



STATE
RETIREMENT
SYSTEMS

- State Employees' Retirement System of Illinois
- General Assembly Retirement System
- Judges' Retirement System of Illinois

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BULLETIN

To: All State Agencies, Departments, Boards, and Commissions

Date: March 16, 2005

Re: Refund of employer contributions due to change in FY 2005 contribution rate

On November 7, 2003, the State Employees' Retirement System (SERS) issued a Bulletin indicating that the required employer contribution rate for FY2005 was determined by the actuary to be 20.396% of payroll. Accordingly, agencies paid the required employer contributions at this rate for the first several payperiods in July and August, 2004.

Public Act 93-0839 modified the calculation method which the actuary was to use in determining the employer contribution rate. As a result of this legislative change, the FY2005 required employer contribution decreased from 20.396% to 16.107%. A Bulletin, dated August 3, 2004, was issued by SERS indicating that a calculation of the revised amount of employer contributions due versus the amount paid would be performed by SERS and the excess amount would be refunded to agencies at a later date in FY2005. SERS has now completed the calculation of the amount by which agencies overpaid their employer retirement contributions, based upon the revised employer contribution rate.

Attached is a schedule showing the calculated overpayment that will be refunded to your agency in the near future. The overpayments have been calculated using the most accurate information available to SERS. Adjustments, such as reversals, etc., which have been processed after the original payroll data was submitted, may result in immaterial discrepancies with your agency's records.

Please review the schedule to determine if there are any material or significant differences with your records. Should you determine that a material or significant difference exists, you should immediately report the difference by faxing the supporting documentation to SERS at (217) 785-7019, Attention: Accounting Division.

We will initiate the refund process with the Comptroller's Office, and will voucher one refund to each agency for the aggregate amount reflected on the attached schedule. Upon receipt of the refund, your agency should initiate an Expenditure Adjustment Transmittal (C-63). The Comptroller's Office has agreed to accept the C-63 at a summary level. Transactions can only be summarized at the appropriation level. All summarized transactions must be accompanied by a detailed supporting schedule. Agencies must follow all other SAMS rules for completion of the C-63. An example of a summarized C-63 and supporting schedule has been attached for your reference.

If you have any questions or comments regarding the calculated overpayment, please contact the SERS Accounting Division at (217) 785-7202. If you have any questions regarding the processing of the C-63 documents, please contact Debbie Burton of the Comptroller's Office at (217) 782-4106.

Robert V. Knox
Executive Secretary