

# EMPLOYER BULLETIN

## 2019 EMPLOYER GUIDE CHANGES

August 2019

The *Employer Guide* has been updated with necessary changes for the 2019-20 school year. The online version is fully searchable using key words and answers can be found quickly. To reference the most current version of the guide, please delete your browser history, refresh your browser, and then [select this link to read the 2019 Employer Guide](#).

### Major Changes

#### Chapter 2

##### Third-Party Employment Agencies Providing Substitute Teachers

Public Act 100-83 allows a school district to hire substitute teachers from third-party staffing agencies if certain requirements are met as outlined in Section 5/2-3.173 of the School Code. The Illinois State Board of Education (ISBE) has adopted rules to operate the program. Districts must complete an IBSE form to hire third-party substitute teachers from employment agencies. The completed form must be submitted to ISBE. Substitute teachers hired from third party agencies are not reportable to TRS.

#### Chapter 3

##### Salary Employment Limitation Changes

- Qualified plan salary limitations were updated. The limit for Tier 1 members who first established TRS membership after June 30, 1996 is \$280,000 in 2019-20.
- Tier 2 salary limitations for 2019-20 will be updated in the fall of 2019. The Tier 2 salary limitations are applicable to all members who first contributed to TRS or a reciprocal system after December 31, 2010. The Tier 2 limit was \$114,951.83 for 2018-19.

#### Chapter 4

##### Contribution Rate Changes

The following contribution rates are in effect for the 2019-20 school year:

- Member TRS retirement contribution: 9.0%
- Employer TRS retirement contributions: 0.58%
- Employer TRS on federally-funded salaries: 10.66%
- Member THIS Fund Contribution: 1.24%
- Employer THIS Fund Contribution: 0.92%

#### Chapter 5

##### Prior Year Corrections

If you determine a correction should be applied to an employee's previously reported days paid, sick leave days and/or creditable earnings, it will be processed only if it is over TRS's materiality limits.

The materiality limit is three days for days paid and sick leave days and is \$500 for creditable earnings. If the correction is under these limits, do not email TRS because the corrections will not be processed. The limits only apply to prior years' corrections. Service and earnings must be reported correctly in current and future years. If the correction is over the limit, email the correction with supporting documentation to [employers@trsil.org](mailto:employers@trsil.org).

## Chapter 6

### Days That Count Toward Service Credit

The days that count toward service credit were updated to include:

- Absence from duty without the loss of pay or benefits and without use of accrued time for up to a maximum of one year or until the resignation date, whichever occurs first.
- Service rendered on e-learning days authorized by Section 10-20.56 of the School Code.

### Reportable Sick Leave Days

A member may earn service credit for unused, uncompensated personal leave days if the days were available for use in the event of illness. Reportable sick leave days have been updated to include business and other nonvacation leave days if the days were available for use in the event of illness.

## Chapter 8

### Definition of Normal Annual Allotment of Sick Leave Days

The definition of normal annual allotment of administrator's sick leave days has been changed so that effective with 2019-20 there will no longer be an employer cost if an administrator's normal annual allotment is higher than the teacher's normal annual allotment.

### Employer Contribution for Salary Increases in Excess of the Governor's Statutory Salary

The governor's statutory salary has been updated. The governor's statutory salary is \$177,500.00 in 2019-20.

## Chapter 10

### Post-Retirement Employment

Public Act 101-0049 extends the program that allows a TRS retiree to return to work without post-retirement limitations in a subject shortage area.

## Chapter 11

### Accelerated Annual Increase Program

In June 2018, the Accelerated Annual Increase (AAI) Program for retiring Tier I members was signed into law. The law requires TRS to offer retiring Tier I members a one-time accelerated pension benefit payment (AAI payment) equal to a portion of their future annual pension increases. In return for the AAI payment, a retiring Tier I member must waive the 3 percent compounded annual increase applied to their pension.

## Chapters 3, 5, 8 and 10

### Example and Form Changes

Examples and forms were updated.

## Update Employer Contact Information

To ensure your district receives all communications from TRS, please keep your contact information up to date.

**Accounting, Reporting, and Other contacts:** Notify TRS any time changes are made to a contact name or district mailing address. Call TRS Employer Services at (888) 866-3675 or email the updated information to [employers@trsil.org](mailto:employers@trsil.org). Changes or updates to email addresses or phone numbers can be made by the employer using the "Demographics" menu item in the Employer Access Area of the website.

**Employer Access Accounts:** The school district security administrator should keep user information updated. The menu item under "User Accounts" in the Employer Access Area of the website allows the security administrator to add and delete users, update phone numbers and email addresses and update access rights. Contact TRS if the security administrator is no longer at the district and a new security administrator needs to be set up. **Do not share accounts and passwords.**

## Questions

Contact the Employer Services Department at (888) 678-3675 or by email at [employers@trsil.org](mailto:employers@trsil.org).