

TOP ARTICLES: Reporting Retirees In the Summer • Refund Certifications – Important Information • Surge Personnel – Ending Dec. 31, 2024

Legend

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Reporting and Training for REs



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General Communications



Reduced Grace Period For TRS Reports Effective September 2024



In the [February 2023 Update](#) newsletter TRS communicated that the penalty fee grace period will be discontinued beginning with the September 2024 reports. **Rather than discontinuing the grace period altogether, beginning with the September 2024 reports, the penalty fee grace period will be reduced for the Regular Payroll (RP) and Employment After Retirement (ER) reports.**

Upcoming Changes

Currently, Reporting Employers (REs) have a 30-day grace period to complete reports without accruing a penalty fee. Beginning with the upcoming fiscal year, the **September 2024** report period will have a **21-calendar day grace period**. All remaining months, which include **October 2024 through August 2025**, will have a **14-calendar day grace period**. Any monthly RP and ER reports that are not at a complete status by the end of business on the report's grace period deadline date, will accrue penalty fees.

Reporting Progress

In addition to feedback from you and your RE coaches, this decision was made based on report completion data. For FY 2024, 89.7% of REs completed their report by the 14th calendar day after the due date (except for September 2023 which had a completion rate of 84.9%). When reviewing how many REs completed their September report by day 21, it increased to 89.3% which aligns with the remainder of the months in the year.

This means the majority, approximately 1,207 of the 1,346 active REs, are currently completing their reports by the 14th calendar day after the due date. We greatly appreciate your continued efforts in reporting information as close to the due dates as possible.

We continue to make enhancements and fix defects based on your feedback and experience. Thank you for your continued cooperation in ensuring TRS gets accurate and timely information for our members in order to accurately calculate their benefits.

Reporting Completion by 14-calendar days for FY 2024

Oct. 2023 -
Feb. 2024

89.7%

Sept.
2023

84.9%

Reminder

The grace period does *not* change the due date for reports and TEXNET deposits as outlined in Texas Government Code [Sec. 825.408](#). Instead, it gives REs extra time to bring the reports to complete status before penalty fees are assessed. Additional information about [report due dates](#) and [penalty fees](#) can be found on our website.

Reduced Grace Period For TRS Reports Effective September 2024

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Reporting Period Deadlines for FY 2025

Below are the due dates and penalty fee deadlines for each month in the upcoming fiscal year.

Report Month	Regular Payroll Report and TEXNET <u>Due Date</u>	Regular Payroll Report Grace Period <u>Deadline</u>	Employment After Retirement Report and TEXNET <u>Due Date</u>	Employment After Retirement Report Grace Period <u>Deadline</u>
September 2024	Oct. 4, 2024	Oct. 25, 2024	Oct. 10, 2024	Oct. 31, 2024
October 2024	Nov. 6, 2024	Nov. 20, 2024	Nov. 8, 2024	Nov. 22, 2024
November 2024	Dec. 6, 2024	Dec. 20, 2024	Dec. 10, 2024	Dec. 24, 2024
December 2024	Jan. 6, 2025	Jan. 20, 2025	Jan. 10, 2025	Jan. 24, 2025
January 2025	Feb. 6, 2025	Feb. 20, 2025	Feb. 10, 2025	Feb. 24, 2025
February 2025	March 6, 2025	March 20, 2025	March 10, 2025	March 24, 2025
March 2025	April 4, 2025	April 18, 2025	April 10, 2025	April 24, 2025
April 2025	May 6, 2025	May 20, 2025	May 9, 2025	May 23, 2025
May 2025	June 6, 2025	June 20, 2025	June 10, 2025	June 24, 2025
June 2025	July 3, 2025	July 17, 2025	July 10, 2025	July 24, 2025
July 2025	Aug. 6, 2025	Aug. 20, 2025	Aug. 8, 2025	Aug. 22, 2025
August 2025	Sept. 5, 2025	Sept. 19, 2025	Sept. 5, 2025	Sept. 19, 2025



During the summer, retirees should be reported based on the work that they are performing and the pay that they receive in that specific report month. Below are some reminders for submitting ER records throughout the summer.

Reporting Accrued Pay and Surcharges:

If a retiree does not work during the summer and only receives accrued pay, then the retiree will be reported with the same employment type of when they earned the compensation, plus the “Zero Day Reason Code of A-accrued Pay.” Since the retiree is not working during the month, they have not exceeded the allowable one-half time limit and, therefore, surcharges are *not* due. Even if the retiree is receiving accrued pay from the full-time position during the school year.

Reporting Employment Types:

Half-time or less Employment

Retirees that are normally classified as full-time employees may fall under this employment type in the summer months if they are not working 92 hours in the report month. Even though the retiree may be considered a full-time employee through the summer at your RE, the employment type reported on the ER report is dependent on the number of hours that they work in the report period.

For example, if a retiree was hired as full time from Sept. 1, 2023-June 10, 2024, but only worked 40 hours in the month of June, then their employment type would need to be changed to “H-Half-time or Less” for that report month. If the original employment was entered from September through June, an ER27 (employment after retirement record) would be needed to end the full-time employment in the previous month. Then a new half-time employment can be entered for the month of June.

Full-Time Employment

If a retiree exceeds the number of allowable hours for retirees (92 hours) in the report month, then they would need to be reported with the employment type of “F-Full-time.” Exceptions would be retirees employed as substitutes, Surge Personnel and/or Nonprofit Tutor. For retirees that retired after Sept. 1, 2005, and do not meet one of these exceptions, then surcharges would be triggered and be due from the employer for that report period.

Substitute Employment

This employment type should only be used for retirees that are working in a true substitute position and are paid the daily rate of pay for substitutes. The only exception would be retirees working in a vacant position as a substitute for 20 days, as they would also be considered substitutes for the first 20 days worked in the vacancy. After the 21st day, they would no longer be considered a substitute and would need to be reevaluated for their employment type.

Combined Employment

If a retiree works in multiple positions at the same employer, in which they are combining substitute work and nonsubstitute work in the same report month, then the employment type should be reported as “C-Combination of Substitute and Half-time or less.” These retirees are limited to the number of days that they can work in the report month, without triggering surcharges. If the retiree works more than 11 days in the combined employment, then surcharges would be triggered and due from the employer for that report period.

Surge Personnel Employment

If the retiree meets all the requirements to be classified as a surge personnel employee, then they would need to be reported as such on the ER report. These retirees would not trigger surcharges for their surge personnel employment and the “EAR Surge Personnel Exception” certification would need to be completed in the portal to certify that they meet all the requirements.

Nonprofit Tutor

If a retiree has met the requirements to be classified as a Nonprofit Tutor, then they would need to be reported as such on the ER report. These retirees could trigger surcharges for their employment based on the number of hours/days that they work in the report period. Once reported as a Nonprofit Tutor (whether it is full-time, half-time or substitute capacity), the “EAR Tutor Certification” would need to be completed in the portal to certify that they meet all the requirements.

Refund Certifications – Important Information



As the school year comes to a close, we typically see an increase in the number of refund certification requests sent to Reporting Employers (REs). It is very important to properly complete the refund certifications to avoid future reporting issues.

TRS Laws and Rules state that an individual may only request a refund of their TRS contribution if they have terminated employment with all TRS-covered employers, are not expected to resume employment, and have not applied for work at another TRS-covered employer or are only working in a substitute capacity. *

Refund certifications should only be certified if:

1. The individual has terminated all employment and is not expected to return. An ED90 (a termination record) would usually be submitted for this individual, but the refund certification will replace an ED90.
2. The individual is currently a substitute with your entity and is expected to continue in that role only.



Please do not certify that an individual has terminated if:

1. The person has not terminated but they are not working during the summer months. If they are still considered an employee and are expected to return, they are not eligible for a refund.
2. The person is still an employee, has not terminated, but is not working due to current school closures.
3. The person has not terminated but is not receiving pay. (i.e. 10-month contract paid over 10 months). Lack of pay over the summer months does not qualify someone for a refund of TRS contributions.
4. The person has temporarily terminated employment but is already hired or expected to resume working in the future.

Incorrectly certifying an employee as terminated can have consequences for your reporting in the future. For example, if someone is certified as terminated and receives their refund over the summer, when they return to work in the next school year the following will happen:

1. A new ED20 (employee demographic record that is submitted for new hires who are not TRS retirees) will need to be submitted with a new employment start date since the refund certification will have terminated the previous employment relationship.
2. If a member receives a refund then they withdraw their membership in TRS. This means that when they return to work, they are considered a new member and thus subject to new member contributions for the months that contain the employee's 1st – 90th day of employment. This will be an extra expense for your district, since your employer is paying the new member contributions.

Refund Certification Processing Instructions

The refund certification should be completed once the final report month is determined. For example, if the employee terminates in May and is not receiving their final pay until August, then you may complete the Refund Certification on the first of the month after termination (June 1st).

Please ensure the correct final report month is entered on the Refund Certification. This is essential to the refund process and ensures that all the TRS contributions are received before the refund is processed.

If the final report month is entered incorrectly, please submit a new ED90 as soon as possible to update the final report month.

Resource for Employees

If your employee has questions about the refund process, here is a link you may share: https://www.trs.texas.gov/TRS%20Documents/active_member_account_withdrawal.pdf

*Special considerations for those whose only employment is as a substitute:

A substitute must have a current contract including the month that the certification is submitted for the refund certification to be accepted. If an ED40 (record to start a new contract or work agreement) including the current month is not on record, an error will result when completing the certification. If the previous contract has ended, but this person is still considered employed as a substitute, a new ED40 with a one-day contract in the current month may be created to allow the refund certification to be completed.

Retirement Certification Reminders



Reminder

Many employees will retire near the end of the spring or summer semester, which means that you may experience an increase for requests to fill out the retirement certification. Here are a few reminders related to employees who may be retiring soon.

Employees must terminate all TRS-covered employment in order to retire. This includes but is not limited to temporary employment, summer school, “Less than Half Time” and substitute employment. This also means that you cannot create a contract after the termination date just to report accrued pay.

Make sure that you use an accurate termination date. Do not back date the termination and do not automatically extend it to the end of the month. For example, an employee has a regular school year contract through May 26, 2024, but they worked until June 10, 2024 and then terminated. If they truly terminated on June 10, you would want to make sure that you use that as the termination date. You would not want to terminate them on May 26 because you have to report the time worked in June. You also don’t want to automatically extend the termination date until June 30 since that may affect their retirement date under what is referred to sometimes as the “June 15th rule.” They will also need a contract/work agreement to cover the time worked through June 10, 2024.

Retirement certifications will generally show up on the first of the month AFTER the retirement date has passed. For example, if the employee has a June 30, 2024 retirement date, the certification should not show up until July 1, 2024 at the earliest. It may show up later if the other retirement paperwork is still being processed.

Do not fill out the retirement certification until the final check with TRS-Eligible compensation has been issued. This should not delay the retirement of the employee but providing the incorrect information would delay their retirement.

If the employees only worked in an ineligible position in the last school year of employment, please make sure to also submit an ED90. Retirement certifications will terminate employments with a current eligible position, but they do not terminate employments where there was only ineligible employment.

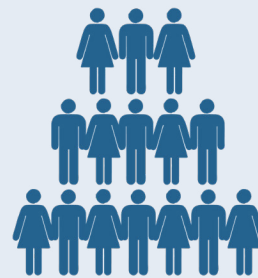
If the employee wants to return to employment before their retirement is finalized, you may want to contact your coach first to make sure they are reported correctly.

Surge Personnel - Ending Dec. 31, 2024



Please note that December 2024 will be the end of the Surge Personnel Exception. TRS recommends reporting employers prepare for this as retirees will need to be reported under a different employment type and may result in surcharges if the retirees exceed the half-time limits. Please see the [TRS website](#) for the current limits.

Senate Bill 288 (SB 288) allows a service retiree to work in Texas public education and not be subject to EAR limits and surcharges if employed in a position performing duties related to the mitigation of student learning loss attributable to the coronavirus. The SB 288 exception does not apply to disability retirees. The position must meet the following requirements:



1. It is an addition to the normal staffing level at the Reporting Entity (RE)

2. It is funded wholly by one of the following federal acts:

- a. Coronavirus Aid, Relief, and Economic Security (CARES) Act (15 U.S.C. Section 9001 eq seq.)
- b. Coronavirus Response and Relief Supplemental Appropriation Act, 2021 (Div. M, Pub. L. No. 116-260)
- c. American Rescue Plan Act of 2021 (Pub. L. No. 117-2)



3. It ends on or before Dec. 31, 2024



It's almost time for Annual Enrollment! This year, we'll give you the same thorough support we did in years past.

This includes Benefits Administrator (BA) training sessions, participant webinars, plan materials, and an enrollment resource hub.

What's Coming Up

Rates and Benefits Announcement: We announced the rates and benefits for plan year 2024-25 beginning September 1 at the May 2-3 TRS [Board of Trustees](#) meeting.

Annual Enrollment: This year's Annual Enrollment is July 8–Aug. 30. The “regular” enrollment period will be July 8–Aug. 16. We'll offer another supplemental period from Aug. 17–Aug. 30. As a reminder, the supplemental dates are for BAs only where you can enroll members who have changes or didn't enroll during your district's enrollment period. Please do not communicate the supplemental enrollment dates to employees.

BA Training Sessions: We'll host eight online BA training sessions this year, as well as five in-person meetings. The training is specific to certain regions, so pay attention to which session you need to sign up for on the registration links. This year, we'll merge benefits and technical training into one training session.

Virtual BA Training Dates: All sessions are from 9 a.m. to 12 p.m. CT.

Date	Regions
Tues. May 28	6, 15 + Blue West HMO + S&W HMO
Wed. May 29	12, 19 + S&W HMO
Thu. May 30	8, 11 + S&W HMO
Tue. June 4	10 + S&W HMO
Thu. June 6	Statewide

In-Person BA Trainings

Before the pandemic, we held our presentations for BAs in person. After three years of only virtual presentations, we're dipping our toes back in with on-site presentations throughout May. There are still upcoming sessions for BAs **located in ESC regions 7, 14 and 16.**

Register Yourself Today!

Please complete a registration form for each person from your district who may be attending.

[Attendee Registration for TRS-ActiveCare BA Training for ESC Region 7 \(In-Person\)](#)

[Attendee Registration for TRS-ActiveCare BA Training for ESC Region 16 \(In-Person\)](#)

[Attendee Registration for TRS-ActiveCare BA Training for ESC Region 14 \(In-Person\)](#)

All presentations are from 9 a.m. to 12 p.m. local time and, with one exception, are located at the ESC's Regional Office. The Region 14 event will be hosted by Wylie ISD.

ID Cards: We'll discuss the timing of ID card arrivals during BA training.

Participant Webinars: Like last year, we'll conduct *From A to Z: Your TRS-ActiveCare Plan*, a 30-minute virtual webinar where your employees can learn about their benefits and plan options. When registration is live, we'd love your help promoting these events to participants.

As always, we look forward to your partnership this Annual Enrollment season! If you have questions in the meantime, reach out to healthcarecomm@trs.texas.gov.



The Password Manager: A Secret Solution



You've heard it before: **stop sharing your passwords** with friends, family or coworkers. You may trust Aunt Susan to use your Amazon Prime account to get free shipping, but what happens when her bad security hygiene accidentally gives a cybercriminal access to your Amazon account? Or when the Netflix account you shared with a friend is compromised and the password you've reused is exposed to a cybercriminal?

If you're in a situation where you absolutely must allow someone else to use one of your accounts, use a password manager. **Most password managers will let you share access to an account without allowing the other person to see your password.** Ideally the other person simply makes their own account, but if the situation is unavoidable, sharing access through a password manager will keep your password secret; plus, it stays encrypted, away from the prying eyes of cybercriminals.

It's not just your loved ones that you should avoid sharing a password with! **No one** should know your login credentials, including professionals. Your technical support will never ask for your password over the phone or through email, and neither should customer service representatives. If a "professional" is trying to wiggle your password out of you, that's a red flag! Verify their identity (and their intentions) before providing them with any further information. You can always reach out to your technical support team for help if you need it.



TRS is Looking For You: Early Career Feature Subject For Video



Please share with your employees! TRS is interested in featuring members early in their careers for a video series spotlighting how you can connect with your retirement system to maximize your benefits.

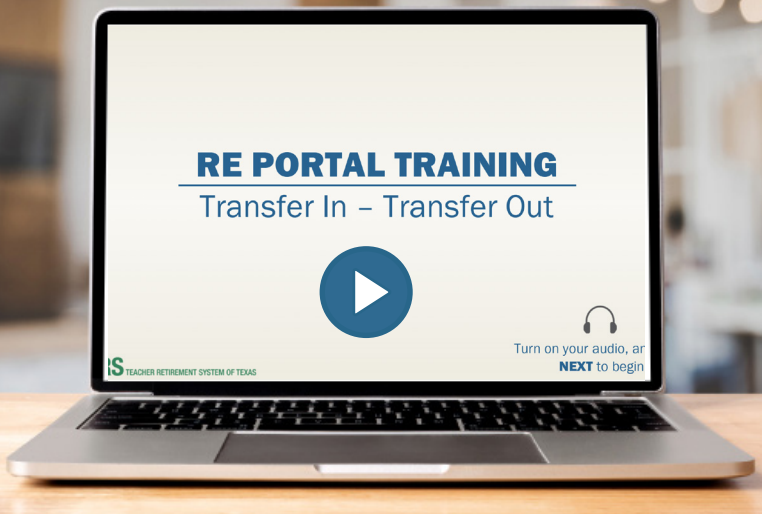
As part of the video series, TRS will connect you with a TRS Benefits Counselor to receive an overview on helpful resources and information you can use to better understand your future retirement benefits.

We look forward to sharing this video as a helpful resource for other members --- just like you ---- who are wondering how they can connect with their retirement system at this point in their careers. There's no better time to start planning than today.

Please share the word and share your interest by emailing communications@trs.texas.gov. We look forward to hearing from you!



RE Portal Training: Transfer In -Transfer Out



Many people find that a video explanation is the best way to learn! Take advantage of more than a dozen informative videos in the [TRS Video Library](#) to understand TRS processes and reports for reporting employers.

Follow TRS on Social Media



Navigating Life Events With Ease



Many career changes require TRS members to update their account information or take other action. That's why we've created our [Life Event Resource Kit/Employer Toolkit](#) – to guide TRS members on their next steps and provide them with the information and resources they need for their life and career changes.

TRS members will find the “[Retired](#)” section of our Career Events Resource Toolkit helpful when searching for answers to questions like:

- Once I retire, when will I receive my first annuity payment?
- When are annuity payments issued each month?
- What are the deductions I see on my retirement check?
- How can I view, estimate, or change my tax withholding?

Explore the [Life Event Resource Kit](#) today to see what steps you need to take and when. The impact of these events can be significant, and we want to ensure you're making the most of your benefits – in all ways possible – with each step forward.

Nominations Begin Soon For The Next Trustee Election



The nominating period for the public school district employee position on the TRS Board of Trustees will be June 1, 2024 through Jan. 27, 2025.

The term for this position will begin as early as Sept. 1, 2025 and end Aug. 31, 2031. Please consider someone who would make an excellent TRS trustee.



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Member Education Videos



Learn all about your TRS pension benefits by watching our [Member Education Videos](#)!

Help us spread the word about the series by downloading a [poster](#) from our website and displaying it at your school.

