



Employer Advisory Group Meeting Agenda & Minutes

Date: 5/16/19
Start Time: 10:00 a.m.
End Time: 11:30 p.m.
Location: E442

Type of meeting: Periodic
Meeting called by: Sue Richards (Provaliant)
Minutes by: Sue Richards
Invitees: Melody Austin, ~~Carol Casey~~, Mark Chi, Ashley Conrad, ~~Chris Cutler~~, Jennifer Dujka, Nicholas Gonzalez, ~~Art Mata~~, ~~Jessica Palvino~~, ~~Barbie Pearson~~, Michael Ressel, Frances Torres, ~~Katie Tucker~~, Sarah Valenti, ~~Kevin Wakley~~
~~Jackie Thomas (Amarillo ISD)~~
~~Claudia Alba (Belton ISD)~~
~~Theresa Zlotopolski (Clint ISD)~~
~~Jenny Hale (Comal ISD)~~
~~Becky Davis (Conroe ISD)~~
~~Lori Robinson (Eanes ISD)~~
~~Dawn Cummings (ESC #3)~~
~~Tammy Cunningham (ESC #8)~~
~~Emily Youngblood (Flour Bluff ISD)~~
~~Jesse Cortinas, Theresa Harris (Judson ISD)~~
~~Mickey Smith (Malakoff ISD)~~
~~Cathy Felts (Mason ISD)~~
~~Nancy Wiggins (Maypearl ISD)~~
~~Bonnie Barnhill (Midland Academy Charter School)~~
~~R. L. Richards (Muleshoe ISD)~~
~~Susie Lackorn (North East ISD)~~
~~David Rastolini, Lori Ganci (Northside ISD)~~
~~Lana Walls (Ranger ISD)~~
~~Tonya Davis (Roundrock ISD)~~
~~Tera Harris, Christine Porter (Springbranch ISD)~~
~~Becky Bunte (TASBO)~~
~~Greta Graham (Uplift Education)~~

Conference Bridge: 877-746-4263

Participant Code: 2219128

Host Code: 2265442

Purpose of Meeting: Respond to questions, address concerns, and share information with members of the EAG. Members of this group represent REs from all over the State and all types of entities. They serve as the collective "voice" of all REs.

Expected Outcome: Questions and concerns expressed by members of the EAG will be addressed. EAG members are expected to share information with other entities in their region and bring questions and concerns from those entities to this group.

Please...

- ✓ Mute your speaker to avoid sharing background noise
- ✓ Do not put this call on hold



AGENDA

- Introductions and roll call
- Action items from meeting with Higher Education EAG members (applicable to all types of REs)
 - 1) Discuss possibility of:
 - a. Adding the last 4 of the SSN to the TRS-7
Based on research, it doesn't look like this can be done, however the middle initial may be added; if REs need assistance beyond that, the Coach can assist
 - b. Providing dates of an employee's employment at other entities to other REs where they work
We're not legally able to provide those dates; a concurrent employment flag may be provided (in discussion); looking into other alternatives as well
 - 2) Locate the Update article that went over rules for reporting independent contractors and those who work for a third-party and provide that, as well as any other information that's available to Bete Sue and others on the EAG
Provided in minutes from last EAG meeting (meeting with Higher Ed)
- Input needed from EAG members
 - 1) TRS is considering a new FAQ page as an additional source of information. Questions for FAQ page were requested in our last meeting.
*No questions received. **Your input is essential - please send questions to Mark.Chi@trs.texas.gov or Jennifer.Dujka@trs.texas.gov, or to REOutreach@trs.texas.gov as soon as possible.***
- Questions / topics from EAG members
From Becky Davis, Conroe ISD
 - 1) Would it be possible for districts to provide a standard calendar each year? Some districts may have multiple calendars; however, allowing at least one standard calendar per district should provide some relief with overrides for percentage employees. Each month we are required to provide a list of employees with specific details relating to non-work days to ensure that the employee is still TRS-eligible and allow an override. This would also help with semesters for the TRS-7 if it becomes electronic in some form.
This is a good suggestion and has been discussed but it's really not feasible, particularly for 1,300+ entities. We're working on the calendar entry procedure and also looking into excluding Federal Holidays from the half-time calculation for active members. Doing that will provide some relief.

Becky said that the majority of their overrides have been with their percentage employees, which is why she was hoping something could be done.
 - 2) Is there still a possibility for separate substitute position code?
Substitute is an employment type, not a position code. Because of that, we will not create a position code for substitutes.



From Nancy Wiggins, Maypearl ISD

- 1) We have a retiree that only substitutes for our district but has thrown an error the past two months requiring surcharges owed. The first month it was determined that the surcharges were not owed and we had to submit an adjustment to the ER after we paid them because that is the way TRS portal works. This month is looking like the surcharges may stick, even though the retiree is telling us she only subs in the other district.

It is not fiscally responsible for a district to employ a person as a substitute when we are forced to pay surcharges that we don't even know we owe until after the fact. In a small district like ours, this is a big deal. Why is substitute time added to part-time employment when it is allowable without a limit normally?

If retiree is only substituting and they are meeting TRS's definition of substitute they can substitute for an unlimited number of days. According to Laws and Rules, if they're substituting and working one half time or less, there are limits in the amount of time they work. Employer will need to remit surcharges in those instances. TRS does understand that there's a timing consideration. Surcharges will be due from all REs who reported the retiree.

Nancy expressed frustration because the retiree worked somewhere else for an hour and the cost of the surcharge was almost more than what was due the retiree. She asked where, in the Laws & Rules, this is defined. Mark replied that it's in 824.602 (Law) and 34.14 (Rule). When retiree works as sub and in a one half time or less, TRS has to look at the number of days worked, resulting in potential surcharges for employer and possible loss of annuity by retiree.

Nancy asked if training can be provided to retirees so they'll understand? Frances said that Benefits Information presentations are held across the state. Retirees can view and listen to Employment After Retirement videos and review the brochure that's available on the TRS Website. It's important for all retirees to understand Employment After Retirement laws and rules. TRS is very open to educating retirees. Before hiring a retiree, it's a good idea to ask if they've reviewed all of the information. Links to the information are below:

Employment After Retirement:

https://www.trs.texas.gov/TRS%20Documents/employment_after_retirement.pdf

Employment After Retirement Limits (for Retirees):

https://www.trs.texas.gov/Pages/retirees_ear_monthly_limits.aspx

Member Education Videos:

https://www.trs.texas.gov/Pages/pension_benefits_members_videos.aspx (Working After Service Retirement – Part 1 and Part 2)

- Defects fixed in latest release and planned for next release
 - Defects fixed since the last EAG meeting
 - ✓ *Problems with daily and nightly processing were addressed*
 - ✓ *Wording of the concurrent employment notification was corrected*
 - ✓ *Generation of the cash overage/shortage notification was fixed*
 - ✓ *A variety of validations were corrected including EAR surcharges and Optional Retirement Program (ORP)*
 - ✓ *Hyperlink added to Coach's name on the RE Home page, making it easier to send an email*
 - ✓ *09 Position Code for summer school added (remember, summer school is wholly separate and shouldn't be considered when computing Stat Min contributions)*

TEAM PROGRAM

TRS Enterprise Application Modernization



- Next set of enhancements/fixes – available on May 20th (*RE Portal will be down from 6:00-8:00 pm on 3/19*)
 - ✓ Rules related to overlapping positions were made more accurate so errors will be shown at correct times. For example, if an employee becomes ineligible, REs will be notified as soon as they try to report that employee as eligible.
Scenario: RE #1 is reporting an employee as eligible and RE #2 is reporting the employee in a temporary position. The employee should be reported by both REs as eligible. If employee stops working in eligible position, temporary position is no longer eligible. Until now, REs were able to report the employee as eligible and weren't notified that eligibility status changed.
 - ✓ Changes were made to penalty interest calculation; For employer contributions ONLY the Penalty Interest for adjustments will now be calculated based on the report month that the correction record is on. For regular reports TRS will use the due date of that report and for adjustment reports TRS will use the later of the report due date for that report month or one day after the report is complete. Penalty Interest on member contributions will remain the same.
 - ✓ Corrected two EAR validations so they recognize concurrent employment
 - ✓ Processing improvements to prevent batch failure (e.g., process validation batches)
 - ✓ Corrected two validations which should help resolve ED90 issues
 - ✓ New validation to prevent changing TRS eligible from No to Yes when transactions exist
 - ✓ Error related to refund certification (now looking at Final Report Month)

- RE Report Status

Report Month	# Completed RP Reports	% Complete	# Incomplete RP Reports
<i>February</i>	<i>1,321</i>	<i>99.92%</i>	<i>1</i>
<i>March</i>	<i>1,260</i>	<i>95.31%</i>	<i>62</i>
<i>April</i>	<i>1,097</i>	<i>82.92%</i>	<i>226</i>

- Additional Discussion

- TRS 7
 - Will be received on everyone, not only eligible employees
 - Information is contained in the April edition of the Update newsletter (https://www.trs.texas.gov/TRS%20Documents/update_april_2019.pdf)
 - EAG member would like to see the ED90 replace the need for a TRS7
 - Frances said that the TRS 7 will be automated in the future (2020)
- Question: Does the 09 Position Code apply to everyone (teachers, bus drivers, cafeteria workers)? **EAG Members – this is a perfect example of a question for FAQs**
Answer: It can, or you may decide to use it only for employees who are in a Stat Min position. The 09 position code is explained in the April edition of the Update newsletter (link above)
- Question: Can you explain the change to Penalty Interest a bit further?
Answer: A good example would be when there is a change in fund type. Let's say that you originally reported an employee in January 2019 with no salary paid from federal fund and paid the appropriate statutory minimum contributions. You later find that the employee was 100%

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federally funded, so you submit and RP25 on your April 2019 RP to take off the statutory minimum contribution and add the federal fund contributions. The system would have checked what the account balance was for Federal Funds as of the due date for the January 2019 report (February 6th) and if there was not enough funds to cover the correction, then penalty interest was assessed. Going forward, after the fix, as long as the account balance for Federal Funds is positive as of the April 2019 due date (May 6th), then no penalty interest would be assessed.

ACTIONS, DECISIONS, ISSUES from the Meeting

Action, Decision, Issue	Description	Assignee	Targeted Completion Date