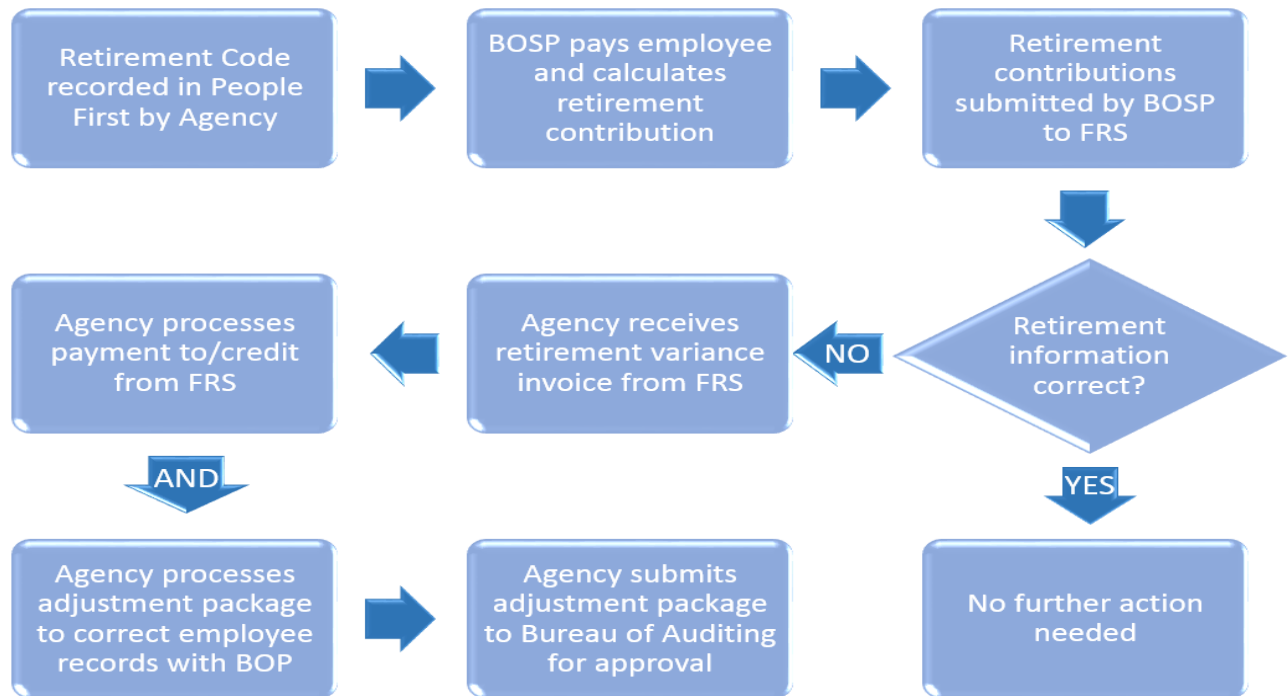


Retirement Variance Invoice Process



Employee retirement contributions are withheld from payroll payments by the Department of Financial Services, Bureau of State Payrolls (BOSP) and remitted to the Department of Management Services, Division of Retirement, Florida Retirement System (FRS) for processing. If FRS determines that an employee's retirement is coded incorrectly, the correct retirement contribution is calculated and a variance invoice may be generated detailing the necessary adjustment.

Retirement Variance Invoice Process



FRS provides a monthly invoice reflecting the net amount of all retirement contribution variances, or errors. This invoice will result in the Agency owing additional contributions to FRS, or being owed a credit from FRS. The Agency must process both the net payment to/credit from FRS listed on the invoice, and all employee adjustments.

Invoices must be processed to avoid consequences such as:

- Potential loss of earnings for the member
- Loss of Earnings assessments as determined by the State Board of Administration
- Delinquency fees assessed on invoices not paid within 30 days

Miscellaneous Adjustment Packages must be processed to:

- Record accurate payroll information
- Record accurate taxes submitted

Agencies must review all pages of the retirement variance invoice to determine the corrective actions necessary. The first page of the invoice reflects the total adjustment due to FRS or the Agency. Additional pages contain supporting documentation, and reflect the adjustments needed for the employee and/or the employer. Because there may be multiple adjustments, the invoice will reflect the net difference of all adjustments. Remember, every invoice requires action.

The possible adjustments include:

- **Contribution owed by the agency**-will reflect a debit (positive) amount in the **employer** column.
- **Contribution owed by the employee**-will reflect a debit (positive) amount in the **employee** column. The Agency must collect the additional contributions from the employee.
- **Credit due to the employee**-will have a credit (negative) amount in the **employee** column. The Agency must process a refund to the employee, and deduct the appropriate amount of withholding taxes.
- **Credit due to the agency**-will reflect a credit (negative) amount in the **employer** column. The Agency must initiate receiving the credit from FRS via email.

In the example below, the first page of the invoice shows an amount due of \$17.31. This amount will also be listed at the top of each supporting documentation page. The Agency would create a Journal Transfer for \$17.31 to submit additional retirement contributions to FRS. However, for the employee listed, the Agency has over-contributed and the employee has under-contributed. The Agency will need to collect an additional \$51.35 from the employee.

Retirement Variance Invoice Example

Invoice num: 224785	Invoice Date: 10/10/2016	Invoice Type: VAR	Invoice Amt: 17.31			
Agency: 8500 AGENCY FOR FINANCIAL EDUCATION			County: Net Amount due to FRS			
Report Type: FRS						
			Employer Column	Employee Column		
			ER Rep/Req/Adj	EE Rep/Req/Adj		
SSN/Name	Check Date	Report Date	Plan Rep/Req	Salary	ER Delinq Fee	EE Delinq Fee
XXX-XX-1234	07/2016	07/2016	DP	1,643.91	0.00	0.00
MOUSE, MICKEY			DP		213.54	0.00
					213.54	0.00
XXX-XX-1234	07/2016	07/2016	DP	-3,355.66	0.00	0.00
MOUSE, MICKEY			DP		-435.91	0.00
					-435.91	0.00
XXX-XX-1234	07/2016	07/2016	HA	1,711.75	0.00	0.00
MOUSE, MICKEY			HA		128.72	51.35
					128.72	51.35
				Credit Due Back		Debit Due to FRS
Total Adjustment Amounts for SSN:					-93.65	51.35

For additional guidance on completing contribution adjustments, visit the Office of Florida Financial Education website at <https://www.myfloridacfo.com/division/aa/training>.

For further help in understanding the variance invoice, visit the FRS website at https://www.dms.myflorida.com/workforce_operations/retirement.