



TRAQS to new reporting entity portal cross-reference

As a reminder, the final version of the *Report Formatting Guide* for the new Reporting Entity Portal is now available on the Employers section of the TRS website under TEAM Program Communications.

In an effort to assist employers and software providers, a cross-reference has been provided below. We hope this will highlight some of the differences in record types between TRAQS and the new Reporting Entity Portal, which is scheduled to be implemented in September 2016.

Employee Data (ED) Report

Notable differences: The new report type is called ED instead of MD because data needs to be submitted for all employees not just for TRS members. Also, address information is part of the demographic record in reports that will be submitted to the new Reporting Entity Portal.

TRAQS		Reporting Entity Portal	
Report Type	Record Type	Report Type	Record Type
MD	00 – Lead Record	ED	Header record
	20 – Demographic Record		20 – Demographic Record
	25 – Demographic Adjustment		25 – Demographic Adjustment
	30 – Address		20 – Demographic Record
	31 – Supplemental Address		N/A
	40 – Contract and Position		40 – Contract and Position
	45 – Contract and Position Adjustment		45 – Contract and Position Adjustment
	90 – Termination		90 - Termination

Regular Payroll (RP) Report

Notable differences: Performance pay is part of the payroll detail record in reports that will be submitted to the new Reporting Entity Portal.

TRAQS		Reporting Entity Portal	
Report Type	Record Type	Report Type	Record Type
RP	00 – Lead Record	RP	Header record
	10 – Payroll Detail		20 – Payroll Detail
	11 – Performance Pay Payroll Detail		20 – Payroll Detail
	15 – Payroll Adjustment		25 – Payroll Adjustment
	16 – Performance Pay Payroll Adjustment		25 – Payroll Adjustment

Employment After Retirement (ER) Report

Notable differences: Adjustments to the ER Report will be reported using record type 25 or record type 27. Record type 25 will be used to ADD a record to a completed ER report. Record type 27 will be used to EDIT a record on a completed ER report.

TRAQS		Reporting Entity Portal	
Report Type	Record Type	Report Type	Record Type
ER	00 – Lead Record	ER	Header
	10 – Employment After Retirement Detail		20 – Employment After Retirement Detail
			25 – Employment After Retirement (Add)
			27 – Employment After Retirement (Edit)

Report when paid corrections

As of Sept. 1, 2015, all TRS-covered employers must report compensation in the month it is paid instead of the month it is earned in order to comply with TRS Rule 25.28. For example, if an employer paid salary on Sept. 1 for work performed Aug. 1-31, then the salaries and contributions should have been reported on the September 2015 report (due Oct. 6), not on the August 2015 report (due Sept. 4). In this instance, the employer would not have an August payroll report provided there were no salaries paid in August that were not reported on the July 2015 regular payroll report.

In the 2014-15 year of transitioning to the requirement to report when paid, members who are affected by this rule change could lose one month of compensation credit. In that event, the TRS rule allows TRS to attribute an additional month of compensation to the affected member in the 2014-15 school year in determining annual compensation for purposes of benefit calculation (TRS Rule 25.26(e)). Please note that this provision only applies to the 2014-15 school year in order to ensure that employees do not lose a month of compensation as a result of these reporting changes.

If an employer did not make the transition by Sept. 1, 2015 to reporting compensation in the month it is paid, the employer will need to submit negative RP15 prior month adjustment records on the salaries and contributions reported on the August 2015 report. Then positive RP10 current month records can be submitted on the September 2015 regular payroll report. Any compensation paid in October 2015 may not be reported on the September regular payroll report. Compensation paid in October 2015, and related contributions, must be reported on the October regular payroll report.

Please make these corrections for your reporting entity. **If these corrections are not made, TRS CANNOT attribute an additional month of compensation for benefit calculation purposes to your employees because, as stated above, TRS Rule, Section 25.28(e) only permits that attribution for the 2014-15 school year.** Therefore, if one of your employees retires, the 2015-16 school year will have at most 11 months of compensation credited unless the corrections are made. **This may negatively impact any employees who retire in the future where the 2015-16 school year could have been one of their highest salaries used for benefit calculation purposes.**

For reference, please see the following TRS publications:

www.trs.texas.gov/reporting/archive_updates/update_may_2015.pdf

Excerpts from pages one and two of the May 2015 *Update* newsletter:

Beginning Sept. 1, 2015, employers must report compensation in the month it is **paid** rather than the month it is earned.

In addition, changes to this rule to address the consequences of a change to §25.28 requiring all employers to report compensation in the month it is **paid** rather than the month it is **earned**. The requirement to report compensation when paid takes effect on Sept. 1, 2015.

TRS anticipates that as a result of changing the month compensation is reported, in the year of transition some members will lose one month of compensation credit. In that event, the rule change allows TRS to attribute an additional month of compensation to the affected member in the 2014-15 school year for purposes of benefit calculation.

www.trs.texas.gov/about/documents/trs_newsletter.pdf

Excerpt from page four of the July 2015 *TRS News*:

For benefit calculation purposes, TRS attributes an additional month of compensation to the 2014-15 school year to members who lack one month of compensation credit because their employers are affected by the requirement to report compensation when paid rather than when earned.

Reminder regarding 403(b) company changes

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

A list of all companies currently certified to receive 403(b) contributions can be found on the TRS website at www.trs.texas.gov/403b/documents/certified_companies_list.pdf.

A list of all changes to the list of 403(b) certified companies, including those companies whose certifications have expired, can be found at www.trs.texas.gov/403b/documents/history_companies.pdf. Questions regarding the list of 403(b) certified companies may be addressed to Hannah Siemens-Luthy at 512-542-6856 or 403b@trs.texas.gov.

Retirees working as substitutes

For TRS purposes, a substitute is a person who serves on a temporary basis in the place of a current employee. A retiree cannot be considered as a substitute when serving in a position not held by a current employee.

As long as the retiree is substituting for a current employee, the retiree may substitute an unlimited number of days in a school year without forfeiting his or her annuity. (This applies to service retirees only. Disability retirees are limited to substituting no more than 90 days in a school year.)

If the position in which the retiree is substituting becomes vacant, then from that point forward if the retiree continues working in that position, the retiree is not considered working in a substitute position for TRS purposes, regardless of how the employer classifies or pays the retiree. In this case, the retiree is now working either full time or one-half time or less and may be subject to loss of annuity payments if he or she exceeds the limits on employment after retirement for that month. The employer may also be responsible for paying surcharges on this employment if the retiree exceeds the limits on employment after retirement for that month.

When a retiree combines substitute and one-half time employment in the same calendar month, the retiree may work only one-half the number of workdays available in that calendar month. If there are an odd number of workdays in that calendar month, the retiree cannot work any part of the one-half day remaining after dividing the available workdays by two.

Working as a substitute during the required one full calendar month break in service after retirement revokes retirement. Likewise, substituting during the required 12 full, consecutive calendar month break in service before returning to full-time employment, disrupts the break in service and requires that the retiree begin the break in service again.