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update

TEACHER RETIREMENT SYSTEM OF TEXAS

Designating Web Administrators for RE Portal implementation

TRS will soon request that the head of each reporting entity (RE) designate a Web Administrator for the RE Portal. This request will be sent to the Head of Institution and the Reporting Official in the current TRAQS system.

It is extremely important that the head of each RE respond to the request as soon as possible. Therefore, TRS asks that you update all TRAQS contacts to ensure the message reaches the appropriate people.

The Web Administrator serves a crucial role in the RE Portal. This person will be responsible for adding, updating and deleting reporting contacts and web account access within the RE Portal for his or her RE.

TRS greatly appreciates your cooperation with this request.

Daily rate of pay for substitutes

For employment after retirement purposes, the Texas Legislature indicated that a substitute may not be paid “more than the daily rate of substitute pay established by the employer.” The TRS Board of Trustees has clarified that for employment after retirement purposes, a substitute is a person who serves on a temporary basis in the place of a current employee. This definition was recently amended to allow a retiree to serve in a vacant position for no more than 20 days, provided the retiree serves no more than 20 days in each vacant position and the position that is vacant was not last held by that retiree.

The daily rate of pay for each substitute position must be set by the employer’s board of trustees *or* the responsibility to establish the daily rate of pay must be delegated to the superintendent or other administrator by board policy or documented board action. If the RE pays a substitute based on an hourly rate, the hourly rate cannot be more than one-eighth of the daily rate of pay (established by the employer), unless the employer, by policy or board action, establishes a work day for the position that is less than eight hours. In that event, the hourly rate cannot exceed the prorated share of the daily rate.

Failure to ensure that retirees serving as substitutes are paid no more than the daily rate of pay, as required by statute, may result in a determination by TRS that the retiree is not a substitute for employment after retirement purposes. If this occurs, the retiree may forfeit the annuity for any month that the work exceeds one-half time if the retiree has not observed a 12 full, consecutive-calendar-month break in service. Surcharges would also be due on any work that exceeds one-half time. While retirees who retired before January 2011 are not subject to the limits on employment after retirement, their work that was previously characterized as substitute employment, but does not comply with the requirements on the daily rate of pay, may incur surcharges if it exceeds one-half time.