

UPDATE

REPORTING TIP: COMMON ER ERROR AND HOW TO RESOLVE

Reporting Entities (REs) sometimes receive this common error on the Employment after Retirement (ER) report:

'Error 613-A position record already exists for this retiree. A retiree can only have one ER record per report period.'

This error occurs when information on the current ER report does not match what was previously recorded, including:

- Beginning and ending dates of employment
- Employment type
- Position code

If you receive the above error on an ER record, the first step you need to take to resolve the error is to review the previous month's ER records to ensure you are reporting the same information. If everything is identical and you continue to receive the error, please reach out to your coach for assistance.

ONLINE COURSES IN HIGHER EDUCATION-MEMBERSHIP ELIGIBILITY AND RETIREE RULES

Higher education class formats are ever-changing and more colleges are offering a number of online formats. For employment-after-retirement purposes, TRS rules require that teaching online classes for college credit must be counted as working a minimum of two clock hours for every college credit hour.

The conversion of the minimum of two clock hours per each credit hour takes into consideration preparation time, grading time and other time typically associated with one hour of instruction. However, if the employer has established a greater amount of preparation time for each hour in the classroom or lab, the employer's established standard will be used in determining the amount of time worked for the calendar month.

Keep in mind that multiplying the number of college credit hours assigned to the class by two results in a weekly rate of hours worked. The weekly rate must be broken down into a daily rate by dividing by five (the number of workdays in a week) and then multiplying that number by the number of workdays (Monday through Friday) in the given calendar month to arrive at the number of hours worked by the retiree in that calendar month teaching the online course.

For example, if a retiree is teaching a three-hour online course, each hour of credit counts as a minimum of two clock hours of time worked in that week. The three credit hours count as working six hours in a week (three credit hours multiplied by two clock hours) divided by the five workdays per week equals 1.2 clock hours per day. If the month has 20 available workdays, then the retiree would be charged with working a total of 24 clock hours for the month for the online course (1.2 clock hours multiplied by 20 available workdays).

Similarly, when determining TRS membership eligibility for employees who are teaching online courses for college credit, the amount of time worked by the employee is counted as working a minimum of two clock hours for every college credit hour assigned to the class.

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As with the retirees, the conversion of the minimum of two clock hours per each credit hour takes into consideration preparation time, grading time and other time typically associated with one hour of instruction. Again, if the employer has established a greater amount of preparation time for each hour in the classroom or lab, the employer's established standard will be used in determining the amount of time worked for the calendar month.

Please refer to [Employment Eligible for TRS Membership](#) page for more information on membership-eligibility rules.

EMPLOYERS ARE RESPONSIBLE FOR REMITTING SURCHARGES

REs are required to report and pay pension surcharges and TRS-Care surcharges on retirees who retired after Sept. 1, 2005 who exceed one-half time, such as work or use of paid leave for more than the equivalent of four clock hours for every workday in that calendar month.

Although the employer may collect the surcharges from the retiree to remit to TRS, the employer is ultimately responsible for submitting the surcharges if the retiree exceeds one-half time in the calendar month whether through one or multiple employers. Even if the retiree is no longer employed by the institution, the employer needs to report and submit the surcharges when applicable.

Per Texas Government Code 825.4092, the "employer shall contribute to the retirement system for each retiree reported" the pension surcharge and if applicable, the TRS-Care surcharge. The state law that requires the TRS-covered employer to pay the surcharges to TRS does not state the source of the funds. TRS does not take a stance on any agreement between the employer and retiree to have the retiree reimburse the employer for the surcharges.

Please refer to the [Employment after Retirement Brochure](#) for additional information.

TRS' DEFINITION OF SUBSTITUTE

While TRS recognizes that employers have varying categories of employees they refer to as 'substitutes,' it is important for REs to understand TRS' definition of a substitute and apply all reporting rules according to the definition TRS has established.

For an active employee, TRS' definition of 'substitute' is a person who serves on a temporary basis in the place of a current employee and is paid at the daily rate of pay as set by the employer. A person working in any other capacity, including a vacant position, cannot be classified as and reported to TRS as a substitute and membership eligibility rules must be applied.

In addition to serving in the place of a current employee, and for the purposes of employment after retirement only, retirees are also allowed to serve in a vacant position for no more than 20 days and still be considered a 'substitute,' provided the retiree is not serving the vacant position created by that retiree's retirement, is hired as a substitute, and is receiving the daily rate of substitute pay. If the retiree is hired as an employee to fill a vacancy, they cannot be reported as a substitute.

Please review your processes to ensure your RE is classifying employees correctly for reporting purposes.