

TEACHER RETIREMENT SYSTEM of TEXAS

UPDATE

HIGHLIGHTING CREDITABLE COMPENSATION ISSUES

Over the next few months, TRS will be publishing information on various types of compensation and discussing whether or not they are eligible for TRS contributions. The first topic in this series will highlight Drivers Education and Traffic Safety courses.

Compensation for teaching Drivers Education or Traffic Safety courses is considered creditable compensation in the following two instances:

1. Teaching Drivers Education as part of regularly assigned duties during the regular classroom hours of the school day for which the teacher's regular salary compensates him or her for teaching driver training, and
2. Up to \$5,000 annually for teaching Drivers Education outside the regular classroom hours of the school day and during the summer.
 - Compensation paid in excess of \$5,000 annually in this scenario is not eligible for TRS compensation credit and contributions should not be collected.

INFORMATION FROM SOFTWARE PROVIDERS

TRS works closely with the various software companies that provide the programs to Reporting Entities (REs) for TRS reporting. This communication helps ensure we are all on the same page when it comes to TRS reporting requirements. In our discussions with the software providers, we have been asked to pass on some helpful suggestions to you, the users of the software.

When correcting errors in the RE Portal, you need to also update your database/software with any changes made. The two systems do not communicate, and any changes made in the RE Portal are not updated in your system unless you take this step.

In addition, please be sure you download any program updates that are pushed out by your software providers. These are critical in ensuring your reports are created accurately.

TRS values the partnerships we have with all REs and software providers. By working together, we can address issues with TRS reporting and make any programming changes and corrections as quickly as possible.

TRS BOARD ADOPTS NEW RULE

The TRS Board of Trustees recently passed a new rule to account for salary attribution for retirement benefit calculation if an RE finds out they are not reporting salary when it is paid and are still reporting salary based on when it was earned. Prior to this rule, if an RE discovered this error and corrected their reporting method after the 2014-15 fiscal year, the attribution of salaries for their members on a September – August basis was not adjusted due to the change in reporting.

With this new rule 25.26(e): If an employer changes payroll reporting to comply with §25.28(c) of this title (relating to Payroll Report Dates) and, as a result of this payroll reporting change, a member has only 11 months of salary credited by TRS in a school year, then TRS will attribute an additional month of salary for purposes of benefit calculation. This applies if that school year of compensation would have been used in calculating the member's highest average salary for benefit calculation purposes. The amount of compensation that TRS will attribute for the additional month is equal to the amount that would have been reported for the month that was excluded as a result of the payroll reporting change.

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PENALTY FEE IMPLEMENTATION REMINDER

A friendly reminder: As published in the [August 2018 Update](#), penalty fees for incomplete Regular Payroll (RP) reports and Employment after Retirement (ER) reports are now in effect beginning with the 2018-19 fiscal year. Any September 2018 RP or ER reports not completed by Dec. 6, 2018 or Dec. 10, 2018, respectively, will incur penalty fees as described in the August *Update*.

REMINDER REGARDING CHANGES TO THE LIST OF 403(B) CERTIFIED COMPANIES

Public school districts and open-enrollment charter schools are reminded that the list of companies certified by TRS to receive 403(b) salary reduction contributions is subject to change. Although many school districts and open-enrollment charter schools contract with third-party administrators to manage their 403(b) programs, responsibility for compliance with certification requirements remains with the 403(b) plan sponsor (school districts and open-enrollment charter schools).

A list of all companies currently certified by TRS to receive 403(b) contributions can be found [here](#). A history of all changes to the list of 403(b) certified companies, including name changes and certifications that have expired or been withdrawn, can be found [here](#).

Questions about the list of 403(b) certified companies may be addressed to 403b@trs.texas.gov or 512-542-6856.

NEW EMAIL SUBSCRIPTION SERVICE COMING SOON!

For the past several years, TRS members have signed up to receive email notices of publications and other news through the *MyTRS* member portal; however, TRS is transitioning email communications out of the portal and onto the external website, bringing some exciting changes. One change is that *anyone*, not just TRS members, can register.

To sign up, visit the TRS website and click on **Subscribe!** at the top or bottom of any web page. The process is quick and easy. You'll enter your email address, and first and last name. There are no passwords to remember. Anyone interested in TRS may subscribe to our most widely-read publications such as the *TRS News* and *The Pulse*, notices of board meetings and webcasts, legislative announcements, and more.

Another new feature is that you may also subscribe to receive news from some of our Regional Education Service Centers (ESCs) and several state agencies, such as the Employees Retirement System of Texas (ERS) and the Texas Education Agency (TEA). You may choose as few or as many subscriptions as you like. You may easily unsubscribe at any time.

Please note: If you are currently signed up for *MyTRS* Email Subscriptions, you do **not** have to resubscribe for the new service. Your subscriptions will be automatically transferred. However, you may be interested in adding some of the new options, so we urge you to check them out. We'll have more updates on the launch in the coming weeks.

TRS HOLIDAY CLOSURES

Please note that TRS offices will be closed the following dates:

Wednesday, Nov. 21, 2018 – Friday, Nov. 23, 2018.

Regular business hours will resume on Monday, Nov. 26, 2018.

Friday, Dec. 21, 2018 at 12 p.m. – Wednesday, Dec. 26, 2018.

Regular business hours will resume on Thursday, Dec. 27, 2018.

Monday, Dec. 31, 2018 – Tuesday, Jan. 1, 2019.

Regular business hours will resume on Wednesday, Jan. 2, 2019.

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NOMINATIONS SOUGHT FOR TRS BOARD OF TRUSTEES PUBLIC SCHOOL DISTRICT EMPLOYEE POSITION

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, 2019 and ends Aug. 31, 2025.

For the first time, TRS is offering two ways in which a nominee may collect the required 250 signatures of eligible members for nomination. An eligible member for this election is a current employee of a public school district, charter school, or regional education service center.

A nominee may collect the 250 signatures electronically by declaring his/her interest to become 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. 21, 2019 to be considered a candidate.

TRS will also continue to allow nominees to collect 250 signatures of eligible members with paper petitions. TRS must receive the nominee's paper petitions **no later** than Jan. 21, 2019. 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](#); or 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.
