last Name
    - First Name
    - Marital Status Code
    - Gender Code
    - Ethnicity Code
- This error may also occur if there is a separation date transmitted on the record at the same time that the member appeared.
- If a Member, Person, Person Status, Birth Check Business Rules, or Save function fails.
- If Employed Member, Employed Member Detail Check Business Rules, or Save function fails.

This exception is associated primarily with new members. While the transmittal file will automatically trigger the creation of new member records in PensionGold, the system will report this error if a key piece of information is missing from the transmittal.

Employer Resolution

- Provide all information listed above for each member.
- Check for separation dates recorded in error.
- Check Save functions for possible failure.

Corrective Steps (Performed by ACERA Staff)

Assess transmittal file for missing data.

Staff to provide missing data.

- Contact employer to inform them of the missing data so that they may address the issue on their system.
- Fill in information for the missing data using information provided from employer system. If unavailable, default information to unknown (only in case of Marital Status Code, Gender Code, Ethnicity Code).
- If the issue is the entry date (missing) member may be part-time, confirm employment status, if "zero" contributions, delete record.
- Import and post corrected record to member's record.

2. Required Date Missing for a New Member—Member Exist in Other Fund

Causes

System Triggers:

- This error will be reported if one of the following fields is missing on employer's file:
    - Tax Identification Number
    - Entry Date
    - Last Name
    - First Name
    - Marital Status Code
    - Gender Code
    - Ethnicity Code
- This error may also occur if there is a separation date transmitted on the record at the same time that the member appeared.

This exception is associated primarily with employees that are added in error as new members but employment status is part- time. While the transmittal file will automatically trigger the creation of new member records in PensionGold, the system will report this error if a key piece of information is missing from the transmittal.

Employer Resolution

- Provide all needed information for member.
- Check for separation dates recorded in error.
- Do not add ineligible members to transmittal files.

Corrective Steps (Performed by ACERA Staff)

- Assess transmittal file for missing data.
- Staff reviews employer's payroll system to validate eligibility.
- Upon obtaining information and determination that

status is part time and contributions are included, Manager to fill in information for the missing data using information provided from employer system.

- If the issue is an inclusion of the separation date, then delete the separation date to accept the record if it has contributions, import and post record.
- Staff to issue a refund to non-member.
- If the issue is the entry date (missing) member may be part-time, confirm employment status, if "zero" contributions, delete record.

3. Employed Member (Plan ID) Record Not Found

Causes

System Triggers:

- This error will be reported if one of the following situations exist:
    - Employed Member or Employed Member Detail Check Business Rules fails
    - Save function fails
- The most common cause(s) of this exception is:
- Plan ID provided by employer is not active plan on member's record.
- Plan ID provided by employer is not in member's employment detail record.
- Member is retired and therefore Plan ID in PensionGold has been terminated.
- Member is rehired and now reporting under a different Plan ID.
- Member has changed positions which resulted in a different Plan ID affiliation (i.e. General Plan to Safety).
- Member transferred or hired by another employer, previous employer fails to turn off retirement flag, member reported to the transmittal under previous employer (overlap).

Employer Resolution

- Provide correct Plan ID for members.
- Check Save functions.

Corrective Steps (Performed by ACERA Staff)

- Verify that Plan ID provided by employer is correct for member. (Refer to Plan ID description.)
- If correct, add correct plan to member's record in PensionGold.
- If Plan ID is incorrect in employer system, change Plan ID for future pay period in employer system or notify employer of error, if ACERA doesn't have primary responsibility for retirement update in employer system.
- Review the dates on the employed member records.
- Change the employment date to activate employer reported in the exception, clear exception. This will allow for record to post in PensionGold. Change back to the current plan.
- Add correct employer or Plan ID and Activate plan.

4. Employee Mandatory Contribution Rules Exist, but Payment Not Found

Causes

System Triggers:

- • This exception will occur if there are Employee Mandatory rules, but no Employee Mandatory contributions are found in the transmittal record.

The most common causes of this exception are members on leave but still being reported in transmittal process.

Employer Resolution

None for members on Leave of Absence.

Ensure contribution is withheld for all eligible members.

Corrective Steps

Clear exception. No corrective measure is necessary if these members are on leave.

If member is not on leave, but we did not receive contributions, then review the member's record for that pay period to determine if missed contribution calculation should be performed.

5. Employee Mandatory Contributions (Actual vs. Calculated) are Out of Balance

Causes

System Triggers:

- PensionGold calculated contribution amount differs from amount reported by employer.
- If the difference in the total of the Pre and Post Tax Employee Mandatory and the expected amount is greater than .01¢.

There are numerous causes of this exception, and the most common are discrepancies in:

Entry Date

- Age/Birthdate
- Tier
- Plan
- Multiple check payments to employee
- Unexplained manual contribution calculation deducted from member by employer
- Retirement eligible/ineligible pay codes incorrectly coded by employer

Employer Resolution

- Ensure all of the above member information is correct prior to payroll deduction, in order to prevent errors.
- Eliminate manual calculations.
- Use correct eligible pay codes.

Corrective Steps (Performed by ACERA Staff)

- If error was due to plan, birth date, entry date, or Tier, the following determination is made.

  Which system is correct?

  - If the employer system is correct, then Staff must update PensionGold immediately. Exception is cleared, no further action is required.
  - If employer system is incorrect, then Staff must update employer system, or contact employer if issue. Because of a timing delay, correction may not be effective until a future pay period. Exception is cleared. Staff tracks change, notes that until ACERA receives pay period information containing correction, exception for member will be repeated. ACERA Staff will then calculate correct contribution upon verification that the issue has been resolved in employer system.
- No action is required if this is a multiple check payment issue. Exception may be cleared with no further action. Multiple payments made to employees are combined and reported as a single line item (with certain exceptions) on the transmittal record. As such, the calculation verification done by PensionGold will differ from the amount being reported by employers who issue multiple checks. Normally, contributions are calculated using two separate rates due to Social Security integration (and only affect plans integrated with Social Security) whereby the first $350 of eligible wages per month ($161 biweekly) is multiplied by a lower contribution rate and the remaining eligible wages are multiplied by a higher percentage. This separate rate calculation takes place each time a member is issued a check. If a member receives multiple checks within the same pay period, the multiple rate contribution calculation is done on a per check basis. However, because the contribution amount per check is combined and transmitted in a single lump amount, PensionGold calculates the amount as if the total had been one payment, not multiple check payments.

Vacation Cash Out/Sick Leave Cash Out should be one check.

Retirement eligible/ineligible pay codes incorrectly coded by employer. Unexplained manual contribution calculation deducted from member by employer. Employer is contacted to determine cause. If employer coding or adjustment was appropriate, then no further action is required. Record is posted. If adjustment or coding was incorrect, further follow-up by staff is required. Because of a timing delay, correction may not be effective until a future pay period. Staff tracks change, notes that until ACERA receives pay period information containing correction, exception for member will be repeated. ACERA staff will then calculate correct contribution, if applicable upon verification that the issue has been resolved in employer system.

6. Service Contracts Exist, but No Payments Found

Causes

System Triggers:

- If there are Service Purchase Contracts effective before the Salary to Date and the Pre and Post Tax payment amounts are both zero.

There are numerous causes of this exception.

- Employee off on Leave of Absence.
- Employee does not have enough gross wages in order to cover the additional service contract deduction.
- Contract was set up in PensionGold; however no deduction was set up on employer end.

Employer Resolution

- None if member on Leave of Absence.
- Withhold the correct amount of payment ONLY (not more or less than payment).
- Ensure effective dates of contract are correct with ACERA.

Corrective Steps (Performed by ACERA Staff)

- Determine member status – if on leave or does not have enough gross wages to cover deduction, no action necessary. Record is posted.
- Determine if contract has already been paid off (pull member file). If paid, adjust contract balance to show paid. Record is posted.
- If overpayment; create a new contract PensionGold, Import payment, Refund member.
- Set up contract deduction on employer end. Change contract effective date in PensionGold to coincide with information on employer end.

7. Service Contracts Do Not Exist, but Payments Found—Situation #1

Causes

System Triggers:

- If there are no Service Purchase Contracts effective before the Salary to Date, but Pre and Post Tax Payment amounts were found in the record.

The main cause of this exception is that the contract has not been set up in PensionGold; however the employer system deducted the contribution for the contract.

Employer Resolution

- Ensure payments are not made (deducted) if a contract is terminated or complete.

Corrective Steps (Performed by ACERA Staff)

- Pull member file to determine contract information.
- Set up Service Contract in PensionGold.
- Clear and post record. No further action is necessary.
- If an existing contract has been paid off, determine if contributions were actually received.
- If contract is paid off, create a new contract to allow payment to post and refund overpayment to member.

8. Service Contracts do not exist, but Payments Found—Situation #2

Causes

System Triggers:

- If the Pre or Post Tax Payment amounts are non-zero and the differences between the expected amount and the amount in the record for either amount is greater than or less than.

There are numerous causes of this exception:

- The Amount expected was Post Tax but what was received was Pre Tax.
- The Transmittal Payment Box was not checked when the Contract was set up in PensionGold.
- The Amount expected is prorated, due to employee does not have enough gross wages in order to cover the additional service contract deduction.

- The Amount submitted is doubled. This is due to multiple checks. The deduction on the second check is taken in error and is prorated, depending on the amount of the check.

Employer Resolution

- Ensure Pre or Post Tax deductions are used correctly.
- Withhold all of payment amount or nothing (not more or less than payment amount).

Corrective Steps (Performed by ACERA Staff)

- Staff will Fix Contract in PensionGold to coincide with the Transmittal, Record is posted.
- If contract payment is prorated, Staff to manually post payment, Manager needs to also "zero" contribution contract field record when correcting.
- If contract payment is doubled, Staff to manually post payment, Manager needs to also "zero" contributions contract field record when correcting. Record is posted. Determine if contract has already been paid off (pull member file). If paid off refund overpayment to member.

9. Member Status Indicates a Possible Rehire or Possible Return to Work

Causes

System Triggers:

Member's status is Deferred Vested, Retired, or Terminated.

If status is Inactive if not doing Inactive Processing (which is indicated by all the contributions are zero in the record).

There are numerous causes for this exception:

Member is deferred or terminated, but has returned to employment.

Member has retired or terminated but is receiving additional/retro/final pay.

Employer Resolution

Provide ACERA with current employment/retirement plan data in transmittal file via New Member Enrollment Form.

Corrective Steps (Performed by ACERA Staff)

If reason for record is due to final pay, or retro, record is posted. No further research necessary. If member is retired and no further pay expected, benefit is recalculated.

If member is terminated, and no further pay expected, Staff to issue refund, if applicable.

If member has been rehired, information (such as birth date, entry date, and contribution rate) is verified against the file and record is posted. Staff tracks change, notes that until ACERA receives pay period information containing correction, exception for member will be repeated. ACERA staff will then calculate correct contribution upon verification that the issue has been resolved in employer system.

10. Negative Contribution/Salary Data Found on a Non-retro Record

Causes

System Triggers:

- If negative salary or contributions info comes across and it's not a retro record.

The main cause for this exception is that the employer has made adjustments to the member's payroll record which resulted in a negative number being transmitted. If there is a retro field, flag is false.

Employer Resolution

- Only record negative salary or contributions as retro record.

Corrective Steps (Performed by ACERA Staff)

- Staff inputs a "0" amount for the affected pay period's salary field.
- Transmittal record is updated as retro by Manager.
- Record is posted to member's record.

11. Duplicate Salary Record, Duplicate Contribution Record & Duplicate Contract Payment; Contract Payments Not Allowed on Retro Record

Causes

System Triggers:

- When processing a retro payment or adjustment, if the member already has a Posted or Posted-Adjustment salary record for the same from to dates.
- If there are contribution records for the same from to date already in PensionGold that are Posted or Posted Adjustment, the Record Type= contribution, for the specified contribution type.
- If there are contribution records for the same from to date already in PensionGold that are posted or posted adjustments for the specific contract(s).

There are numerous causes of this exception:

- Supplemental file submitted.
- Employer took partial service purchase contract from a supplemental check.
- Salary, Contribution & Contract payment have already been posted to PensionGold for this Pay Period.

Employer Resolution

- Withhold contributions only from supplemental and retro pay, and only if they should be.
- Do not withhold more than one purchase contract payment for the same Pay Period.

Corrective Steps (Performed by ACERA Staff)

- Duplicate contract payment: Manager reduced amount to one payment, staff manually posts one payment. Or Manager enters "zero" contributions contract field and staff manually posts both payments.
- Staff to manually post payment, Manager needs to also "zero" contributions contract field record when correcting. Record is posted (if attached to code 42).
- If appropriate, Staff to cancel contract payment, Manager clears exception by entering "zero" on contribution field, Record is posted. Staff posts the original full contract payment and the prorated contract payment from the supplemental file.

12. Required Field Missing

Causes

System Triggers:

If one of the required fields is missing this exception is triggered.

- This error will be reported if one of the following fields is missing on employers' file:
    - Tax Identification Number
    - Address
    - City
    - Zip
    - Birthday
    - Contributions from Date
    - Employment Type

Employer Resolution

- Include all of the above member information in employer file each pay period.

Corrective Steps (Performed by ACERA Staff)

- Assess transmittal file for missing data.
- Contact employer to inform them of the missing data so that they may address the issue on their system.
- Fill in information for the missing data using information provided from employer system.
- Import and post corrected record to member's record.

13. Code Table Look Up Failed

Causes

System Triggers:

- Fails to find a code table value:
    - Job Title
    - Department Codes

- Job Department (long)

The main cause for this error is when the employer has an undefined item (such as job item number) that is not in PensionGold's code table.

Employer Resolution

- Provide correct job information with member information each pay-period.
- Keep ACERA up to date with job titles, job codes, and employing departments.

Corrective Steps (Performed by ACERA Staff)

- Identify the code number requiring "mapping."
- Manager enters Job Title code & Denominator in PensionGold.
- Manager corrects Job Department (long) in PensionGold.
- Import and post corrected record to member's record.

14. Duplicate Salary Record Not Found for Retro

Causes

System Triggers:

- When doing a Retro run, and there is not an existing Salary record for the specified From and To Dates.

The main cause for this exception is that the employer has made adjustments to the member's payroll record that resulted in a negative number being transmitted. The retro field flag is false and the member's record already contains a salary record with a "0" amount.

Employer Resolution

- Negative amounts should not be reported for members.
- Corrective Steps (Performed by ACERA Staff)
- Staff inputs a "0" amount for the affected pay period's salary field.
- Transmittal record is updated as "retro" by Manager.
- Record is posted to member's record.

15. Birth Date on Transmittal Different than Member Birth Date

Causes

System Triggers:

- If the Birth Date was supplied in the record and it doesn't match the Member's birth record.

Main causes for this exception may be due to data input error when setting up of the member/employee on either the employer or retirement side. Incorrect or inconsistent birth date provided by member/employee.

Employer Resolution

- Ensure member's date of birth is correct in transmittal file.

Corrective Steps (Performed by ACERA Staff)

- Pull file to verify if ACERA has Birth Date information on file.
- Compare file information against transmitted date, and dates in employer and PensionGold system to verify which date is correct.
- If information is not in file, then contact employer for documentation.
- If transmittal and employer birth date is correct then make birth date update in PensionGold. Exception is cleared and record posted to member. No further action is required.
- If employer/transmittal date is incorrect, employer system is corrected. Record is posted to member's account. Staff tracks change, notes that until ACERA receives pay period information containing correction, exception for member will be repeated. ACERA staff will then calculate correct contribution upon verification that the issue has been resolved in employer system.

16. A Member Exists With the Same

Name and DOB, but Different SSN

Causes

System Triggers:

- If the Social Security was supplied in the record and it doesn't match the Member's record in PensionGold.

Main causes for this exception may be due to data input error when setting up of the member/employee on either the employer or retirement side. Incorrect or inconsistent Social Security number provided by the member/employee.

Employer Resolution

- Submit accurate Social Security number to ACERA via transmittal file.

Corrective Steps (Performed by ACERA Staff)

- Pull file to verify if Social Security number provided in Member Enrollment Questionnaire.
- Compare file information against transmitted date, and dates in employer and PensionGold system to verify entry dates are correct.
- If information is not in file, then contact employer for documentation (copy of Social Security card).
- If transmittal and employer record is correct then make Social Security changes in PensionGold. Exception is cleared and record posted to member. No further action is required.
- If employer/transmittal date is incorrect, employer system is corrected. Record is posted to member's account Staff tracks change, notes that until ACERA receives pay period information containing correction, exception for member will be repeated. ACERA staff will monitor upon verification that the issue has been resolved in employer system.

Plan Mismatch

Causes

System Triggers:

- If the Plan ID in the file in the record is not the same as the active plan of the Member. The most common causes of this exception are:
- Plan to plan transfer
- Member rehired
- Member job classification change (i.e. Sheriff's technician starts as General, but upon promotion to Deputy Sheriff is Safety member).

Employer Resolution

- Use correct Plan ID for members. Change ID if necessary due to job class change.

Corrective Steps (Performed by ACERA Staff)

- Verify which plan member should be in by pulling file and reviewing member's current membership/employment status in employer system.
- If PensionGold is incorrect—update Plan ID record to make active plan. Exception is cleared and record posted to member. No further action is required.
- In the event that the exception was cleared prior to activating plan, staff to perform a plan to plan and alert ACERA's accounting department.
- If employer system is incorrect—update Plan ID in employer system or contact employer to update record. Staff tracks change, notes that until ACERA receives pay period information containing correction, exception for member will be repeated. ACERA staff will then calculate correct contribution upon verification that the issue has taken place in employer system.

17. Reported and Current Participating

18. Inconsistent Separation Dates Supplied/Separation Date Mismatch

Causes

System Triggers:

If the Separation Date was supplied in the record and it doesn't match the Member's Separation Date record.

The most common cause of this exception are:

- Employee provided conflicting separation date (last date worked) information to retirement and employer.
- Input error by employer for pay period(s) prior, which was corrected in current pay period, received.

Employer Resolution

- Submit accurate separation date in transmittal file.

Corrective Steps (Performed by ACERA Staff)

- Staff to verify correct separation date, employers payroll system

If termination: If transmitted date is correct, then update PensionGold with current information. Manager to remove separation upon clearing.

- If transmitted date is incorrect, then notify employer of correction. Manager updates separation date on transmittal record. Exception is cleared and record is posted to member's account.

19. Invalid Separation Date Supplied

Causes

System Triggers:

- • I f the Separation Date was supplied in the record and it conflicts with business rules governing separation date. The most common cause of this exception is employer submits separation date for employee, which is before membership or employment date. This situation occurs most often for those employees who have transitioned to a new payroll system (i.e. ACMC) or who have made modifications within their payroll system without contacting ACERA of potential issues in transmittal file.

Employer Resolution

- Be cognizant of separation dates and entry dates.
- Use accurate dates in transmittal file.
- Communicate with ACERA during transitions to avoid large volumes of these types of exceptions.
- Corrective Steps (Performed by ACERA Staff)
- Review separation date provided by employer.
- Contact employer regarding issue as this is most likely programming error on employer end.
- Manager deletes separation date.
- Member record updated. No further action is required.

20. Contributions Exists on New Member

Causes

System Triggers:

- This exception is associated primarily with new members. While the transmittal file will automatically trigger the creation of new member records in PensionGold, the system will report this information in the transmittal.
- This error will be reported when a new member has been added to the transmittal file.

Employer Resolution

- Report eligible members only.
- Use correct entry dates.

Corrective Steps (Performed by ACERA Staff)

- Staff reviews employee's eligibility.
- For New Members: validates entry date in the system, the Membership is effective the first day of

the pay period following the hire date (usually the first day of the second pay period).

- Update PensionGold system accordingly.
- Staff starts new enrollment process.
- If it is determined that the employee is not eligible, staff should contact employer to inform them of the ineligible member so that they may remove the retirement flag and address the issue on their system.

Staff will issue a refund to the nonmember if record includes contributions.

21. Value cannot be negative

Causes

System Triggers:

- The main cause for this exception is that the employer has made adjustments to the member's payroll record that resulted in a negative number being transmitted. The vacation cash out units and amount fields flag is false and the member's record already contains a salary record with a "0" amount.

The most common causes of this exception are:

- Employee's reinstatement due to settlement.
- Adjustment due to employer vacation sells.
- Employer Resolution
- Contact ACERA if reinstatement occurs.
- Avoid reporting negative adjustments.

Corrective Steps (Performed by ACERA Staff)

- Staff inputs a "0" amount for the affected pay period's salary field.
- Manager updates transmittal record as "retro".
- Record is posted to member's record.
- If the adjustment is due to a reinstatement, staff to contact employer to determine the reinstatement period.
- Update PensionGold to reflect salary and units provided by employer.
- If member has withdrawn contributions due to termination and is now reinstated due to a settlement, staff to calculate cost of redeposit, contact member to redeposit funds (mandatory).
- Update PensionGold to reflect this information.

22. If Supplied Both Unit Cash Out and Amount Required

Causes

System Triggers:

- The main cause for this exception is that the employer fails to submit units or amounts for vacation cash out due to Adjustments.

The most common causes of this exception are:

- Field missing units or amount for vacation cash out.
- Prior pay period Adjustments.
- Employer adjusts member record using a different pay code (e.g., Vacation Cash Out/Sell vs. Vacation). These two pay codes are reported in PensionGold as two different salary types.

Employer Resolution

- Submit complete information on units and payment amounts for vacation accruals and prior pay periods.

Corrective Steps (Performed by ACERA Staff)

- Staff to validate correct units and salary from employer's payroll system.
- Transmittal record is updated if salary is "zero," deletes units, if a salary is transmitted, Manager adds units.

Record is posted to member's record.

23. Check of business rules failed while saving New Member

Causes

System Triggers:

- This error will be reported if one of the following fields is incorrect on employers' file:
  - Entry Date

    - The date range specified is incorrect
- If a Member, Person, Person Status, Birth Check Business Rules, or Save function fails.

The most common cause of this exception is

    - Employment date is after Entry date

This exception is associated primarily with new members. While the transmittal file will automatically trigger the creation of new member records in PensionGold, the system will report this error if a key piece of information from the transmittal.

Employer Resolution

- Be cognizant of entry date and employment dates.
- Entry date should always be the first day of pay period following employment date.

Corrective Steps (Performed by ACERA Staff)

- Staff confirms entry date with employer payroll system.
- Manager corrects entry date.

24. Zero Pensionable Salary Reported but Contributions Exist

Causes

System Triggers:

- Retro adjustment can cause exceptions if adjustments are not matching the correct pay period.

The most common causes of this exception are:

- Due to ACMC programming issues, in ACMC whenever retro adjustments have been posted the week number does not change to the correct pay period number.
- The retro check is transmitted as a week instead of a pay period. The salary grid is imported to PG (e.g., pay period 12, posts 24).
- When the retro adjustment take place the retirement contribution adjusted is incorrect (under/over).
- Retro adjustment made to members' payroll record using different pay codes (does not match the original record being adjusted).

Employer Resolution

- Use correct pay periods when reporting adjustments.

Corrective Steps (Performed by ACERA Staff)

- To avoid this exception, BASS unit identifies this error, changes the retro from week to pay period, and changes in the Transmittal File.
- In the event that BASS fails to change the week in the transmittal file, Staff corrects the pay period in the salary grid.

Staff performs calculation, validates pensionable salary from employer's payroll system. Determine the adjustment pay period.

- If Exception is attached to code "39" Duplicate Salary Record not Found in Retro, Staff inputs a "0" amount for the affected pay period's salary field.
- Record is posted to member's record.
- Staff refunds or collects the difference.
- There is a way around to clearing this exception; manager adds (corrects) the salary provided by staff (retro adjustment and actual check). Record is posted to member's record.

25. This Member Was Not Processed by the Transmittal Process

Causes

System Triggers:

- This error will be reported if one of the following situations exists:
    - There is a term date in PensionGold that does not match the Transmittal file.
    - There was a term date in PensionGold and no term date in the transmittal file.

The most common cause(s) of this exception is

- Member terminated with a refund paid out and the transmittal file shows them as active.
- Member has retired and retirement flags remain on in employer's payroll system. Retirement Flags should remain on for at least three pay periods (ACMC) for final pay.

- ACMC payroll system, retirement flag is off, but "benefit flag" remain active. Member transferred to "SAN" continues to receive certain benefit. ACMC currently working to fix this problem.

Most of the times this exception is linked/attached with exceptions #5 Employed Member (Plan ID) Record Not Found, which is a fatal.

Employer Resolution

- Report correct termination date via transmittal file.
- Turn off Retirement flag when appropriate.

Corrective Steps (Performed by ACERA Staff)

- Review the dates on the employed member records.
- If the retirement flag remains on for more than three pay periods, contact the employer. For ACMC, ACERA staff to remove the retirement flag, if problem persist for future pay period in employer system, notify employer of error. ACERA does not have primary responsibility for retirement update in employer system. ACMC will then inactivate the benefit "retirement flag" that is causing this error. (ACERA staff should not remove flag on the benefit box.)
- Import and post corrected record to member's record.

26. Negative Holiday/Sick/Vacation/ Comp Time Hours Found on a Non-retro Record

Causes

System Triggers:

- If negative hours come across and not a retro record.
- The main cause for this exception is that the employer has made adjustments to the member's payroll record, which resulted in a negative number being transmitted. If there is a retro field- flag is false.

Employer Resolution

- Negative hours should not be reported.

Corrective Steps (Performed by ACERA Staff)

- Staff inputs a "0" amount for the affected pay period's salary field.
- Manager updates transmittal record as retro.
- Record is posted to member's record.

27. Contributions reported Over the SS Cap Limit*

Causes

Member has been detected for the first time with the "Social Security Income Cap" flag set to "Y".

System Triggers:

- Social Security Base Cap Flagged in transmittal file "Y" value indicates member has reached the social security base cap for the year.
- Member Summary screen "Social Security Flag" checkbox not checked in PensionGold
- Employer continues to deduct and transmit employee contributions

This exception will occur if there are no employee mandatory rules, but employee contributions are found in the transmittal file.

Employer Resolution:

- Make changes to transmittal file

Corrective Steps (Performed by ACERA Staff)

- Determine if member reached social security base cap
- If social security flag is checked in error, ACERA staff order script to remove
- Contact employer to fix transmittal file

28. Member has Income Cap Checked*

Causes:

Member's record in PensionGold has been flagged as the income cap flagged, it will look for the following error conditions on succeeding transmittals and flag them with this error code.

System Triggers:

- Social Security Flag is checked in PensionGold and incoming transmittal record does not have the "Social
- Security Income Cap" flag set to "Y" and the record may or may not have money in the contribution fields
- Incoming record has "Social Security Income Cap" flag set to "Y", but contains money in the contribution fields.
- PensionGold prevents from posting contributions to member record

This exception will occur if the social security checkbox is flagged in PensionGold and transmittal file reports otherwise.

Corrective Steps (Performed by ACERA Staff)

- Determine if member reached social security base cap
- Manager will zero any contributions in the transmittal file and set the "Social Security Income Cap" flag set to

"T" or a combination of the two as required.

- Staff to complete contribution correction form to add dropped contributions
- Manager manually posts payments to contributions to PensionGold
- Refund excess contribution via employer (in-service overpayment process) to employee
- If social security flag is checked in error (PensionGold), ACERA staff order script to remove

NOTE: * The Member "Social Security Cap Flag" is reset automatically in PensionGold on the following condition: