



2101 South Veterans Parkway
P.O. Box 19255
Springfield, IL 62794-9255

217-785-7444
Email: sers@srs.illinois.gov

BULLETIN

Agency Instructions for Processing Step Raise Back Pay and Required SERS Reporting

All agencies were required to move their AFSCME employees to the appropriate steps on which they would have been, had step increases not been frozen on 07/01/2015. When the associated back pay is processed (frozen step back pay covering 07/01/2015 – 03/31/2019) SERS will have to recalculate the monthly annuities of several thousand retirees, as well as adjust the benefits of a large number of disability recipients. In order to do so as accurately and efficiently as possible, SERS requires detail that cannot be provided to us through normal payroll processing. Specifically, SERS requests agencies:

- Establish or utilize a pay code that is specific and unique to frozen step back pay.
- Notify the SERS Accounting Division of the pay code(s) used and the pay period(s) in which the frozen step back pay will be processed. This information can be submitted along with the agency name and agency contact info to: SRSACCTGDIV@srs.illinois.gov.
- Ensure that no interest payments are processed through the payroll system as part of the frozen step back pay. They should be processed through the commercial vouchering system (see the Comptroller's Payroll Bulletin on this subject).
- **Make every effort** to use the **correct retirement deduction code** on the frozen step back pay. Retired members should be coded as if they were still active and members that have moved into or out of the alternative formula since then should be coded as they were for the timeframe being paid. This ensures that the proper amounts are being withheld and saves SERS staff time in preparing additional billings and refunds. It further prevents the membership from becoming more frustrated with the process when the proper withholding occurs.
- Use the SRS Member Services website to determine the correct payroll coding in effect during the period impacted by the back pay for members that may have crossed between the alternative and regular retirement formulas (i.e. deduction code 1 vs. deduction code S). If unsure, contact the Accounting Division to inquire about a specific member or members for the specific time frames by e-mail: SRSACCTGDIV@srs.illinois.gov. **Do not send full SSNs over e-mail.**
- Provide SERS with a monthly breakdown of the frozen step back pay processed for each affected employee. A simple spreadsheet template is included with this bulletin. It is important to report monthly earnings to us using this template.

SERS can provide the most current address of all former employees who have been paid by your agency since July 1, 2015, including those who retired, transferred to another agency, or left state government. SERS can indicate if a former employee is deceased, the date of death, and the address of the surviving spouse if there is one. Requests for this information must be made to SRSBackwage@srs.illinois.gov.