

# EMPLOYER BULLETIN

## 2016 EMPLOYER GUIDE CHANGES

September 2016

The *Employer Guide* has been updated with necessary changes for the 2016-17 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 the following link to the [2016 Employer Guide](#).

### Major Changes

#### Contribution Rate Changes

See Chapter 4 of the *Employer Guide*. Effective July 1, 2016, the following rate changes took effect:

- Member TRS retirement contribution decreased from 9.4 to 9.0 percent.
- Employer TRS contribution on federally-funded salary increased from 36.06 to 38.54 percent.
- Member THIS Fund contribution increased from 1.07 to 1.12 percent.
- Employer THIS Fund contribution increased from 0.80 to 0.84 percent.

#### Professional Development

See Chapters 2 and 3 of the *Employer Guide*.

Providing professional development on a full-time or part-time contractual basis for a TRS-covered employer **requires** teacher licensure. Licensed individuals holding this type of position would qualify for TRS membership.

Providing professional development on an as-needed basis or providing technical assistance or in-service training of a limited duration **does not require** teacher licensure. If a teacher is only performing professional development on an as-needed basis or providing technical assistance or in-service training of a limited duration and is not employed as a full or part-time teacher for another TRS-covered employer, the earnings would not be reportable. Please refer to Chapter 3, page 4 for guidance in reporting extra-duty earnings for full and part-time contractual, substitute and part-time noncontractual teachers.

#### Early Retirement Option (ERO)

See Chapters 3 and 4 of the *Employer Guide*. In addition, please refer to [Employer Bulletin 17-01](#).

- ERO expired automatically on July 1, 2016 due to the General Assembly not extending the law. The last day a member could retire using the ERO was June 30, 2016.
- With the expiration of the ERO, the member retirement contribution for both Tier I and Tier II members was reduced from 9.4 percent to 9.0 percent for all creditable earnings earned on or after July 1, 2016.

- When an employer pays any portion of a member's retirement contribution in addition to salary, the employer-paid retirement contributions are reportable as creditable earnings for the member. When the employer agrees to pay the entire 9 percent TRS contribution, creditable earnings are computed by multiplying the salary paid to the member by 1.098901 or by dividing the member's gross salary by 0.910.

### Extra-duty Reporting

See examples 1 and 59 in Chapter 5 of the *Employer Guide*.

The reporting requirements for reporting the annual salary rates for partial-year teachers with contractual extra duties have been updated.

The annual salary rate represents what would have been earned if a teacher worked his or her normal schedule, with no docks, for the entire school term or employment agreement, if longer. The annual salary rate should include the base annual contract rate, the value of any reportable flexible benefit plan, earnings for reportable extra duties, board-paid retirement contributions paid in addition to salary and reportable severance payments. The amount of extra duties actually earned, not the contractual value of the extra duties, will be included in the annual salary rate.

### Summer School Only Reporting

See Example 36 in Chapter 5 of the *Employer Guide*.

Summer school only teachers should be reported with an employment type of H, part-time noncontractual, with annual salary rate equal to creditable earnings.

### Other Changes

- "Qualified plan salary limitations" were updated. The limit for Tier I members who first established TRS membership after June 30, 1996 in 2016-17 is \$265,000 (Chapter 3).
- "Tier II salary limitations" were updated. The Tier II salary limitations are applicable to all members who first contributed to TRS or a reciprocal system after December 31, 2010. The Tier II limit was \$111,571.63 for 2015-16. TRS will notify districts what the 2016-17 limitations are in the fall of 2016 (Chapter 3).
- "Examples and forms" were updated (Chapters 3, 4, 5, 6, 7, 8, 10, 11).

### 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:** Please notify TRS any time there are changes to a contact name, email address, phone number or district mailing address. Call TRS Employer Services at (888) 877-0890 or email the updated information to [employers@trs.illinois.gov](mailto:employers@trs.illinois.gov).

**Employer Access Accounts:** The school district security administrator should keep user information updated. The menu items under "User Accounts" allow the security administrator to add and delete users, update phone numbers and email addresses and update access rights.



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