Date:

**CONFIDENTIAL MEMORANDUM**

TO:

FROM:

SUBJECT:

An adjustment to your salary is being submitted to the Dean’s Office for approval to be effective on {insert date}. If approved, your salary would change from {insert current salary} to {insert new salary}.

The changing of your UAB salary component raises and issue concerning the Teacher’s Retirement System (TRS) of Alabama. The TRS uses a fiscal year from July 1 through the next June 30 in determining your annual salary for retirement purposes. In order to avoid unusually large increases just prior to retirement (which may unfairly increase the retirement benefit), the TRS reserves the right to limit annual increases in determining retirement credit to 15%. Your increase may exceed this limitation. Thus, there is a possibility that the TRS may not give you full creditable service on this increase. The TRS may wait until you apply for retirement benefits to review your account. They reserve the right at that time to reduce your benefits if you have annual increases of decreases exceeding 15%, even if you have contributed on the entire amount. If you desire additional information regarding the TRS awarding of creditable service, please contact the UAB Benefits Office at 934-3458 and /or the TRS is Montgomery at (877) 517-0020. Because of the amount of the increase, your pay may be reviewed by the University’s salary review committee before it is approved.

Your signature below indicates that you agree with the proposed change to increase your UAB salary from {insert current salary} to {insert new salary} annually effective {insert date}, subject to approval by the University, and that you are aware of the possibility of an impact on the TRS benefit. This memorandum will become a permanent part of your UAB personnel file.

Agreed: ­­­­­­­­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_