



## ***Certification period***

- The reporting entity (RE) certification period is well underway and will continue through July 31, 2016.
- In order to complete the certification process, each reporting entity is required to submit files in the new Reporting Entity Portal which contain at least one of each record type. These records must follow the new formatting requirements.
- TRS encourages all REs to submit reports for certification within eight weeks of attending a Reporting Entity Portal training.
- If you have not received updated reporting software from your software provider or IT department by the time you attend training, please submit reports as soon as the new software is received. All software providers are aware of the July 31 deadline.

## ***When the new TRS RE portal is implemented***

The new TRS Reporting Entity Portal will be in place at the beginning of the 2016-17 school year. All REs are required to submit ED20 and ED40 records for every employee during the first report month in the new TRS Reporting Entity Portal, regardless of the employee's TRS membership eligibility.

## ***If you have questions...***

- Review the [FAQs \(Frequently Asked Questions\)](#) webpage under [TEAM Program Communications](#).
- Review information on the [Certification Process](#) webpage under [RE Certification](#).
- Review training videos on the [Training Resources](#) webpage.

## ***TRS rule change expands the definition of “substitute” for retirees***

Effective Sept. 1, 2016, the definition of “substitute” is changing for employment after retirement purposes in order to **expand** the opportunities for retirees to work as “substitutes.” During the April 2016 TRS Board meeting, TRS trustees adopted changes to TRS Administrative Rule 31.1(b) relating to Definitions.

The current rule allows a retiree to substitute without limit in a position held by a **current** employee, provided the retiree is **only** working as a TRS-defined “substitute.” The changes in the rule will allow retirees to also serve in a **vacant position** or **vacant positions** for no more than 20 days in each vacant position and still be considered a “substitute” for employment after retirement purposes.

*Note: If a retiree combines “substitute” work and any other type of work in the same calendar month, the retiree is limited to working no more than one-half the work days in that calendar month.*

However, there are other requirements that retirees should know before deciding if they can “substitute” in a vacant position. The changes to this rule go into effect Sept. 1, 2016. The changes in the definition of “substitute” for retirees as defined by TRS:

- **allow** a retiree to serve as a “substitute” not only in the place of a current employee or a position held by more than one current employee but also in a vacant position for no more than 20 days total in that position;
- **allow** a retiree to serve in more than one vacant position during a school year, serving in each vacant position no more than 20 days;
- **prohibit** a retiree from serving in the vacant position that was created by the retiree's retirement, i.e., the retiree cannot substitute in the position the retiree vacated at retirement;

- **do not change** the requirement that all retirees must observe a one full, calendar-month break in all service with a TRS-covered employer after retirement;
- **do not change** the effect of revoking retirement by working as a substitute during the required one full, calendar-month break in service (whether in the place of a current employee or if the position is vacant);
- **do not change** the requirement that a retiree who retired after Jan. 1, 2011 must have a 12 full, consecutive calendar-month break in service from all TRS-covered employers before working full time and still receiving their annuity payment (retirees may work as “substitutes” or as much as one-half time without having a 12-month break in service); and
- **do not change** the effect of interrupting the 12-month break in service by working as a “substitute,” whether the position is held by a current employee or is vacant, and requiring the retiree to begin a new 12 full, consecutive calendar-month break in service before full-time employment without forfeiting their annuity payment.

Retirees who are substituting under this new definition will continue to be reported as “substitutes” on the Employment After Retirement report.

***Example 1***

Retiree is hired as a “substitute” in a position that is vacant: the retiree can work up to 20 days in that position.

***Example 2***

Retiree is substituting in a position that is held by a current employee, but during the course of that “substitute” assignment the employee holding that position resigns and the position is now vacant. From the date the position became vacant, the retiree can continue to “substitute” in that position but for no more than 20 days from the date the position became vacant. If the retiree continues to work in that vacant position more than 20 days after it became vacant, the retiree is no longer considered a “substitute” beginning the 21<sup>st</sup> day of the assignment.

If the retiree works in the vacant position more than 20 days and “substitutes” in other positions (whether vacant or held by a current employee) in the same calendar month, beginning on the 21<sup>st</sup> day of work in the vacant position, the retiree is considered to be combining work as a “substitute” and other work and is limited to working no more than one-half of the workdays in that calendar month. If the 21<sup>st</sup> day of working in the vacant position is the first day of a new calendar month, the retiree must limit the amount of work for that calendar month to no more than the equivalent of four hours for every workday in that calendar month or to no more than one-half the workdays in the month if the retiree “substitutes” in another position.

***Example 3***

A member retires and the position the member retired from is still vacant after the required one full, calendar-month break in service, and the member (now retiree) is asked to “substitute” in that position. The retiree cannot be considered a “substitute” while serving in the position that the retiree vacated at retirement.

If the retiree works in that position, the work must be counted under the exception for one-half-time employment and the work in that position cannot exceed more than four hours for every workday in that calendar month.

If the retiree combines work as a “substitute” in another position and works in the position that the retiree vacated, the retiree is considered to be combining “substitute” and other work and is therefore limited to working no more than one-half the workdays in that calendar month.

Once another employee is hired to fill the retiree’s old position, the position is no longer vacant and the retiree may work as a “substitute” in the position the retiree formerly held without limit on the number of days.