








Employer Reporting Update

May 2, 2019



Purpose

II Gemini Project Overview  Timeline for Implementation
 New Reporting Process  Key Concepts  File Layout  Q&A



Gemini Project

- 🍏 The Gemini Project team is tasked with creating a new pension administration system that will replace our current system (STAR) which is integral to nearly all of our organizational functions.
- 🍏 It was determined the first phase of this project should be the implementation of a new Employer Reporting system to accommodate the changes required by PA 100-0769.
- 🍏 TRS must create and administer a voluntary defined contribution (DC) plan for its members. This requires employers to report to TRS more frequently.

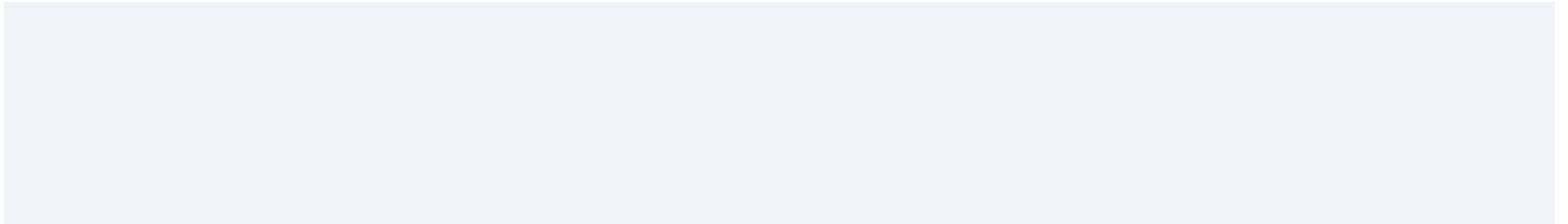


Implementation Timeline





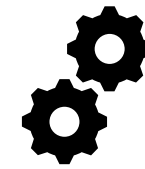
New Reporting Process



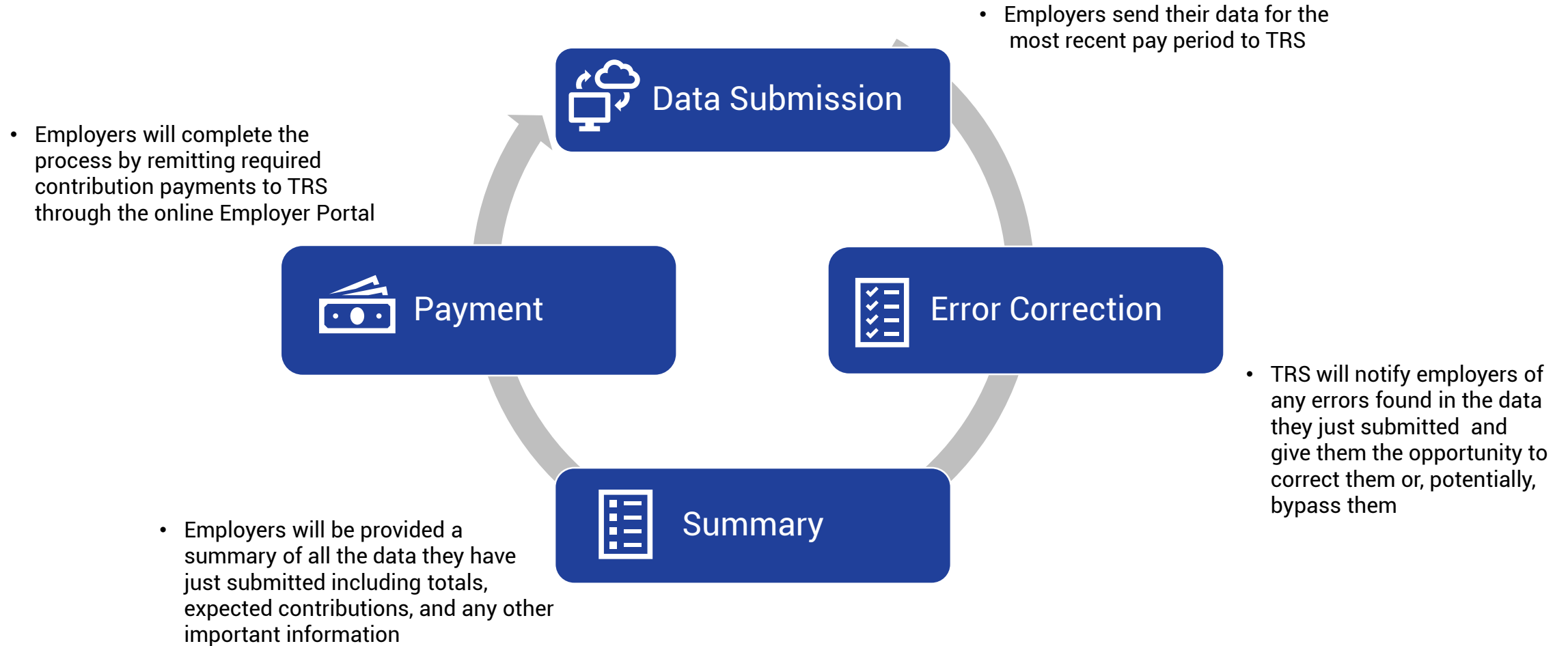


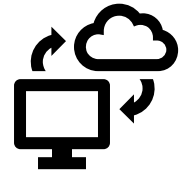
Employer Portal

- 🍏 To facilitate the new reporting system TRRS will be creating a new online interface for employers
- 🍏 This interface will allow employers to submit their data to TRRS and remit their contribution payments
- 🍏 It will have increased employer self-service functions compared to our current Employer Web Access including:
 - 🍏 Sending payments and receiving invoices
 - 🍏 Maintaining current payroll schedules, sick leave, and flex plan information
 - 🍏 Feedback (reports)
 - 🍏 Managing contacts and their access to the Portal
 - 🍏 Making adjustments to previously reported data



Process Flow





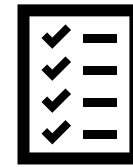
Data Submission Options

File Upload

- Working with your payroll vendor you can generate a file containing all your data for the given pay period
- Using the Employer Portal you can upload that file to TRS for processing

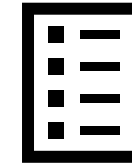
Data Entry

- Within the Employer portal you can enter and submit your payroll data
- You will have the ability to replicate what you sent the previous pay period and then make any necessary changes for the current period



Error Correction

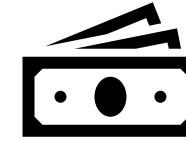
- 🍏 Upon submission, TRS will provide feedback on the contents of your data
- 🍏 The switch to more frequent reporting means TRS will be stepping up its level of validation as part of a larger effort to be more proactive in getting correct information
- 🍏 Some errors will give you instructions on required changes to be made within the Employer Portal to proceed
- 🍏 Others will just require you to certify that the information is indeed correct or simply inform you of a value we believe may be incorrect or inconsistent



Summary

- After all errors have been addressed you will be provided a summary of your data
- This screen will include totals for earnings and contributions as well as a place to indicate your total amount of federally funded earnings for the pay period

Total Number of Employees: 276	Total Federally Funded Earnings for Pay Period:	<input type="text" value="\$ "/>	<input type="button" value="SAVE"/>
Total Earnings: \$617,132.85			
Contributions Due: \$55,541.96			

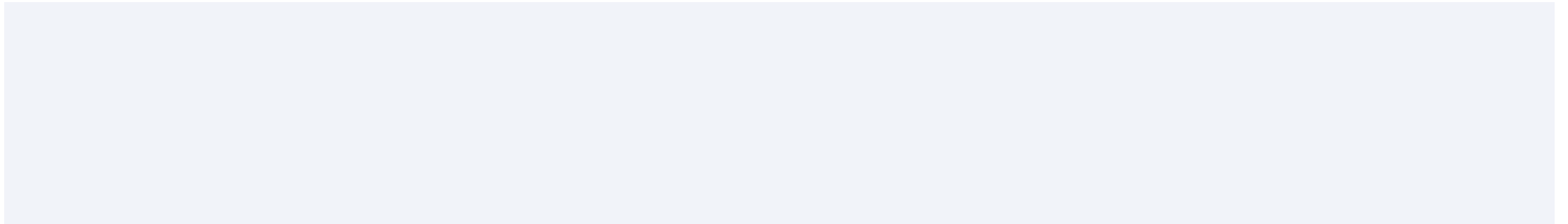


Payments

- 🍏 Finally, you will be able to remit your contributions to TRS through the Employer Portal
- 🍏 You will have the option to set up and select multiple accounts for making your payments
- 🍏 Remitted payments will be based upon submitted data and they must reconcile



Key Topics





Per-Pay Period Reporting

- 🍏 TRRS will be requiring employers to switch from the current Annual Reporting process to reporting every pay period
- 🍏 Current defined benefit (DB) information can be reported every pay period or once a month
- 🍏 New DC plan information will need to be reported every pay period
- 🍏 The Annual Reporting process as you know it will be going away, although we may have a simple annual certification of the information you submitted throughout the year



Acceleration of Contributions

- The switch from annual to pay period based reporting means that the acceleration of contribution withholding throughout the year creates scenarios where TRS is unable to reconcile contributions with earnings
- TRS will be establishing an Administrative Rule that will no longer allow employers to accelerate the withholding of member contributions
- Requirements placed on employers by the TRS Administrative Code supersede any individually or collectively bargained agreements that may guarantee the acceleration of contributions as a benefit
- Changes made to any existing employment agreements to accommodate this change **will not** impact an agreement's eligibility for grandfathering for the new 3% FASCAP instituted by PA 100-0587



Acceleration of Contributions

- 🍏 This requirement will allow TRRS and employers to validate that we are receiving the correct amount of contributions on an individual basis
- 🍏 Managing the different acceleration procedures of hundreds of employers would be a massive administrative burden for TRRS
- 🍏 Now that we will be receiving more than just annual information it is important that we are able to reconcile the earnings and contributions we are receiving each pay period



Acceleration of Contributions

- 🍏 This change will create consistency between all TRS employers and will allow for clarity in communication with both TRS and your peers
- 🍏 It will be much easier for your payroll vendors to not have to make dozens of customized versions for this specific field
- 🍏 Member's will receive a much more consistent check throughout the entire school year
- 🍏 To allow employers to remit the appropriate contributions to TRS by the July 10th deadline, they should report all of their payrolls that will cover the work performed during the fiscal year at the end of June, even if they will not be actually paying their members until July or August



Acceleration of Contributions

John Doe - Teacher		Contract Amount:		\$ 55,655.00		
Payroll Date	Payroll Type	Contract Amount	TRS Deduction	Retirement Posting Date	Cash/Budgetary Posting Date	Payroll Posting Date
7/10/2018	Admin & Summer Work FY19					
7/25/2018	Admin & Summer Work FY19			July 2018 - FY19	July 2018 - FY19	July 2018 - FY19
8/10/2018	Admin & Summer Work FY19					
8/24/2018	Admin & Summer Work FY19			August 2018 - FY19	August 2018 - FY19	August 2018 - FY19
9/10/2018	Teacher/Admin	\$ 2,318.96	\$ 208.71			
9/25/2018	Teacher/Admin	\$ 2,318.96	\$ 208.71	September 2018 - FY 19	September 2018 - FY 19	September 2018 - FY 19
10/10/2018	Teacher/Admin	\$ 2,318.96	\$ 208.71			
10/25/2018	Teacher/Admin	\$ 2,318.96	\$ 208.71	October 2018 - FY 19	October 2018 - FY 19	October 2018 - FY 19
11/9/2018	Teacher/Admin	\$ 2,318.96	\$ 208.71			
11/23/2018	Teacher/Admin	\$ 2,318.96	\$ 208.71	November 2018 - FY19	November 2018 - FY19	November 2018 - FY19
12/10/2018	Teacher/Admin	\$ 2,318.96	\$ 208.71			
12/21/2018	Teacher/Admin	\$ 2,318.96	\$ 208.71	December 2018 - FY 19	December 2018 - FY 19	December 2018 - FY 19
1/10/2019	Teacher/Admin	\$ 2,318.96	\$ 208.71			
1/25/2019	Teacher/Admin	\$ 2,318.96	\$ 208.71	January 2019 - FY 19	January 2019 - FY 19	January 2019 - FY 19
2/8/2019	Teacher/Admin	\$ 2,318.96	\$ 208.71			
2/25/2019	Teacher/Admin	\$ 2,318.96	\$ 208.71	February 2019 - FY 19	February 2019 - FY 19	February 2019 - FY 19
3/8/2019	Teacher/Admin	\$ 2,318.96	\$ 208.71			
3/25/2019	Teacher/Admin	\$ 2,318.96	\$ 208.71	March 2019 - FY 19	March 2019 - FY 19	March 2019 - FY 19
4/10/2019	Teacher/Admin	\$ 2,318.96	\$ 208.71			
4/25/2019	Teacher/Admin	\$ 2,318.96	\$ 208.71	April 2019 - FY 19	April 2019 - FY 19	April 2019 - FY 19
5/10/2019	Teacher/Admin	\$ 2,318.96	\$ 208.71			
5/24/2019	Teacher/Admin	\$ 2,318.96	\$ 208.71	May 2019 - FY 19	May 2019 - FY 19	May 2019 - FY 19
6/10/2019	Teacher/Admin	\$ 2,318.96	\$ 208.71			
6/25/2019	Teacher/Admin	\$ 2,318.96	\$ 208.71			
6/28/2019	Summer School/Misc Pay FY19			June 2019 - FY 19	June 2019 - FY 19	June 2019 - FY 19
7/10/2019	Final Teacher Contract Pay FY19	\$ 2,318.96	\$ 208.71	June 2019 - FY 19		
7/25/2019	Final Teacher Contract Pay FY19	\$ 2,318.96	\$ 208.71	June 2019 - FY 19	July 2019 - FY 20	July 2019 - FY 20
8/9/2019	Final Teacher Contract Pay FY19	\$ 2,318.96	\$ 208.71	June 2019 - FY 19		
8/23/2019	Final Teacher Contract Pay FY19	\$ 2,318.96	\$ 208.71	June 2019 - FY 19	Aug 2019 - FY 20	Aug 2019 - FY 20
		\$ 55,655.00	\$ 5,008.95			

- 1) The final four payrolls are processed after the last Summer School/Misc Payroll. These can be processed at the end of June or the first week of July. They must be processed in time to remit the final TRS liabilities for the year by July 10th.
- 2) Exclude Administrators; IMRF employees; and summer work that belongs in next fiscal year from the final four pays.
- 3) ACH files should be saved locally and submitted closer to payroll date. You may submit in advance and it will be pending until the payroll date, however employees may wish to change direct deposit information during this time.
- 4) Liabilities are paid when the payroll is due with the exception of TRS deductions/benefits . All TRS liabilities are due July 10th.



Payment Reason

- TRS will be using the Payment Reason field to get a breakdown of the different sources that make up a member's total creditable earnings
- By having this detailed information instead of just the total like we do currently, we can more easily determine if anything is missing or if anything is being included that should not be
- We will also be asking for you to report any non-contributory earnings for employees who also worked in TRS covered positions during the same pay period

Payment Reason

SSN	Prefix	First Name	Middle Name	Last Name	Payment Reason	+/-	Earnings
123456786	MS	Elizabeth		Bennet	BS	+	004000.00
123456786	MS	Elizabeth		Bennet	ED	+	000200.00
123456786	MS	Elizabeth		Bennet	TX	+	000100.00

This illustration shows three different detail records all for the same member. Each detail has a different Payment Reason. This pay period, Elizabeth Bennet received \$4,000 in Base Salary, \$200 from Extra Duty, and her employer contributed \$100 to a qualified tax-deferred plan on her behalf.



Timekeeping Reporting

- Days paid will now be reported with each pay period. We are looking for the actual number of days worked during the pay period *not* the number days represented by how much they were paid
- Examples:

An employer has two pay periods each month, 1st -15th and the 16th – the end of the month. For the pay period for 9/1/20 – 9/15/20 an employee who worked every day would have their number of Days Paid reported as **11**

September 2020						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

A different employer has the same payroll schedule but *does not* pay for holidays. With Labor Day on the 7th, the employee would have their Days Paid reported as **10**

September 2020						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			



Timekeeping Reporting

- 🍏 A current running balance of a member's sick leave days will be reported for use in estimates and other validations. Verification of the actual number of remaining days will still be required when a member terminates employment.
- 🍏 Unpaid board approved leaves of absence will be reported to us using the leave of absence Payment Reason
- 🍏 Docked days should be reported to us so we can reconcile differences between a member's earnings and their full time rate
- 🍏 You will now be required to report the hours worked by retired TRS members so we can ensure we know if and when they exceed their post-retirement employment limitations



Retiree Timekeeping

Active Members

- 🍏 Work must be reported using the Days Paid field
- 🍏 Days Paid should be used regardless of Employment Type (i.e. full-time, sub, etc.)
- 🍏 Days Paid will ***always*** be a whole number

Retired Members

- 🍏 Work must always be reported using the Post-Retirement Hours field
- 🍏 Retirees should ***never*** have anything but zero reported in the Days Paid field
- 🍏 Earnings should be reported normally



Conclusion

- 🍏 TRS will be working with payroll vendors to implement necessary changes. There will not be much for most employers to do until it comes time to test changes with their vendor
- 🍏 The File Layout document contains a Frequently Asked Questions section that will eventually become a separate document that we can continue to add to as we attempt to address the questions and concerns of employers and vendors