

EMPLOYER BULLETIN

INSTRUCTIONS FOR FILING THE ANNUAL REPORT OF EARNINGS AND RELATED REPORTS

June 2016

Introduction

This bulletin will assist employers with completing the Annual Report of Earnings and other related reports.

Annual Reporting System

Employers are required to file their 2015-16 Annual Report of Earnings via the web-based Annual Reporting System (ARS). For additional information on the web-based ARS, please refer to the following links:

- the [ASCII fixed-length format specifications](#);
- [Chapter 5](#) in the *Employer Guide*;
- [tips and tricks](#) for using the ARS;
- a list of [edit codes](#) and the action required for each edit; and
- [instructions for creating an Excel file](#) of the Annual Report for table view updates.

Employers may access the ARS from the TRS website (<http://trs.illinois.gov>) by hovering over “Employers,” then selecting “Employer Login.”

Filing deadline

August 15, 2016 is the filing deadline for the Annual Report of Earnings.

The Annual Report should report service credit and creditable earnings in accordance with applicable laws and rules. An Annual Report failing to materially conform to the applicable laws and rules of TRS will not be deemed received until it is properly corrected and resubmitted to TRS. **A \$250-per-day, late-filing penalty will be assessed for each day past the deadline that this report is not on file with TRS.** If an employer is assessed a late filing penalty, the penalty will be reflected in the penalties section of the Employer Bill.

Annual Report

After signing in to the secure Employer Access area, employers can navigate by using menu items located on the left side of the screen.

Employers should import or recover employee data into the ARS by clicking on “Import/Recover/ Delete” in the left navigation area.

Importing employee records is a time-saving process that allows employers to gather payroll information from an employer’s payroll system in a fixed-length ASCII format and then import the data into the ARS.

Modifications to the imported data are generally necessary to properly report Annual Report data in accordance with TRS guidelines.



If the recover option is used, the process will recover from the TRS database all employees with service information from the prior year. This will take into account any employees added or deleted during the prior year through the adjustments to earnings or Annual Report processes.

After importing or recovering, the employee data may be modified via the member's "Update Employee" screen. To locate this screen, click the "Update" link from the "Employee List" menu under the "Annual Report" section of the secure Employer Access Area online.

Some employers may want to work in a table view format to enter Annual Report information or to modify imported data. Working in a table view format may save time if many teachers need to be entered or there are a large number of modifications required to imported data. TRS has developed a method for the data to be entered or modified in a table view format in an Excel spreadsheet, and then imported into the ARS. If you prefer to use the table view format, please go to <http://trs.illinois.gov/employers/ARS/Tableviewupdates.pdf> for detailed instructions.

Additional information regarding the web-based ARS and completing the Annual Report may be found in [Chapter 5 of the Employer Guide](#).

Terminated Sick Leave Report

The sick leave information provided on the Terminated Sick Leave Report allows TRS to record unused, uncompensated sick days from former employers throughout a member's career. The Terminated Sick Leave Report should include all members who terminated employment during the 2015-16 school year, with the exception of members whose unused sick leave days have already been submitted to TRS on a Supplementary Report. **Do not include any member whose sick leave days were reported on a Supplementary Report.**

Terminated sick leave information is entered via the member's "Update Employee" screen. To locate this screen in the Employer Access area, click on "Employee List" in the Annual Report section of the menu, then click on the "Update" link to the left of the member's name and Social Security number. The Terminated Sick Leave section is displayed below the Earnings section.

When completing this report, please note:

- The beginning employment date is the first date that the member began working for the district. If the exact day of the month is unknown, indicate the first day of the month. However, if the exact date is known, it should be specified.
- The ending employment date is the final day a member worked for the district, not the member's resignation date.
- If the district has employed a member more than once and sick leave days earned from the previous employment were reinstated to the member, please contact TRS to ensure that the previously reported sick leave days are corrected to zero. If the district employed a member more than once and sick leave days earned from the previous employment period were not reinstated to the member, only report the most recent employment period and the sick leave days associated with that employment period on the report.
- Report only unused, uncompensated sick leave days that a member had available on the date he/she terminated district employment. Include unused personal leave days that were available to use for illness.
- Round sick leave days to the nearest 10th decimal place. Do not round sick leave days to the nearest whole number. For example:
 - 1) If the member had 55.75 sick leave days, report 55.8 days.
 - 2) If the member has 72.32 sick leave days, report 72.3 days.



Sometimes districts have members who have been involuntarily laid off due to a reduction in force (RIF) and as of the August 15 Annual Report deadline, employers do not know who will be rehired. Please complete the form based upon current information when filing the Annual Report, then if anyone is rehired after the Annual Report has been submitted, send TRS a revised Terminated Sick Leave Report.

If a member resigns after the Annual Report has been submitted to TRS or a terminated member was omitted from the Terminated Sick Leave Report, please send TRS a revised Terminated Sick Leave Report.

For additional information on reporting sick leave days, please refer to [Chapter 5 and Chapter 6 of the Employer Guide](#).

Leave of Absence Report

A Leave of Absence Report is generated for each member who was on an **unpaid** leave of absence during any portion of the 2015-16 school year. Leave information is entered via the member's "Update Employee" screen. To locate this screen, select the "Update" link from the "Employee List" menu located under the "Annual Report" section of the secure Employer Access area online. Include those on leaves under the Family Medical Leave Act (FMLA) of 1993, reductions in force (RIF), or any other type of unpaid leave. Only include members who were paid for less than 170 days. **Only report the time period for which members were unpaid.**


The member may be able to purchase TRS service credit for the period of the unpaid leave of absence. Providing this information allows TRS to notify the member of his or her right to claim the service credit. While additional information may be needed, TRS is able to begin processing the optional service claim. Leave of absence information reduces inquiries in future years when the member realizes the potential for claiming the unpaid leave of absence for optional service credit. Without this information, inquiries often are made several years after the leave occurred, resulting in a request for information from employers that sometimes is decades after the leave.

Sabbatical Leave Report

A Sabbatical Leave Report is generated for each member who was granted a paid sabbatical leave of absence in accordance with the School Code (105 ILCS 5/24-6.1) for any portion of the 2015-16 school year. To enter sabbatical leave information, select the "Update" link from the "Employee List" menu located under the "Annual Report" section of the secure Employer Access area online. This section does not apply to leaves of absence granted for other reasons.

Please refer to [Chapter 6 of the Employer Guide](#) or the School Code for more information about sabbatical leaves.

Edit process – fatal and non-fatal edits

The edit process allows the employer to correct reporting errors or explain situations that TRS will be required to research. Each edit is assigned a number and is either fatal or non-fatal. Employers can print a list of all edit codes by clicking on "How To Use This System" on the left navigation bar, then selecting "TRS Edits." Edits written for each member can be viewed on the "Update Employee" screen. Fatal edits will be shown in red and non-fatal edits in black. A short description of the edit will be shown with the edit number. To see a detailed description of the edit code and instructions for addressing the edit, refer to the printed edit list or click on the  at the end of the edit description.



A fatal edit identifies incorrect or incomplete information and must be corrected before the Annual Report can be submitted to TRS.

A non-fatal edit does not necessarily mean that the information entered is incorrect. Many edits are reasonableness checks, prompting TRS to verify the member data. Review the reported information. If the member has been correctly reported, enter an explanation for the edit. Employers should not modify the member data solely because an edit exists. Modifications to the member data should be made only if the original information is incorrect or not in accordance with reporting guidelines.

If a nonfatal edit appears and the reported information is correct, an edit explanation is required before the Annual Report can be submitted to TRS. A detailed note on the “Edit Report” may prevent an inquiry from TRS.

Late-payment penalty

July 10, 2016, is the last day to deposit all required contributions for the 2015-16 fiscal year. Delinquent payments are subject to a late-payment penalty. The penalty assessed is the greater of an amount representing the interest that TRS could have earned if contributions had been received by the due date or \$50.

Please refer to [Chapter 4 of the Employer Guide](#) for more information. TRS will notify employers of any penalties due.

MIBD form

Ensure that a Member Information and Beneficiary Designation form (MIBD) has been filed with TRS for every new member listed on the Annual Report and for every new member hired for the 2015-16 school term who has not previously participated in the retirement system. Once membership has been established with TRS, the MIBD form is only necessary for beneficiary designation changes.

Annual Report information and notes

Keep the Annual Report information and notes readily available until the middle of November. After TRS receives the Annual Report, an extensive review process takes place. TRS Employer Services Department auditors review all of the Annual Reports and complete the review process by the middle of November. Based upon telephone calls or correspondence with districts, corrections to reported days paid, annual salary rates, creditable earnings, or federally-funded salaries may be necessary.

After all required corrections are processed, employers will be notified via email when the report is complete and the Summary of Changes Report is available to view. Employers are annually required to confirm that they have reviewed the Summary of Changes Report. To confirm, select “Confirm Sum of Changes” on the left navigation bar. Select the checkbox on the Confirm Summary of Changes screen; then click, “Save.”

Address Request Report

Employers may receive a Member Address Request Report after TRS has received and entered the Annual Report into the database. Members who do not have an address on file with TRS or have an invalid address will be shown on the report. Please verify the Social Security numbers are correct and then provide the addresses for the members. Also add the name, address, and Social Security number of any new members who have been hired for the 2016-17 school year to this report. Please return the report to the TRS Springfield office.



Report Difference Process

Once a review of the Annual Report of Earnings is complete and all necessary corrections are processed, TRS will calculate the amount of TRS and THIS Fund contributions due based upon the earnings reported. TRS will transfer any overpayment of TRS contributions to underpayments of TRS contributions.

TRS acts as a service agent for the Illinois Department of Central Management Services for the collection of THIS Fund contributions. As a result, TRS cannot process any transfers between the TRS contributions and the THIS Fund contributions. If after any transfers of contributions an overpayment greater than \$50 exists, TRS will voucher the overpayment to the district. If any amounts greater than \$50 are due, TRS will notify the employer on the Report Difference

Contributions section of the monthly Employer Bill. For more information regarding the billing process please refer to [Chapter 4 of the Employer Guide](#).

2016-17 Days Worked Report

Accuracy in reporting the number of days is critical because this number is used to determine the amount of TRS service credit each member receives for the school year.

Service credit is granted for each day or partial day worked, Monday through Friday, during the school year in a position requiring teacher licensure.

Many school districts have developed their own system to record and accumulate the number of days the member was paid for during the school year. School districts who do not have an automated days tracking system in place may find the 2016-17 Days Worked Report useful for recording the date of each different day worked throughout the 2016-17 year for part-time contractual, part-time non-contractual (hourly), or substitute teachers. The form can be downloaded from the TRS website at <http://trs.illinois.gov/employers/forms/DaysWorked17.pdf>.

Questions

For Leave of Absence Report questions, please email MemberAccountsLOA@trs.illinois.gov or call the Member Accounts Department at (800) 877-7896, ext. 2756. For questions about completing the Annual Report or other related reports, please email questions to employers@trs.illinois.gov or call the TRS Employer Services Department at (888) 877-0890, option 1.

Distribution

Please forward a copy of this bulletin to the

- district superintendent,
- payroll department, and
- human resources department.