

# ***REPORTING ENTITY PAYMENT FOR NEW MEMBERS REPORT***

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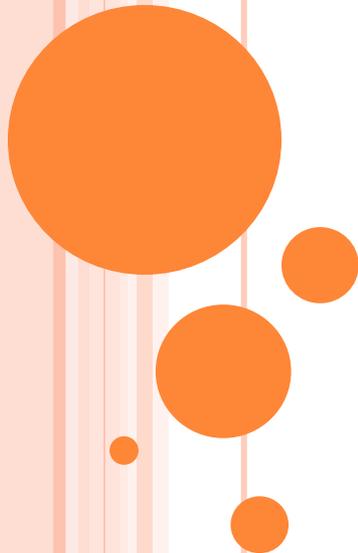
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## ***REPORTING ENTITY PAYMENT FOR NEW MEMBERS REPORT***

- As of September 1, 2005, reporting entities are required to pay the state contribution for new members in their first 90 days of employment.
- The state contribution rate is currently 6.8%
- The payments will be collected through the *Reporting Entity Payment for New Members Report*.



# WHEN A NEW EMPLOYEE IS HIRED

- Look up all employees hired into a TRS-eligible position on “View Employee Information” in TRAQS
- “View Employee Information” will display a message indicating if the new hire has a TRS account
- If the new hire does *not* have an active TRS account, this message will be shown:

**No TRS account found for SS# xxxxxxxxx**

**This employee must be included on the Reporting Entity Payment for New Members report for the first 90 days of their employment**



# THE REPORT CONSISTS OF THE FOLLOWING INFORMATION:

1. Total number of new members in their first 90 days of employment
2. Total amount of salary paid to the new members through the report month that contains the 90<sup>th</sup> day
3. Total pension contribution equal to 6.8% of the total salary paid to the new members



# REPORT AND TEXNET DEPOSIT DUE DATE

- Submit the *Reporting Entity Payment for New Members Report* each month, September through August
- The monthly report and contributions are due to TRS by the 6<sup>th</sup> of the month following the close of the calendar month for which the report is prepared.
- Monthly deposits (contributions) are remitted to TRS through the State Comptroller using the Texas Network for Electronic Transfers (TEXNET). Deposits must be transmitted via TEXNET no later than 6:00 p.m., Austin time, on the 6<sup>th</sup> of the month following the close of the calendar month for which the deposits are due.
- *If the 6<sup>th</sup> falls on a weekend or a Federal holiday*, the TEXNET and Signature component must be transmitted no later than 6:00 p.m. the previous business day.



# REPORT COMPONENTS

- Signature
- TEXNET Deposit

A Detail file is not a required component of the *Reporting Entity Payment for New Members Report*. However, the reporting entity is responsible for retaining the detailed data along with supporting documentation which may be needed for future reference or audit.



# REPORT COMPONENTS, CONTINUED

Signature – used to report and certify the total amount of salaries paid to new members and the total pension contribution.

- (1) The Signature is an electronic signature.
- (2) A Signature may only be submitted by a TRAQS user who has Signature authority.
- (3) **Submit the Signature component each month even if there are no new members to report. The number of new members, salary and pension contribution amounts would be reported as zero.**



# REPORT COMPONENTS, CONTINUED

TEXNET Deposit – Pension contribution equal to 6.8% of the total salary paid to the new members.

- Use the “Query” function of TRAQS to view the result of the TEXNET transmission. The result will be available the business day following the TEXNET settlement date.



# TEXNET DEPOSIT AND DISTRICT LEDGER BALANCE

- Use the “Query” function of TRAQS to view the “District Ledger Balance” on the History Detail screen.
- The *Reporting Entity Payment for New Members Report* will reach the “Completed” status when the TEXNET Deposit and “District Ledger Balance” are equal to or greater than the amount indicated by the TRS-accepted Signature.
- The report status of “Completed” must be reached every month.



# TEXNET DEPOSIT AND DISTRICT LEDGER BALANCE, CONTINUED

- **If the TEXNET Deposit for *Reporting Entity Payment for New Members Report* contains more money** than the Signature component indicates, the overage will be shown in the “District Ledger Balance” on the History Detail screen AFTER the report reaches the “Completed” status.
- When an overage occurs, reduce the amount of the TEXNET Deposit for that particular fund type the next month

**OR**

- Submit a prior month adjustment on the next month’s Signature component to apply the overage.
- **If the TEXNET Deposit contains less money** than the Signature component indicates, send an additional TEXNET Deposit for the balance due.



# HOW TO DETERMINE THE PERIOD OF EMPLOYMENT (90 DAYS) SUBJECT TO PAYMENT

1. Count the first day of employment as the first day of the 90-day period.
2. Count all the calendar days of an employment period regardless of whether the days are in different school years.
3. Do not count any calendar days between periods of employment.



# HOW TO DETERMINE THE PERIOD OF EMPLOYMENT (90 DAYS) SUBJECT TO PAYMENT, CONTINUED

4. Service provided by an employee on one calendar day to more than one TRS reporting entity counts as only one calendar day in the payment period. Each reporting entity must submit the required payment on the salary paid.
  
5. If a person has not reached the 90<sup>th</sup> calendar day before the summer begins, count the days during the summer only if the person is considered to be an employee of the district during the summer. The same guideline applies to those who are not working during the summer but receive accrued pay. Therefore, if they are being paid accrued pay during the summer and considered an employee of the district, the new member contribution is due.



## DEFINITION OF THE 'DATE OF EMPLOYMENT' AS USED IN SECTION 25.35

- The date of employment means the date on which an employee begins to perform service for a TRS reporting entity and the service performed is eligible for TRS membership.
- If the date of employment is a holiday or any other type of work-free day, the day may be considered the first day of employment if the reporting entity considers the individual to be an employee on that day.



# CONTRIBUTIONS FOR THE 1<sup>ST</sup> AND 90<sup>TH</sup> DAY OF EMPLOYMENT ARE BASED ON THE ENTIRE REPORT MONTH

- Submit employer payments to TRS on compensation paid to an employee for the entire report month that contains the 1<sup>st</sup> day of the employee's eligibility for membership.
- Submit employer payments to TRS on compensation **paid** to an employee for the entire report month that contains the 90th day of employment



# STATE CONTRIBUTION PAID THROUGH OTHER TRS REPORTS

- **The total 6.8% will be collected on the *Reporting Entity Payment for New Members Report* in the new members first 90 days of employment.**



# MISCELLANEOUS TRS REPORTS THROUGH WHICH THE STATE CONTRIBUTION MAY BE COLLECTED IN WHOLE OR IN PART ARE:

**Do not report the new member on the above reports until AFTER the first 90 days of employment (if applicable).**

- **Federal Fund/Private Grant Report**
- **Statutory Minimum Report**  
(certain public schools only)
- **Non-educational/General-Local Funds Report**  
(senior universities, medical and dental schools)
- **Educational/General-Local Funds Report**  
(junior/community colleges, senior universities, medical and dental schools)

## -- **(Exception) Federal Grant TRS-Care Report**

Continue to report during the first 90 days

This 1% collection is applied to Texas Public School Retired Employees Group Insurance program.



# ERROR MESSAGES

- Use the “Query” function of TRAQS to view possible Error Messages AFTER each submission.
- An Error Message is fatal.
- Read the Error Message to determine the corrective action required.



# PRIOR MONTH ADJUSTMENTS

- The Signature component contains the adjustments for salaries and contributions reported in error.
- The total of all prior month adjustments must be shown on the “Prior Month Adjustment” line of the Signature.
  - The reporting entity is responsible for retaining detailed data along with any supporting documentation which may be needed for future reference or audit.
- A positive adjustment is understood.
- A negative adjustment requires a minus sign.



# HELPFUL HINTS

- “Query” each day until the Report Status of “Completed” has been reached.
- Each month’s *Reporting Entity Payment for New Members Report* must reach the Report Status of “Completed” before the next month’s report can reach the “Completed” status.

