

Retirement Systems of Alabama

Functional Analysis & Records Disposition Authority

**Presented to the
State Records Commission
October 27, 2010**

Table of Contents

Functional and Organizational Analysis of the Retirement Systems of Alabama	
Sources of Information	1-1
Historical Context.	1-1
Agency Organization	1-1
Agency Function and Subfunctions	1-2
Promulgating and Implementing Rules and Regulations	1-3
Administering Retirement and Health Insurance Programs	1-3
Investing Funds	1-4
Acquiring and Managing	1-4
Administering Internal Operations	1-4
Analysis of Record Keeping System and Records Appraisal of the Retirement Systems of Alabama	
Agency Record Keeping System	2-1
Records Appraisal	2-1
Temporary Records	2-1
Permanent Records	2-1
Permanent Records Lists	2-5
Retirement Systems of Alabama Records Disposition Authority	
Explanation of Records Requirements	3-1
Records Disposition Requirements	3-2
Promulgating and Implementing Rules and Regulations	3-2
Administering Retirement and Health Insurance Programs	3-3
Investing Funds	3-4
Acquiring and Managing	3-5
Administering Internal Operations	3-5
Requirement and Recommendations for Implementing the Records Disposition Authority	3-14

Functional and Organizational Analysis of the Retirement Systems of Alabama

Sources of Information

Records Disposition Authority Committee of the Retirement Systems of Alabama
Code of Alabama 1975, Section 36-27-1 to 36-27-198 (Employees' Retirement System)
Code of Alabama 1975, Section 16-25-1 to 16-25-170 (Teachers' Retirement System)
Code of Alabama 1975, Section 16-25A-1 to 16-25A-22 (Public Education Employees' Health Insurance Fund)
Code of Alabama 1975, Section 12-18-1 to 12-18-134 (Judicial Retirement Fund)
Code of Alabama 1975, Section 36-27A-1 to 36-27A-7 (Public Employees' Individual Retirement Account Fund [PEIRAF]/RSA-1)
Alabama Guide (2009), p. 356
Alabama Government Manual (2006), pages 69, 228, 222, and 645
Retirement Systems of Alabama Audit Reports
Retirement Systems of Alabama website
Government Records Division, Department of Archives and History, Agency Files

Historical Context

The Retirement Systems of Alabama (RSA) consists primarily of the following retirement / health insurance programs: (1) Teachers' Retirement System – established in 1939 under the provisions of Act 419; (2) Employees' Retirement System – established in 1945 under the provisions of Act 515; (3) Judicial Retirement Fund – established in 1973 under the provisions of Act 1163; (4) Public Education Employees' Health Insurance Plan -- established in 1983; and (5) Public Employees' Individual Retirement Account Fund (PEIRAF) and RSA-1 – established in 1982.

Agency Organization

Teachers' Retirement System (TRS) – TRS is headed by a Board of Control, which consists of 14 members. There are four ex officio members: the State Superintendent of Education, the State Treasurer, the Director of the Finance Department, and the Executive Secretary of the Alabama Education Association. The remaining ten members are elected by participants in TRS. One of the elected members must be a city or county superintendent of education, one a school principal, one a member from post-secondary education, two retired members of TRS, three classroom teachers, and two shall be educational support personnel.

Employees' Retirement System (ERS) – ERS is supervised by a Board of Control of 13 members. The ex officio members are the Governor (chairman), the State Treasurer, the State Personnel Director, and the Director of the Finance Department. Three members from state service are appointed by the Governor with the stipulation that no two members may come from the same state

agency or from a department whose head is an ex officio member of the board. Six additional members are elected: two by active state employees; two by local governmental employees; and one retired state employee and one retired local employee, by statewide vote of retired employees.

Judicial Retirement Fund (JRF) – JRF is under the control of the Board of Control of the Employees’ Retirement System.

Public Education Employees’ Health Insurance Plan (PEEHIP) – PEEHIP is controlled by the Board of Control of the Teachers’ Retirement System. PEEHIP personnel administer the PEEHIP plan by managing enrollments, termination, changes in coverage and supervising the third-party administrators that process all medical, dental and optional coverage claims.

In addition, RSA also has staff assigned to administer two other retirement programs (Public Employees’ Individual Retirement Account Fund [PEIRAF] and Public Employees’ Individual Retirement Account Fund/Deferred Compensation Plan [RSA-1]) which will be discussed in the agency’s subfunctions area.

ERS and TRS Boards of Control appoint two separate investment committees to oversee investment activities. Each investment committee consists of three members, with the Director of the Finance Department as the common member for both committees.

The Boards of Control also designate a Medical Board (composed of three physicians not eligible to participate in the retirement systems) to arrange for and pass upon all medical examinations required, and to investigate all statements/certificates by or on behalf of a member in connection with an application for disability.

The ERS and TRS Boards of Control elect a Secretary Treasurer who serves as the Chief Executive Officer (CEO) of the retirement systems and supervises the day-to-day operations of the systems. With the approval of the Boards of Control, the CEO may employ personnel necessary to operate the RSA office. Currently the office is comprised of several operating divisions with a work force of about 300.

Agency Function and Subfunctions

The Retirement Systems of Alabama was established to provide retirement benefits to the following: (1) TRS – qualified persons employed by state-supported educational institutions; (2) ERS – state employees, state police, and, on an elective basis, qualified persons of cities, towns, and quasi-public organizations; (3) JRF – state and probate judges. Subsequently, RSA also assumed administrative responsibilities for: RSA-1 (a deductible employee contribution plan for public employees), PEIRAF (a deferred compensation plan for public employees), and PEEHIP (a health insurance plan for active and retired education employees). In performance of its mandated function, the Retirement Systems of Alabama may engage in the following subfunctions.

- **Promulgating Rules and Regulations.** Code of Alabama 1975, Section 36-27-23 (g), 16-25-19 (h), 12-18-2, and 36-27A-3 authorize the Boards of Control for various retirement funds to establish rules and regulations for the administration of these funds. Similarly, Section 16-25A-5 authorizes the PEEHIP Board of Control to promulgate rules and regulations for the administration of its health insurance plan. In addition, the ERS, TRS, and JRF Boards of Control may adopt mortality, service, and other tables, and certify the rate of the state's contributions. This subfunction includes high level decision making processes which support and establish mechanisms for the collection and management of the funds of various systems, the drafting and approval of policies and statutes, the development and implementation of internal agency procedures; and the structuring of the agency itself.

- **Administering Retirement and Health Insurance Programs.** In accordance with various provisions of the Code of Alabama 1975, the Retirement Systems of Alabama carries out various administrative duties relating to the administration of several retirement or insurance funds. In addition to ERS, TRS, JRF, and PEEHIP, the agency administers several other programs:
 - Public Employees' Individual Retirement Account Fund (PEIRAF) – Established in 1982, PEIRAF is a deductible employee contribution plan under the Economic Recovery Tax Act of 1981. The Tax Reform Act of 1986 prohibited contributions to deductible employee contribution plans for years after 1986. As a result, the PEIRAF Board of Control discontinued receiving contributions to this plan after 1986. Existing PEIRAF member accounts continue to be invested and available for distribution.

 - Public Employees' Individual Retirement Account Fund/Deferred Compensation Plan (RSA-1) – This plan was established in 1986 to make available a deferred compensation plan pursuant to Section 457 of the Internal Revenue Code. Under RSA-1, a public employee may elect to defer receipt of a portion of his/her salary through payroll deduction until some later determined date, usually until retirement or termination of service, and thereby defer payment of income taxes on that portion of their salary.

 - Deferred Retirement Option Plan (DROP) – DROP is a voluntary plan that allows members of ERS and TRS to contract with RSA to defer receipt of their retirement allowance and continue employment for a specific period of time. At the end of DROP participation and upon withdrawal from active service, the member will receive a retirement benefit based on his/her years of service credit at the time of enrollment in DROP plus a lump-sum payment of the amount in their DROP account.

Processes may include accepting and reviewing applications, receiving and depositing contributions, processing and issuing benefits to eligible members, and reporting activities.

- **Investing Funds.** Code of Alabama 1975, Sections 36-27-25 and 16-25-20 authorize the Boards of Control to invest and reinvest these funds in the classes of bonds, mortgages, common and preferred stocks, shares of investment companies or mutual funds, or other investments as the Boards of Control may approve. They also have the power to hold, purchase, sell, assign, transfer, and dispose of any investments. Two separate investment committees are established under the Code of Alabama to consider and approve all investment recommendations made by the Secretary - Treasurer. Investments may include, but are not limited to, the following: money market securities, U.S. government guaranteed bonds, U.S. agency securities, mortgage-backed securities, fixed income bonds, and equities. Processes may include researching options for investment, choosing desirable areas for investment, selecting a broker to handle funds, managing the investment portfolio, monitoring the portfolio's performance, and reporting results of the investment.

- **Acquiring and Managing.** As part of its investment strategy, RSA has a diverse portfolio with many real estate holdings in Alabama and New York City. These holdings currently include the Robert Trent Jones Golf Trail with 11 separate sites as well several resorts, hotels, and spas in the Shoals, Hoover, Point Clear, Mobile, and Montgomery areas. The agency also owns seven office buildings, seven parking decks, a park, a children's learning center, and an activity center in Montgomery as well as office buildings and parking decks in Mobile. In addition, it owns the largest privately owned office building in New York. Other holdings include Raycom Media, which owns and manages 43 TV stations, and Community Newspaper Holdings, Inc., which owns 160 daily and weekly newspapers. Activities relating to this subfunction may include construction, leasing, and maintenance.

- **Administering Internal Operations.** A significant portion of the agency's work includes general administrative, financial, and personnel activities performed to support the programmatic areas of the agency.

Managing the Agency: Activities include internal office management work common to most government agencies such as corresponding and communicating; scheduling; meeting; documenting policy and procedures; reporting; litigating; drafting, promoting, or tracking legislation; publicizing and providing information both within the agency and to the general public; managing records; and managing information systems and technology.

Managing Finances: Activities include budgeting (preparing and reviewing a budget package, submitting the budget package to the state Finance Department; documenting amendments and performance of the budget); purchasing (requisitioning and purchasing supplies and equipment, receipting and invoicing for goods, and authorizing payment for products received); accounting for the expenditure, encumbrance, disbursement, and reconciliation of funds within the agency's budget through a uniform system of accounting and reporting; authorizing travel; contracting with companies or individuals; bidding for products and services; assisting in the audit process; and investing.

Managing Human Resources: Activities involved in managing human resources may include the following: recruiting and hiring eligible individuals to fill vacant positions within the agency; providing compensation and benefits to employees; supervising employees (evaluating performance, disciplining, granting leave, and monitoring the accumulation of leave); and providing training and continuing education for employees.

Managing Properties, Facilities, and Resources: Activities involved in managing properties, facilities, and resources may include the following: inventorying and accounting for non-consumable property and reporting property information to the appropriate authority; constructing and renovating buildings and facilities; leasing and/or renting offices or facilities; providing for security janitorial, landscaping and managerial services and/or insurance for property; and assigning, inspecting, and maintaining agency property, including vehicles.

Analysis of Record Keeping System and Records Appraisal of the Retirement Systems of Alabama

Agency Record Keeping System

The Retirement Systems of Alabama currently operates a hybrid record keeping system composed of paper and electronic records.

The agency currently utilizes Microsoft and Cisco technologies for the transfer, storage, processing, and maintenance of electronic records. Microsoft Server 2003 and 2008 are primarily used to host member benefit and insurance applications. A combination of Microsoft SQL Server 2005 and 2008 house the majority of RSA member and business data. RSA is in the process of moving legacy application data into relational databases for better processing power, scalability, and security of critical data. All applications, databases, and flat files classified as “mission critical” are backed up in accordance with the agency’s business needs and recovery time requirements.

The agency also hosts an in-house digital imaging system known as MACCESS. MACCESS provides imaging, document management, and agency-wide workflow for the member benefits sections of RSA as well as PEEHIP. The majority of correspondence sent to or received from RSA members are scanned into the MACCESS system for reference and document retention. Scanned documents or the agency’s Accounting Division are stored in vault system. The majority of divisions/offices within RSA have the ability to scan their own records into the system.

Records Appraisal

The following is a discussion of the two major categories of records created and/or maintained by the Retirement Systems of Alabama: Temporary Records and Permanent Records.

I. Temporary Records. Temporary Records should be held for what is considered to be their active life and disposed of once all their fiscal, legal, and administrative requirements have been met. Some of the temporary records created by the Retirement Systems of Alabama are discussed below:

- **Retirement Systems Membership Files.** Membership files are created for various retirement systems administered by RSA. A typical file may contain application/enrollment forms, worksheets, calculations, contribution data, account balances, benefit distributions, correspondence, memos, and other supporting documents. This series has long term value to the agency and needs to be maintained at least 20 years after the later of (a) the death of the member or (b) the death of the member’s beneficiaries, or retain 50 years after all funds are expended from a member’s account, pursuant to law, if the death of a member or beneficiary is unknown,

II. Permanent Records. The Government Records Division recommends the following records

as permanent.

Promulgating and Implementing Rules and Regulations

- **Administrative Files of Chief Executive Officer (CEO).** This series documents the substantive action of the agency's CEO. Records may include correspondence, memoranda, reports, planning documents, program development materials, and non-routine fiscal, budgetary, and personnel concerns. These files should be maintained permanently to document the work and function of the CEO. (RDA pg. 3-2) **(Bibliographic Title: Administrative Files)**
- **Meeting Agendas, Minutes, and Packets of the Agency's Two Boards of Control (ERS/JRF and TRS), Two Investment Committees (ERS/JRF and TRS), and Other Potential Internal Committees.** This series consists separate sets of meeting agendas, minutes, and other supporting documents created by the two Boards of Control (ERS/JRF and TRS), two Investment Committees (ERS/JRF and TRS), and other potential internal committees. All of them should be preserved to document the function of the committees. (RDA pg. 3-2) **(Bibliographic Title: Meeting Agendas, Minutes, and Packets)**
- **News Clipping Files.** This series consists of articles clipped from newspapers by RSA staff and received from a clipping service which relate to the agency's activities. These clippings are typically maintained for reference and research purposes. This series should also be preserved permanently as a part of the agency's history files . (RDA pg. 3-2) **(Bibliographic Title: Clipping Files)**
- **Photographic Files.** These photographs are taken for publication purposes and/or speaking engagements. Photographs are usually created and maintained by more than one division within the agency and they should be organized and preserved as a documentation of the agency's activities. (RDA pg. 3-2) **(Bibliographic Title: Photographic Files)**

Administering Retirement and Health Insurance Programs:

- **Informational and Promotional Publications.** RSA prepares and distributes a large number of publications, such as brochures, pamphlets, newsletters, reports, and other similar materials issued in print for informational and communication purposes. Publications may be printed in paper or captured on the agency's website. (RDA pg. 3-3) **(Bibliographic Title: State Publications)**
- **Website.** The agency maintains a website at: www.rsa-al.gov. Subjects may include retirement planning guides and benefit projection calculators, publications and forms, online services, press releases, legislation, real estate, investments, and contact information. The website is a medium of communication with the public and a tool in the operation of the agency. The permanent retention ensures that documentation of the changes in the agency

website over time are preserved. (RDA pg. 3-3) (**Bibliographic Title: Website**)

- **ERS/TRS/JRF Agency Participation Files. (Retain in Office)** This series consists of agency participation materials that are created to document the participation of an agency (any state or local agency) in the retirement system. Types of records may include agency resolutions, application/enrollment forms, inquiries, memos, actuarial valuations, and correspondence. Since any individual agency may participate or terminate its participation at any given time, RSA maintains this series permanently for possible reference.

Investing Funds

- **Economic Development Project Files.** This series contains documents that pertain to the agency's contact with and/or involvement in any potential or pending economic development project. Types of records may include memos, correspondence, publications, photographs, maps, drawings, reports, and other related materials. (RDA pg. 3-4) (**Bibliographic Title: Economic Development Project Files**)

Acquiring and Managing

- **Facility Construction Project Files.** Since RSA constructs, from time to time, a number of office buildings and other facilities, records documenting the design and construction activities should be preserved permanently as part of the core documentation of the agency's investment activities. (RDA pg. 3-2) (**Bibliographic Title: Construction Project Files**)
- **Private Placement Lender Due Diligence Files (Retain in Office).** This series contains documents to validate cash distribution to private placement entity. The agency maintains this series permanently in office for reference.
- **Facility Leasing and Management Documents (Retain in Office).** These are documents that pertaining to the process of negotiating, leasing, and managing all facilities owned, directly or indirectly, by the agency and/or its affiliates. The agency maintains this series permanently in office for reference.
- **Deeds of Properties (Retain in Office).** This series document the agency's ownership of various properties and should be maintained in office for reference.

Administering Internal Operations

- **Reports on the Actuarial Valuation of RSA.** Various reports on the actuarial valuation for different retirement programs are prepared by an enrolled actuary every year to provide RSA with a summary of the funded status of the system and to recommend rates of contribution by participating employers. Information available in each report may include summary of principal results, membership data, assets, comments on valuation, contributions payable by employers, analysis of financial experience, and accounting data. (RDA pg. 3-6)

(Bibliographic Title: Reports on the Actuarial Valuation of RSA)

- **Comprehensive Annual Financial Reports (CAFR).** This series is composed of annual independent auditor’s reports on RSA. The reports contain detailed information on four areas: Financial, Investment, Actuarial, and Statistical. CAFR provide an overview of the financial position and results of operation for RSA. (RDA pg. 3-6) **(Bibliographic Title: Comprehensive Annual Financial Reports)**

- **Inventory Lists.** The Code of Alabama 1975, Section 36-16-8(1) requires that “. . . All [state agency] property managers shall keep at all times in their files a copy of all inventories submitted to the Property Inventory Control Division, and the copies shall be subject to examination by any and all state auditors or employees of the Department of Examiners of Public Accounts.” These files need to be maintained in the agency’s office.

Permanent Records List Retirement Systems of Alabama

Promulgating and Implementing Rules and Regulations

1. Administrative Files of Chief Executive Officer (CEO)
2. Meeting Agendas, Minutes, and Packets of the Agency's Two Boards of Control (ERS/JRF and TRS), Two Investment Committees (ERS/JRF and TRS), and Other Potential Internal Committees
3. News Clipping Files
4. Photographic Files

Administering Retirement and Health Insurance Programs:

1. Informational and Promotional Publications
2. Website
3. ERS/TRS/JRF Agency Participation Files*

Investing Funds

1. Economic Development Project Files

Acquiring and Managing

1. Facility Construction Project Files
2. Private Placement Lender Due Diligence Files*
3. Facility Leasing and Management Documents*
4. Deeds of Properties*

Administering Internal Operations

1. Reports on the Actuarial Valuation of RSA
2. Comprehensive Annual Financial Reports (CAFR)
3. Inventory Lists*

*indicates records that ADAH anticipates will remain in the care and custody of the creating agency. ADAH staff members are available to work with agency staff in determining the best location and storage conditions for the long-term care and maintenance of permanent records.

Retirement Systems of Alabama Records Disposition Authority

This Records Disposition Authority (RDA) is issued by the State Records Commission under the authority granted by the Code of Alabama 1975, Sections 41-13-5 and 41-13-20 through 21. It was compiled by the Government Records Division, Alabama Department of Archives and History (ADAH), which serves as the commission's staff, in cooperation with representatives of the Retirement Systems of Alabama. The RDA lists records created and maintained by the Retirement Systems of Alabama in carrying out its mandated functions and activities. It establishes retention periods and disposition instructions for those records and provides the legal authority for the agency to implement records destruction.

Alabama law requires public officials to create and maintain records that document the business of their offices. These records must be protected from "mutilation, loss, or destruction," so that they may be transferred to an official's successor in office and made available to members of the public. Records must also be kept in accordance with auditing standards approved by the Examiners of Public Accounts (Code of Alabama 1975, Sections 36-12-2, 36-12-4, and 41-5-23). For assistance in implementing this RDA or for advice on records disposition or other records management concerns, contact the ADAH Government Records Division at (334) 242-4452.

Explanation of Records Requirements

- This RDA supersedes any previous records disposition schedules governing the retention of the Retirement Systems of Alabama. Copies of superseded schedules are no longer valid and may not be used for records disposition.
- This RDA establishes retention and disposition instructions for records listed below, regardless of the medium on which those records may be kept. Electronic mail, for example, is a communications tool that may record permanent or temporary information. As for records in any other format, the retention periods for e-mail records are governed by the requirements of the subfunctions to which the records belong.
- Certain other record-like materials are not actually regarded as official records and may be disposed of under this RDA. Such materials include: (1) duplicate record copies that do not require official action, so long as the creating office maintains the original record for the period required; (2) catalogs, trade journals, and other publications received that require no action and do not document government activities; (3) stocks of blank stationery, blank forms, or other surplus materials that are not subject to audit and have become obsolete; (4) transitory records, which are temporary records created for short-term internal purposes that may include, but are not limited to, telephone call-back messages; drafts of ordinary

documents not needed for their evidential value; copies of material sent for information purposes but not needed by the receiving office for future business; and internal communications about social activities; (5) honorary materials, plaques, awards, presentations, certificates, and gifts received or maintained by the agency staff. They may be disposed of without documentation of destruction.

Records Disposition Requirements

This section of the RDA is arranged by subfunctions of the Retirement Systems of Alabama and lists the groups of records created and/or maintained by the agency as a result of activities and transactions performed in carrying out these subfunctions. The agency may submit requests to revise specific records disposition requirements to the State Records Commission for consideration at its regular quarterly meetings.

■ Promulgating and Implementing Rules and Regulations

Administration Division:

ADMINISTRATIVE FILES OF CHIEF EXECUTIVE OFFICER

Disposition: PERMANENT RECORD.

MEETING AGENDAS, MINUTES, AND PACKETS OF THE AGENCY'S TWO BOARDS OF CONTROL (ERS/JRF AND TRS), TWO INVESTMENT COMMITTEES (ERS/JRF AND TRS), AND OTHER POTENTIAL INTERNAL COMMITTEES

Disposition: PERMANENT RECORD.

Recordings of Meetings

Disposition: Temporary Record. Retain until the official minutes are adopted and signed.

NEWS CLIPPING FILES

Disposition: PERMANENT RECORD.

PHOTOGRAPHIC FILES

Disposition: PERMANENT RECORD.

Scheduling Files

Disposition: Temporary Record. Retain for Useful Life.

Routine Correspondence (Note: Applicable to All Divisions/Offices)

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

■ **Administering Retirement and Health Insurance Programs**

Field Services Division:

Records Pertaining to the Planning and Implementation for Field Counseling Appointments and/or Retirement Seminars

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Member Services Division:

Records of Communication (Correspondence, Telephone Calls, E-Mails, Faxed Materials) Relating to Requests for General Information/Forms/Account Data, Clarification of Issues, and Subsequent Responses from RSA Staff

Disposition: Temporary Record. Retain for useful life.

Communication Division:

INFORMATIONAL AND PROMOTIONAL PUBLICATIONS

Disposition: PERMANENT RECORD.

WEBSITE

Disposition: PERMANENT RECORD. PRESERVE A COMPLETE COPY OF WEBSITE ANNUALLY OR AS OFTEN AS SIGNIFICANT CHANGES ARE MADE.

Boards of Control Membership Election Files (nomination petitions, notices, ballots, reports, and correspondence)

Disposition: Temporary Record. Retain 60 days after certification of the election or final settlement of the election if there is a contest, whichever is longer.

Employee Retirement System (ERS) / Judicial Retirement System Division (JRF):

ERS/JRF Member Files

Disposition: Temporary Record. Retain 20 years after the latter of (a) the death of the member or (b) the death of the member's beneficiaries, or retain 50 years after all funds are expended from a member's account pursuant to law if the death of a member or beneficiary is unknown.

ERS/JRF AGENCY PARTICIPATION FILES

Disposition: PERMANENT RECORD. Retain in Office.

Teacher Retirement System (TRS) Division:

TRS Member Files

Disposition: Temporary Record. Retain 20 years after the latter of (a) the death of the member or (b) the death of the member's beneficiaries, or retain 50 years after all funds are expended from a member's account pursuant to law if the death of a member or beneficiary is unknown.

TRS AGENCY PARTICIPATION FILES

Disposition: PERMANENT RECORD. Retain in Office.

Public Education Employees' Health Insurance Plan (PEEHIP) Division:

PEEHIP Member Files

Disposition: Temporary Record. Retain 30 years after the latest coverage cancellation date.

Health Insurance Utilization Management Reports

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Executed Health Care Contracts with Carriers

Disposition: Temporary Record. Retain 10 years after the expiration of the contract.

RSA-1/PEIRAF Division:

RSA-1/PEIRAF Member Files

Disposition: Temporary Record. Disposition: Retain 20 years after the latter of (a) the death of the member or (b) the death of the member's beneficiaries, or (3) 50 years after all funds are expended from a member's account pursuant to law if the death of a member or beneficiary is unknown.

■ **Investing Funds**

Economic Development Division:

ECONOMIC DEVELOPMENT PROJECT FILES

Disposition: PERMANENT RECORD.

Investment Division:

Investment Trading Documents (documents relating to trading, corporate actions, and income for investments)

Disposition: Temporary Record. Retain 10 years.

Internal Routine Research Records

Disposition: Temporary Record. Retain 1 year.

Unsolicited Outside Broker and/or Third Party Research Records

Disposition: Temporary Record. Retain for useful life.

■ **Acquiring and Managing**

Real Estate Division:

FACILITY CONSTRUCTION DOCUMENTS

(construction contracts, construction change orders, addendums/amendments, and other related contractual documents)

Disposition: PERMANENT RECORD.

Facility Construction Supporting Documents

(pay requests, billings, invoices, material invoice summaries and transmittals)

Disposition: Temporary Record. Retain 10 years after the end of the fiscal year in which the construction was completed.

PRIVATE PLACEMENT LENDER DUE DILIGENCE FILES

Disposition: PERMANENT RECORD. Retain in Office.

FACILITY LEASING AND MANAGEMENT DOCUMENTS

Disposition: PERMANENT RECORD. Retain in Office.

DEEDS OF PROPERTIES

Disposition: PERMANENT RECORD. Retain in Office.

■ **Administering Internal Operations**

Managing the Agency:

Legal Division:

Legal Case Files

a. Court Pleadings

Disposition: Temporary Record. Retain 10 years after the final settlement of the case.

b. Supporting Documentation regarding Court Pleadings

Disposition: Temporary Record. Retain for useful life.

Trademark/copyright Proof of Ownership Documents

Disposition: Temporary Record. Retain 10 years after RSA no longer owns or otherwise has an interest in the trademark or copyright.

Applications / General Correspondence related to Trademarks/Copyrights

Disposition: Temporary Record. Retain for useful life.

Contracts for Services or Personal Property

Disposition: Temporary Record. Retain 6 years after expiration of contract. (Code of Alabama, Section 6-2-34).

(Note: This series contains mainly original executed contracts maintained by this division or other divisions, duplicate copies of contracts may also be maintained by other divisions/offices and they may be disposed of whenever their usefulness is ended. In addition, drafts of contracts and correspondence relating to contract negotiations, interpretations, and terms may be disposed of at the end of each useful life).

Rulings of Federal Government, Alabama Attorney General's Opinions, and Other Documents Relating to Legal Advice, Research, or Legislative Affairs

Disposition: Temporary Record. Retain for useful life.

Records documenting the implementation of the agency's RDA (copies of transmittal forms to Archives or State Records Center, destruction notices or other evidence of obsolete records destroyed, annual reports to State Records Commission)

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Copy of RDA

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the RDA was superseded.

Information Technology Services Division:

System Documentation (hardware/software manuals and diskettes, warranties)

Disposition: Temporary Record. Retain documentation of former system 3 years after the end of the fiscal year in which the former hardware and software no longer exist in the agency and all permanent records have been migrated to a new system.

IT Operational Documentation

Disposition: Temporary Record. Retain for useful life.

IT and Security Policy Procedures, Risk Assessments, and Audits

Disposition: Temporary Record. Retain 5 years from the date of assessment, audit, or after policy/procedure is superseded.

Security Logs

Disposition: Temporary Record. Retain 90 days.

IT Program and Application Management Files

Disposition: Temporary Record. Retain 3 years after application is no longer in production.

Managing Finances:

Accounting Division:

a. Chief Fiscal Officer:

REPORTS ON THE ACTUARIAL VALUATION OF RSA

Disposition: PERMANENT RECORD.

COMPREHENSIVE ANNUAL FINANCIAL REPORTS (CAFR)

Disposition: PERMANENT RECORD.

Supporting Documents for Actuarial Valuation Reports and Comprehensive Annual Financial Reports (CAFR)

Disposition: Temporary Record. Retain 10 years after the completion of the reports.

Records documenting the preparation of a budget request package and reporting of the status of funds, requesting amendments of allotments, and reporting program performance

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Records of original entry such as journals, registers, and ledgers; and records of funds deposited outside the state treasury, including bank statements, deposit slips, and canceled checks

Disposition: Temporary Record. Retain 10 years after the end of the fiscal year in which the records were created.

Agency Legal Compliance Audit Reports by the Examiner of Public Accounts (copies)

Disposition: Temporary Record. Retain 6 years after the end of the fiscal year in which the records were created.

PEEHIP Fund Reconciliations for Medicare Part D Subsidy Payments

Disposition: Temporary Record. Retain 7 years after the fiscal year in which the records were created.

RSA and PEEHIP Accounts Payable Vouchers and Supporting Documentation

Disposition: Temporary Record. Retain 7 years after the fiscal year in which the records were created

b. Payroll Accounting Section:

Monthly Retirement Benefit Distribution Listings for Regular and DROP (ARET105M)

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the records were created.

Supporting Backup Materials for Monthly Retirement Benefit Distribution Listings for Regular and DROP

Disposition: Temporary Record. Retain 1 year after the end of the fiscal year in which the records were created.

Weekly Benefit Distribution Reports – DROP, Refund, and Supplement (ADRP501T, ARET219M, and AREF501T)

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the records were created.

Supporting Backup Materials for Weekly DROP, Refund, and Supplemental Payroll Reports on Retirement

Disposition: Temporary Record. Retain 1 year after the end of the fiscal year in which the records were created.

Daily Refund Reconciliations (TPE500QU)

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Withdrawal Form Control Lists (FMSGW060)

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Reports of Interest Forfeitures of Withdrawing Members

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Reports of T-Section Balances of Inactive Members (AREF201M)

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Weekly/ Annual Summary of Withdrawal Payroll Breakdown

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the records were created.

Reports of All Retirement EFT's Rejected by Receiving Banks (A108rtn)

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Monthly Reports of Retirement Warrants Cancelled for Deceased Payees (ARET551M)

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Tax Filing Records – 1099-R's

Disposition: Temporary Record. Retain 7 years or per IRS regulations if longer.

IRS Form 945, Federal Withholding Deposits, Cancellations, and 1099-R Supporting Work Papers

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the records were created.

Outstanding Warrant Listings

Disposition: Temporary Record. Retain 1 year after the end of the fiscal year in which the records were created.

Bank Merger/Acquisition Records

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Prenote Printouts

Disposition: Temporary Record. Retain 3 months.

c. Revenue Accounting Section:

PEEHIP Invoices to Units

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the records were created.

Detail Cash Receipts/Deposits of Contributions by Members of ERS, TRS, JRF, PEEHIP, and RSA-1

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the records were created.

Accounts Receivable Balances for Members of ERS, TRS, PEEHIP, RSA-1, and PEIRAF

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the records were created.

Member Account Balances for Members of ERS, TRS, PEEHIP, RSA-1, and PEIRAF

Disposition: Temporary Record. Retain for Useful Life.

Working Files (invoice reconciliations, miscellaneous claim billings, and other related materials) for Members of ERS, TRS, JRF, PEEHIP, RSA-1, and PEIRAF

Disposition: Temporary Record. Retain for useful life.

d. Investment Accounting Section:

Private Placement Documents (closing and settlement documents relating to investment in private non-marketable securities)

Disposition: Temporary Record. Retain 6 years after investment final payoff.

Investment Trading Documents

Disposition: Temporary Record. Retain 10 years after the end of the fiscal year in which the records were created.

Various Investment Financial Reports and Supporting Documents

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Offices Services Division:

Records documenting the bid process, including requests for proposals and unsuccessful responses

- a. Original bid records maintained in the purchasing office of the agency for contracts over \$7500
Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the bids were opened.
- b. Duplicate copies of bid (originals are maintained by the Legal Division of RSA)
Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in

which the records were created.

Records documenting the requisitioning and purchasing of supplies and equipment, receipting and invoicing for goods, and authorizing payment for products

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Records documenting all incoming mails

Disposition: Temporary Record. Retain for useful life.

Managing Human Resources:

Human Resources Division:

Records documenting job recruitment

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Position Classification Files

Disposition: Temporary Record. Retain 4 years after position is reclassified.

Records documenting job description

Disposition: Temporary Record. Retain until superseded.

Certification/Personnel Transaction Files

Disposition: Temporary Record. Retain 6 years after the end of the fiscal year in which the records were created.

Records documenting application for employment

Disposition: Temporary Record. Retain 1 year after request.

Records documenting an employee's work history - generally maintained as a case file

- a. Records documenting work history of employees
Disposition: Temporary Record. Retain 6 years after separation of employee from the agency.
- b. Records, located within divisions/offices, which document an employee's work history
Disposition: Temporary Record. Retain 1 year after separation of employee from the agency.

Records documenting training

Disposition: Temporary Record. Retain 10 years.

Records documenting payroll (e.g. pre-payroll report, payroll check registers)

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Records documenting payroll deduction authorizations

Disposition: Temporary Record. Retain 6 years after separation of the employee from the agency.

Records documenting payroll deductions for tax purposes

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Records documenting employees' daily and weekly work schedules

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Records documenting an employee's hours worked, leave earned, and leave taken (including time sheets)

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Records documenting sick leave donations

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Records documenting final leave status

Disposition: Temporary Record. Retain 6 years after separation of the employee from the agency.

Records documenting verification of accuracy of State Personnel Department records

Disposition: Temporary Record. Retain for useful life.

Records documenting Equal Employment Opportunity (Code of Federal Regulations, Title 29)

a. Compliance Records

Disposition: Temporary Record. Retain 3 years after the close of the program year.

b. Complaint Records

Disposition: Temporary Record. Retain 3 years from the date of resolution of the complaints.

Employee Flexible Benefits Plan Files (applications and correspondence)

Disposition: Temporary Record. Retain 6 years after termination of participation in program.

Records documenting the State Employee Injury Compensation Trust Fund (SEICTF) Claims

Disposition: Temporary Record. Retain 12 years after separation of the employee from the agency.

Employee Administrative Hearing Files

Disposition: Temporary Record. Retain 6 years after separation of employee from the agency.

RSA Summer Hire Program Files

Disposition: Temporary Record. Retain 5 years after separation of employee from the agency.

Managing Properties, Facilities, and Resources:

Real Estate Accounting Section:

INVENTORY LISTS

Disposition: PERMANENT RECORD. Retain in Office. (Code of Alabama 1975, Section 36-16 - 8(1)).

Letters of Transmittal

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Agency Copies of Transfer of State Property Forms (SD-1)

Disposition: Temporary Record. Retain 3 years after end of the fiscal year in which the records were created.

Property Inventory Cards and/or Computer Files

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the records were created.

Receipts of Responsibility for Property

Disposition: Temporary Record. Retain until return of item to property manager.

Records documenting the ownership, use, maintenance, insurance, and disposition of vehicles and equipment

Disposition: Temporary Record. Retain 3 years after the end of the fiscal year in which the property is removed from the property inventory.

Records documenting the lease or rental of office or warehouse

Disposition: Temporary Record. Retain 6 years after the expiration of the lease.

Insurance Policies / Risk Management Records

Disposition: Temporary Record. Retain 6 years after termination of policy or membership.

Periodic Financial Statements and Reports

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the records were created.

RSA Building Fund Budget and Expense Records

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the records were created.

Accounts Payable Vouchers

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the records were created.

Cash Receipts and Documentation

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the records were created.

Financial Reconciliations

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the records were created.

Accounts Receivable, Billings, and Adjustments

Disposition: Temporary Record. Retain 7 years after the end of the fiscal year in which the records were created.

Requirement and Recommendations for Implementing the Records Disposition Authority

Under the Code of Alabama 1975, Section 41-13-21, “no state officer or agency head shall cause any state record to be destroyed or otherwise disposed of without first obtaining approval of the State Records Commission.” This Records Disposition Authority constitutes authorization by the State Records Commission for the disposition of the records of the Retirement Systems of Alabama (hereafter referred to as the agency) as stipulated in this document.

One condition of this authorization is that the agency submit an annual Records Disposition

Authority (RDA) Implementation Report on agency records management activities, including documentation of records destruction, to the State Records Commission in October of each year. In addition, the agency should make every effort to establish and maintain a quality record-keeping program through the following activities:

- The agency should designate a records liaison, who is responsible for: ensuring the development of quality record keeping systems that meet the business and legal needs of the agency, coordinating the transfer and destruction of records, ensuring that permanent records held on alternative storage media (such as microforms and digital imaging systems) are maintained in compliance with national and state standards, and ensuring the regular implementation of the agency's approved RDA.
- Permanent records in the agency's custody should be maintained under proper intellectual control and in an environment that will ensure their physical order and preservation.
- Destruction of temporary records, as authorized in this RDA, should occur agency-wide on a regular basis—for example, after the successful completion of an audit, at the end of an administration, or at the end of a fiscal year. Despite the RDA's provisions, no record should be destroyed that is necessary to comply with requirements of the state Sunset Act, audit requirements, or any legal notice or subpoena.
- The agency should maintain full documentation of any computerized record-keeping system it employs. It should develop procedures for: (1) backing up all permanent records held in electronic format; (2) storing a back-up copy off-site; and (3) migrating all permanent records when the system is upgraded or replaced. If the agency chooses to maintain permanent records solely in electronic format, it is committed to funding any system upgrades and migration strategies necessary to ensure the records' permanent preservation and accessibility.
- Electronic mail contain permanent, temporary, or transitory record information. Although e-mail records can be printed out, filed, and retained according to the RDA's requirements, the division should preferably employ an electronic records management system capable of sorting e-mail into folders and archiving messages having long-term value

The staff of the State Records Commission or the Examiners of Public Accounts may examine the condition of the permanent records maintained in the custody of the agency and inspect records destruction documentation. Government Records Division archivists are available to instruct the agency staff in RDA implementation and otherwise assist the agency in implementing its records management program.

The State Records Commission adopted this records disposition authority on October 27, 2010.

Edwin C. Bridges, Chairman, by Tracey Berezansky
State Records Commission

Date

Receipt acknowledged:

David G. Bronner, Chief Executive Director
Retirement Systems of Alabama

Date
