

UPDATE

TRS SEEKS NOMINATIONS FOR THE PUBLIC SCHOOL DISTRICT EMPLOYEE POSITION FOR THE BOARD OF TRUSTEES

TRS is now accepting nominations for eligible members to qualify as candidates for the election of the Public School District Employee position on the TRS Board of Trustees. The term begins as early as Sept. 1, 2021 and ends Aug. 31, 2027. An eligible member for this election is a current employee of a public school district, charter school, or regional education service center. Also, an eligible member cannot have terminated membership in TRS or be a participant in the Optional Retirement Program. TRS is offering two ways in which a nominee may collect the required 250 signatures of eligible members for nomination.

1) Electronic Petitions – A nominee will declare his/her interest to be a nominee to the [Secretary to the Board of Trustees](#). Once the member's eligibility is validated, the member's name will be posted on the [nomination site](#) where the nominee may direct eligible members to sign the nominee's electronic petition. The names of nominees will be listed on a first-come, first-listed basis. To sign the electronic petition, eligible members will need to provide identifying information in order to verify their eligibility to sign the petition. The process is easy and only takes a few minutes. For an electronic petition, the nominee does not need to submit anything further to TRS but must have 250 eligible member signatures by Jan. 25, 2021 to be considered a candidate.

2) Paper Petitions – TRS will also continue to allow nominees to collect signatures with paper petitions. TRS must receive a nominee's paper petitions, with 250 eligible member signatures, no later than Jan. 25, 2021. You may download a [petition \(pdf\)](#) from the Resources section on the Nominations for TRS Board of Trustees Public School District Employee Position page on the TRS website. If you do not have access to a printer, please contact the Secretary to the Board of Trustees to request a petition be mailed to you.

PUBLIC EDUCATION EMPLOYER CONTRIBUTION (EC) RATE INCREASE FOR FY2020-21

Effective with any pay issued on or after Sept. 1, 2020, the Public Education Employer Contribution (EC) rate will increase from 1.5% to 1.6%. This increase impacts Independent School Districts (ISDs), charter schools and regional education service centers only.

For charter schools and regional education service centers, EC is due on all eligible compensation. For ISDs, the EC is due on compensation up to the state minimum for employees in positions subject to the Statutory Minimum contribution, and on 100% of eligible compensation for employees in positions not subject to Statutory Minimum.

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TIPS FOR YEAR-END PROCESSING

Year-end processing for TRS will soon be underway. As you are beginning a new school year, we are winding down our fiscal year. This time of year can certainly be hectic for everyone. The following is a list of short tips that we hope will help make things run more smoothly:

- All August reports and TEXNET deposits are due by **8 p.m. CST on Friday, Sept. 4, 2020**. This applies to both the Regular Payroll (RP) report as well as the Employment after Retirement (ER) report.
- All RP reports for the entire 2019-2020 fiscal year **must** be at “Complete” status by 5 p.m. on Wednesday, Sept. 16, 2020. Failure to bring your RP report to “Complete” status by the deadline will result in incorrect annual statements for your employees.
- As mentioned, year-end processing is a very busy time at TRS. Your coach may not be able to respond to you immediately due to the volume of requests coming in. We ask that if you need assistance, please call **or** email your coach **only** once. If you do not receive a response within two business days or if you are unsure of who your coach is, email reporting@trs.texas.gov
Include your four-digit TRS number in any email or voice message.

Tips for new fiscal year processing:

- Web Administrators, please make sure to update your contacts in the RE Portals. End the contact records for those who are no longer serving in that role and add any new contacts — including the Head of Institution.
- Higher education Reporting Employers (REs) are not required to report student employees on the RP report.
- Each report month is required to contain hours and days worked in the report month and pay received in the report month. The hours and days should not be based on the pay period. This applies both to the RP and ER reports.
- Reporting Employment After Retirement (EAR) – EAR employment dates for a school year are not based on the retiree’s contract with the employer. REs are also not required to report the employment dates for all retirees as Sept. 1-Aug. 31. Rather, they are based on the dates the retiree will be employed in a particular position and/or employment type during a fiscal year. The fiscal year is Sept 1-Aug. 31, so REs must list the dates the retiree is expected to work that fall between that date range.

The Employment Type Code reflects the type of work a retiree performed in that specific report month. A retiree who will be working full-time hours some months but half-time or less hours in other months cannot be reported as working Full Time all fiscal year.

Additionally, if a retiree works as a substitute in multiple position codes throughout the month, do not report a separate record for each position code. Instead, combine all substitute work under their primary position code.

- Submit ED90 records for all terminated employees.

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REPORTING REQUIREMENTS FOR TRS ELIGIBILITY AFTER EARNING A YEAR OF SERVICE CREDIT

When a TRS member earns a year of creditable service within the current TRS fiscal year and then transitions into a less than half-time position, they must be reported as TRS-eligible for the remainder of that fiscal year (through Aug. 31). This applies to less than half time or temporary positions but does not apply to members who transfer into a position that is a substitute per the TRS definition of that term.

Compared to other employees, it will require a slightly different process to report a member as eligible through the end of a fiscal year than other employees. The ED40 posted when the employee transfers into the less than half time position should have the end date of the current year's work agreement. When the employee returns to work under a contract/work agreement for the new school year, if they continue to work in an ineligible position, the employee will require two ED40s. The first will report the beginning date of their new contract/work agreement through Aug. 31 of that year as TRS-eligible 'Yes'. The second ED40 will mark TRS-eligible as 'No' with a beginning date of contract/work agreement of 09/01 through the end of their actual work agreement.

Example: a teacher worked in a TRS-eligible position until March 15, 2020 and earned their creditable year of service. Effective March 18, 2020 the employee began a less than half-time position and will continue working in that position in the upcoming school year as well. The staff return to work on Aug. 12, 2020 for the new school year.

TRS FISCAL YEAR	POSITION CODE	TRS ELIGIBILITY FLAG	BEGINNING DATE OF CONTRACT/WORK AGREEMENT	ENDING DATE OF CONTRACT/WORK AGREEMENT
FY 2020	02	YES	09/01/2019	03/15/2020
FY 2020	03	YES	03/18/2020	06/07/2020
FY 2020	03	YES	08/12/2020	08/31/2020
FY 2021	03	NO	09/01/2020	06/05/2021

It can also be challenging to report on an employee transitioning from a TRS-eligible position to an ineligible position when it comes to creditable compensation. Many TRS REs pay in arrears, which causes the final compensation for the eligible position to be *paid* in the month after the position ended. The report-when-paid rule requires REs to report the compensation to TRS in the month it is paid. However, if the compensation was *earned* while the employee was working in a TRS-eligible position, then it must be reported as TRS-eligible compensation with contributions.

- If the employee in our example above concludes their TRS-eligible position at the end of August and continued their employment in the less than half-time position at the beginning of September, then the compensation for time worked in August is paid in September. Since the time worked for the eligible position was paid in September, the compensation is creditable compensation and contributions must be withheld. The September RP report may require a TRS override in this scenario.

Example: a teacher aide is paid \$1,500 in September for time worked Aug. 12, 2020 – Aug. 31, 2020. The \$1,500 is subject to member and employer contributions on the September 2020 RP report.

- If the same teacher aide in our example above receives compensation for their formally TRS-eligible position *and* new ineligible position in the same report month, and the position codes are the same, the current month RP record will include both payments. Compensation earned in the eligible position will be reported in Eligible TRS Gross Compensation. The total gross compensation field will include the compensation paid for both positions since this field is to report eligible *and* ineligible compensation. If the positions fall under separate position codes, two current month RP records must be reported.

Example: the teacher aide is paid \$1,500 in September for time worked Aug. 12, 2020 – Aug. 31, 2020 **and** \$500 for time worked Sept. 1, 2020 – Sept. 15, 2020. The \$1,500 is subject to member and employer contributions on the September 2020 RP report. The \$500 is **not** subjected to member and employer contributions; this amount should only be included on the Total Gross Compensation field of the RP20 record for September 2020.

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VIRTUAL TRAININGS TO BE OFFERED FOR TRS REPORTING

This fall, TRS will be offering virtual training options for reporting personnel. While the trainings will be targeted toward specific audiences, anyone may register and attend. Trainings for higher education and non-higher education employers will be held separately.

We are excited to announce a half-day, specialized training for Human Resources personnel that will focus on TRS membership eligibility, EAR and other topics. This class will assist HR with coordinating and communicating with those who submit monthly TRS reports, such as the payroll department.

HR training for Non-Higher Ed	Wednesday, Oct. 14	9 a.m.-12 p.m.	Registration Link
HR Training for Higher Ed	Wednesday Oct. 21	9 a.m.-12 p.m.	Registration Link

Additionally, we will hold full-day trainings for those who are relatively new to TRS reporting. These will cover the laws and rules regarding membership eligibility, creditable compensation, required employer contributions and EAR, as well as the functionality of the RE Portal.

Intro to TRS for Non-Higher ED	Thursday, Oct. 29	9 a.m.-4 p.m.	Registration Link
Intro to TRS for Higher ED	Tuesday, Nov. 10	9 a.m.-4 p.m.	Registration Link

Each attendee must register individually through the links provided above. This will ensure that you receive the link to access the web session as well as a copy of the materials being covered.

WHEN SURCHARGES ARE DUE FOR RETIREES WORKING MORE THAN ONE-HALF TIME

When a TRS retiree who retired after Sept. 1, 2005 works more than one-half time in the calendar month, the employer is required to pay surcharges to TRS. In the 2020-2021 school year, the pension surcharge is 15.2% of the compensation paid to that retiree in a given month. The TRS-Care surcharge is a monthly amount of \$535. Please use the "View Employee Information" link in the RE Portal to determine if the retiree retired before or after Sept. 1, 2005, and if the TRS-Care surcharge applies for a particular retiree.

In an effort to help employers determine when the surcharges are triggered each month in the school year, the table on page five illustrates:

- 1) the total number of workdays available each month;
- 2) The number of hours a retiree may work or be on paid leave under the one-half time or less exception (four hours multiplied by the number of workdays in the calendar month). If a retiree's employment is measured in class hours or semester hours rather than clock hours, each hour of instruction in the classroom or lab counts as a minimum of two clock hours (in order to reflect instructional time as well as preparation time);
- 3) the number of days a retiree who is combining substitute and one-half time or less in the same calendar month may work or be on paid leave without the employer incurring the pension and TRS-Care surcharges.

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Month	Total Number of Workdays in Calendar Month	Number of Hours a Retiree Working One-Half Time or Less May Work Without Triggering Surcharges	Number of Workdays Retiree Combining Substitute and Other TRS-Covered Employment May Work Without Triggering Surcharges
September 2020	22 days	88 hours	11 days
October 2020	22 days	88 hours	11 days
November 2020	21 days	84 hours	10 days
December 2020	23 days	92 hours	11 days
January 2021	21 days	84 hours	10 days
February 2021	20 days	80 hours	10 days
March 2021	23 days	92 hours	11 days
April 2021	22 days	88 hours	11 days
May 2021	21 days	84 hours	10 days
June 2021	22 days	88 hours	11 days
July 2021	22 days	88 hours	11 days
August 2021	22 days	88 hours	11 days

Please refer any TRS retiree with questions about the amount of time the retiree is allowed to work or be on paid leave without affecting his or her annuity to a TRS benefit counselor.

IRS SALARY CAP PROVISION FOR THE 2020-21 SCHOOL YEAR

Some highly paid members may have their annual creditable compensation limited in accordance with Section 401(a)(17) of the Internal Revenue Service Code. These limits affect individuals who joined TRS for the first time on or after Sept. 1, 1996. The annual limit is based on federal regulations and is subject to change each plan year. Pay excluded from creditable compensation under this law is not subject to member contributions and will not be used in calculating benefits.

Do not report eligible salary in excess of the salary cap to TRS for those members who joined TRS on or after Sept. 1, 1996. Continue to report total gross compensation and days and hours worked each report month.

The cap is based on the TRS plan year of September through August and not the member's contract/work agreement year. Once the member's reported salary beginning with the September posting reaches the salary cap for that year, no further salary is to be reported until the following September, which is the beginning of the next plan year. However, creditable days must continue to be reported for these employees after they have reached the salary cap.

For the 2020-21 plan year, the IRS 401(a)(17) annual creditable compensation limit (for a person who first becomes a member of TRS after Aug. 31, 1996) is \$285,000.

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2020-21 TRS-ACTIVECARE ANNUAL ENROLLMENT IS UNDERWAY

Annual Enrollment for TRS-ActiveCare participants began on July 15 and will end on Aug. 21, 2020. This is your employees' opportunity to make changes to their health plan with this year being especially important due to our switch to Blue Cross and Blue Shield of Texas (BCBSTX).

Here are some resources you can share with your employees:

[TRS-ActiveCare Annual Enrollment Page](#)

[Ask Emma](#) (personalized health plan decision tool)

[Plan Highlights](#)

[Enrollment Guide](#)

[Provider Finder](#)

Annual Enrollment materials, including the guide, video, Provider Finder and Plan Highlights, are available in both English and Spanish. If you or your employees have any issues accessing Ask Emma, please contact bswift customer service at 1-877-927-9438.

Please note that if an employee does not make a selection during Annual Enrollment, they will be transitioned to a plan similar to the one they are currently enrolled in. See the chart below to see which plans will be transitioned to the new plans.

Current TRS-ActiveCare Plan	Plan you'll be enrolled in on Sept. 1, 2020 if no action is taken
TRS-ActiveCare 1- HD	TRS-ActiveCare HD
TRS-ActiveCare Select	TRS-ActiveCare Primary+, which will have a new PCP requirement
Central/North TX FirstCare or Scott & White Health Plan	Scott & White Care Plan HMO – Central and North Texas
South TX Blue Essentials HMO	Blue Essentials HMO – South Texas
West TX FirstCare or Scott & White Health Plan	Blue Essentials HMO – West Texas

YOUR ENHANCED TRS-ACTIVECARE SUPPORT

TRS knows this year is not like any other year and has worked to ensure that your district has strong support. You'll have the same responsive, high-quality support for eligibility and enrollment needs from a dedicated Benefits Administrator (BA) Advocate with bswift, plus new strategic support from your TRS District Ambassador.

New! Your dedicated TRS District Ambassador will:

- Serve as the primary relationship contact for district leadership and BAs to help you meet your strategic district goals.
- Help you maximize the value TRS-ActiveCare provides your district now and with future plan enhancements.
- Identify district utilization trends and collaborate on tangible solutions.

Provide support for Annual Enrollment, benefit fairs, on-site clinics and wellness initiatives [Contact your TRS District Ambassador now!](#)

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WATCH AND LEARN: TRS MEMBER EDUCATION VIDEO SERIES

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.

UPCOMING RESOURCES FOR DISTRICTS

September Billing Refresher

On Sept. 15 from 11 a.m.-12 p.m., bswift will host a training focused on September bills, including how to review them and submit discrepancies. [Register here.](#)

Blue Access for EmployersSM (BAESM) Portal

Blue Access for EmployersSM (BAESM) allows you to easily check member eligibility and request ID cards – at your convenience.

- Check member eligibility
- Request by Mail, Print, Email ID cards

You will be able to [login to the BAE portal](#) after the Blue Access for Employers training in mid-August.

The screenshot displays the Blue Access for Employers (BAE) portal interface. At the top left is the BlueCross BlueShield of Texas logo, and at the top right is the blueaccess for Employers logo. The main content area is divided into several sections:

- Account Summary:** Includes links for 'View Details', 'View Health Plans', and 'Update Profile'. A 'Place Logo' section is also visible.
- Demo Company:** Shows account information: Account #: DEMO, Effective Date: 01/01/2001, and Renewal Date: 01/01/2010.
- Employee Maintenance:** Features a dropdown menu labeled 'I want to:' with 'Select an action'.
- Get Started:** A section for finding employees/dependents. It includes radio buttons for 'Employee' (selected) and 'Dependent'. There are input fields for 'SSN or ID Number', 'Last Name', and 'First Name', along with 'Enroll Employee' and 'Find' buttons.
- Recent Activity:** A table listing recent actions:

Name	ID Number	Activity	Entry Date	Status
BURK, JOHN	999999998	Employee Add	07/20/2020	Complete
BANKS, JANET	932132132	Employee Add	07/20/2020	Finish Later
WILLIAMSON, CRAIG	999999996	Product Correction	07/20/2020	Finish Later

Below the table is a 'View All' button. The right sidebar contains 'Employer Resources' and 'News & Updates' sections.