



Employer Advisory Group outcomes

In January, TRS reached out to reporting entities (REs) to form an Employer Advisory Group (EAG). The purpose of the EAG is to provide a forum for TRS and employers to reach a common understanding of issues related to reporting requirements and provide a framework for TRS to work collaboratively with REs to address concerns. TRS and the EAG are working together to identify practical ways to comply with new laws, rules and accounting requirements. The EAG is made up of a group of representatives from all reporting entity types, sizes and locations. This group has had two meetings to date, which have included discussions related to the collection of “full payroll” reports in the new system. “Full payroll” reports which include all persons employed in any capacity by an RE will be required in the new reporting system.

Below are some of the outcomes that resulted from the first two EAG meetings.

- TRS acknowledges the need for flexibility in reporting noneligible employees.
- Regarding “substitutes,” employees in this classification must be included in the employees reported in the new system.
- If an employee was reported as a substitute one month but not the next, the RE will receive a warning icon in the new Reporting Entity Portal in the second report month rather than an error message. The warning will not prevent the report from completing but is designed to prompt the RE to check its records to ensure the report is correct. No termination record is needed for an employee reported as a “substitute.”
- With regard to “casual employees” and “temporary employees”:
 - TRS understands that “casual employee” is a term used by some REs for an employee that works sporadically throughout the school year; the TRS plan terms refers to this type of employee as an irregular or seasonal employee who is temporary and not eligible for membership.
 - “Temporary employees” includes employees that are expected to work consistently each month but for less than four and one-half months or for certain faculty members in higher education, the employee is expected to work for only one semester.
 - For both of these employee types, if the employee is reported one report month but not the next month, a warning will be displayed rather than an error in the new Reporting Entity Portal; the report will not fail to complete because of the warning message.
 - REs must submit a termination record for a “temporary employee” whose employment is terminated; a termination record will not be required for a “casual employees” who is reported in one report month but not a subsequent report month.
 - However, if an RE terminates a “casual employee,” the RE must send an ED90 form; if an RE does not terminate a “casual employee,” but the employee simply does not perform further services for the RE, the RE does not need to send an ED90 form.
- With regard to “student employment” (for higher education entities only):
 - when the Reporting Entity Portal goes live in the Fall of 2016, REs will not be required to report “student employees,” defined as those employees whose job is dependent upon enrollment as a student, unless otherwise stated below;

- REs may electively report “student employees” in the Reporting Entity Portal in anticipation of the future required reporting;
- if a “student employee” establishes TRS membership through another position with the same or another TRS-covered employer, the student employment must be reported and member contributions forward to TRS on the compensation for the student employment;
- reporting of “student employees” will be required at a later date; and
- an RE that reports student employment, whether electively for all student employment or because the “student employee” established membership eligibility in another position, must report gross creditable compensation but not hours and days worked by “student employees.”
- Reporting hours and days worked for all other employee types:
 - hours and days reported should reflect work that is performed during the calendar month for that reporting period;
 - compensation that is reported must be the amount of compensation paid during the calendar month for that report;
 - unless the RE pays its employees at the end of the calendar month in which all of the work is performed, it is likely that the compensation reported as paid in a report month will not be earned by the work reported for that report month;
 - if the actual hours worked by an employee in a calendar month is not available at the time the report is due, the RE should report the scheduled hours of work for that employee for that month in the new Reporting Entity Portal and then submit an adjustment when actual hours are available and reported; and
 - membership-eligible employees without compensation to report in a given calendar month while on leave without pay should be reported on the RP20 with zero hours and zero pay.
- Feedback from the first two EAG meetings indicates that upload and processing speeds are of concern to REs due to the expected higher volume of reports in the Reporting Entity Portal system once the site goes live in the fall. In response to this concern, TRS reports
 - internal performance testing shows good results for timeliness of processing larger reports, and
 - TRS expects there to only be a 10-15 percent increase in the number of employees reported to the system overall and that the system as designed is adequate to provide the responsiveness required by REs and TRS.

Higher education “student employment” reporting

In addition to EAG input, TRS management has also had internal discussions to address issues brought up during the New Reporting Portal Training sessions.

Feedback from these two sources indicates that REs anticipate difficulty is reporting student employment in a timely manner.

Because of this feedback, TRS has decided to delay the reporting of student employees until the issues can be addressed, unless the “student employee” has already established TRS eligibility through another position.

TRS defines “student employment” as employment in which an employee is solely employed by a public institution of higher education. As a condition of this employment, the employee is required to be enrolled as a student in the employer’s institution. Please see [822.002\(2\) of the Texas Government Code](#) for this specific definition.

REs will be required to report all other employees, including retired, substitute, temporary/casual and part-time employees, at the time the Reporting Entity Portal goes live in the fall of 2016.

TRS will continue to work with higher education institutions to address concerns over the reporting of “student employees.” These issues are expected to be resolved by the beginning of the 2017-2018 school year.