



# TRS Supplemental Savings Plan

## Automatic Enrollment Employer Training

November & December 2022

This presentation is provided for general informational purposes only and is not legal or tax advice. Legal and tax-related questions concerning the TRS Supplemental Savings Plan (SSP) must be directed to your legal counsel. This presentation is not a comprehensive review of the terms of the SSP or how it will be administered.



# Agenda

- TRS Supplemental Savings Plan (SSP) History
- TRS SSP Overview
- The Employer's Role in the SSP
- TRS SSP Automatic Enrollment
  - ✓ Who?
  - ✓ What?
  - ✓ When?
  - ✓ Where?
  - ✓ How?
  - ✓ What If?
- TRS SSP Process Flow
- SSP Deferrals Report
- TRS SSP Reporting & Payments
- SSP Automatic Enrollment – What's Next?
- TRS SSP Important Resources

# TRS Supplemental Savings Plan History

## August 2018

[Public Act 100-769](#) became law, requiring TRS to offer a defined contribution plan.

## August 2021

[Public Act 102-0540](#) became law, requiring:

- All employers to offer the Plan; and
- TRS to auto enroll new members.

## 2022

The TRS SSP launched in January with deferrals beginning in March. TRS set a September 30, 2022, deadline to adopt the SSP.

## 2019

**CAPTRUST Financial Advisors** – Defined Contribution (DC) Consultant;

**Voya Financial** – Plan Recordkeeper; and

**Deferred Compensation Plan Committee** became a standing committee of the TRS Board.

## September 2021

TRS and employers transitioned to pay-period reporting via Gemini.

## January 1, 2023

Automatic enrollment of **new** TRS members begins.

# TRS Supplemental Savings Plan Overview

- **The SSP is a 457(b) retirement savings account that:**
  - Is voluntary for eligible TRS members;
  - Is designed to supplement a member's TRS pension – not replace it;
  - Offers both pre-tax and Roth savings options;
  - Allows members to choose deferral amounts and make investment choices; and
  - Was designed by TRS to offer a competitive, cost-effective plan with an array of diverse investments.
- **SSP Eligibility and Participation**
  - Active TRS members who are full-time or part-time contractual employees are eligible.
  - Only eligible members whose employer has formally adopted the SSP can participate.
  - Substitutes, part-time non-contractual (hourly), extra duty only, retired and inactive members are ineligible for the SSP.

# TRS Supplemental Savings Plan Overview

- **Employee contributions:**

- Employees may contribute on a Pre-tax or Roth (After-tax) basis, which determines the *Contribution Category* within Gemini.
- Employee enrollments are processed at Voya and reported to employers on the *SSP Deferrals Report*.

- **Employer contributions:**

- Discretionary matching; and/or
- Discretionary non-elective contributions determined year-by-year.
- Employer discretionary contributions are always SSP Pretax (Contribution Category 03).
- Employees do not have to be participating in the SSP for an employer to make non-elective contributions.

# The Employer's Role in the SSP

- **Accurately report active members' employment information.**
  - Stay current with Defined Benefit (DB) reporting to TRS through Gemini.
  - Eligibility for the SSP is determined by DB reporting.
  - Inaccurate reporting of employment information in DB directly impacts eligibility for the SSP.
- **Timely and accurately process and remit SSP contributions in accordance with TRS guidance.**
  - "All employers must comply with the reporting and administrative functions established by the System and are required to implement the benefits established under this [Section](#)." Employers should not create paperwork for employees to participate or opt out of the SSP.
  - SSP deferrals should be reported **as soon as administratively possible** after being withheld from payroll, in accordance with 457(b) and [SSP Plan](#) rules.
- **Monitor SSP participants' 457(b) plan contributions for all 457(b) plans maintained by the Employer.**
  - IRS annual 457(b) contribution limits include both Employee and Employer contributions.
  - Contributions to a 403(b) plan do not limit how much an employee can contribute to the SSP.
  - Annual limits can be found at [Contributions Rates and Earnings Limitations](#) on the TRS Employer's website and are updated annually. See Exhibit A (slide 25) for current SSP Contribution Limits.

# TRS SSP Automatic Enrollment

- Automatic enrollment into the SSP for eligible TRS members starts January 1, 2023.
- Automatic enrollment is required by [40 ILCS 5/16-204](#):

As soon as is practicable on or after January 1, 2022, the System shall automatically enroll any employee who first becomes an active member or participant in the System. A member automatically enrolled under this Section shall have 3% of his or her pre-tax gross compensation for each compensation period deferred into his or her deferred compensation account, unless the member otherwise instructs the System on forms approved by the System. A member may elect, in a manner provided for by the System, to not participate in the defined contribution benefit or to increase or reduce the amount of pre-tax gross compensation contributed, consistent with State or federal law. A member shall be automatically enrolled in the benefit beginning the first day of the pay period following the member's 30th day of employment. A member who has been automatically enrolled in the benefit may elect, within 90 days of enrollment, to withdraw from the benefit and receive a refund of amounts deferred, plus or minus any applicable earnings, investment fees, and administrative fees. Any refunded amount shall be included in the member's gross income for the taxable year in which the refund is issued.

# TRS SSP Automatic Enrollment: WHO?

## Who will be automatically enrolled in the TRS SSP?

Employees **first employed in a TRS-covered position on or after January 1, 2023**, and employed by an SSP participating employer will be automatically enrolled in the SSP.

- Full-time or part-time contractual employees;
- **First** employed in a TRS-covered position on or after January 1, 2023; **and**
- Employed by an SSP participating employer.

## Who will not be automatically enrolled in the TRS SSP?

TRS members first employed in a TRS-covered position prior to January 1, 2023, are not eligible to be automatically enrolled in the SSP and will need to take affirmative steps to enroll to participate in the SSP.

- Current employees (prior to January 1, 2023) in a TRS-covered position;
- Substitute, part-time hourly or extra duty only employees;
- New hires or rehires previously employed in a TRS-covered position; **or**
- Employees of an employer not participating in the SSP.

# TRS SSP Automatic Enrollment: WHAT?

## What does it mean to be automatically enrolled in the TRS SSP?

It means:

- **3% of the employee's pre-tax [compensation](#)** will be withheld and deposited into their SSP account each pay period.
- Contributions will be **invested in the Plan's designated default investment option**, which is the Target Date Retirement Fund closest to the employee's expected retirement date at age 65 based on date of birth.

## What should be included and excluded from an employee's pre-tax compensation if they are automatically enrolled (or enroll for a %)?

The definition of [compensation](#) is different than TRS Earnings, but should generally be the same as other 457(b) or 403(b) plans you may offer.

The left column in the [Summary of Compensation](#), available on the TRS' Employers SSP website, is the general definition of compensation, but the "Includes" and "Excludes" columns provide examples to help you calculate compensation correctly. Please remember, the percentage should apply to compensation for **all** services provided by the employee to his or her employer, including non-teaching employment.

# TRS SSP Automatic Enrollment: WHEN?

## **When are employees notified they will be automatically enrolled in the TRS SSP?**

When you report a new employee for the Defined Benefit Plan (DB) via Gemini (after their first paycheck), their information is sent to Voya and eligibility for automatic enrollment will be determined. Approximately 7-10 days after, they will receive PIN information via mail and a separate Automatic Enrollment Guide and Notice in the mail from Voya detailing their Automatic Enrollment Effective Date and SSP automatic enrollment options. If they do nothing, they will receive a Reminder Notice in approximately 15 days.

## **What is the Automatic Enrollment Effective Date?**

The Automatic Enrollment Effective Date is at least 30 days from when they are first reported for DB and is the date by which the employee must opt out, make an affirmative election or otherwise be automatically enrolled in the TRS SSP. Once the Automatic Enrollment Effective Date passes, an Automatic Enrollment Confirmation will be mailed to the employee and the Automatic Enrollment will be added to the employer's *SSP Deferrals Report*.

## **If an employee is automatically enrolled in the SSP, what is their Contribution Effective Date?**

The Contribution Effective Date will be indicated on the *SSP Deferrals Report* which includes the employee's automatic enrollment deferral percentage and will be the first of the month following their Automatic Enrollment Effective Date.

# TRS SSP Automatic Enrollment: WHERE?

**Where do I see that an employee has been automatically enrolled in the TRS SSP?**

The *SSP Deferrals Report* includes all SSP deferrals and changes, including automatic enrollments. Do not make any changes to an employee's SSP deferrals until/unless it is reflected on the *SSP Deferrals Report*. If an employee is automatically enrolled, there will be a "Yes" in the Auto Enrolled column.

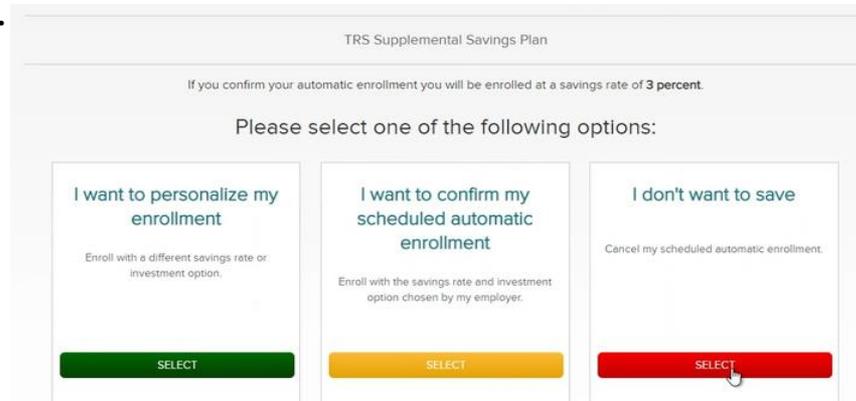
**Where do I see that an employee has opted out of automatic enrollment in the TRS SSP?**

Only employees enrolled in the SSP will be on the *SSP Deferrals Report*. If an employee opts out prior to the Automatic Enrollment Effective Date, they will not appear on the SSP Deferrals Report until/unless they enroll at a later date.

# TRS SSP Automatic Enrollment: HOW?

## How can employees that are eligible for automatic enrollment opt out of the TRS SSP or make another election?

- Employees can change their enrollment percentage, enroll at a flat dollar amount or opt out on or before their Automatic Enrollment Effective Date at [trsilssp.voya.com](https://trsilssp.voya.com) or 844-877-4572.



The screenshot shows the TRS Supplemental Savings Plan enrollment options page. At the top, it says "TRS Supplemental Savings Plan". Below that, it states "If you confirm your automatic enrollment you will be enrolled at a savings rate of 3 percent." The main heading is "Please select one of the following options:". There are three options, each in a box with a "SELECT" button:

- I want to personalize my enrollment**: Enroll with a different savings rate or investment option. (Green button)
- I want to confirm my scheduled automatic enrollment**: Enroll with the savings rate and investment option chosen by my employer. (Yellow button)
- I don't want to save**: Cancel my scheduled automatic enrollment. (Red button)

- If an employee that is eligible for automatic enrollment does nothing, they will be automatically enrolled in the SSP at 3% of pre-tax compensation on the Automatic Enrollment Effective Date.
- If an employee personalizes their enrollment or opts out by the Automatic Enrollment Effective Date, they are removed from the automatic enrollment process.
- If an employee that opts out of automatic enrollment wishes to enroll at a future date, they can personalize their election at [trsilssp.voya.com](https://trsilssp.voya.com) or 844-877-4572.

# TRS SSP Automatic Enrollment: WHAT IF?

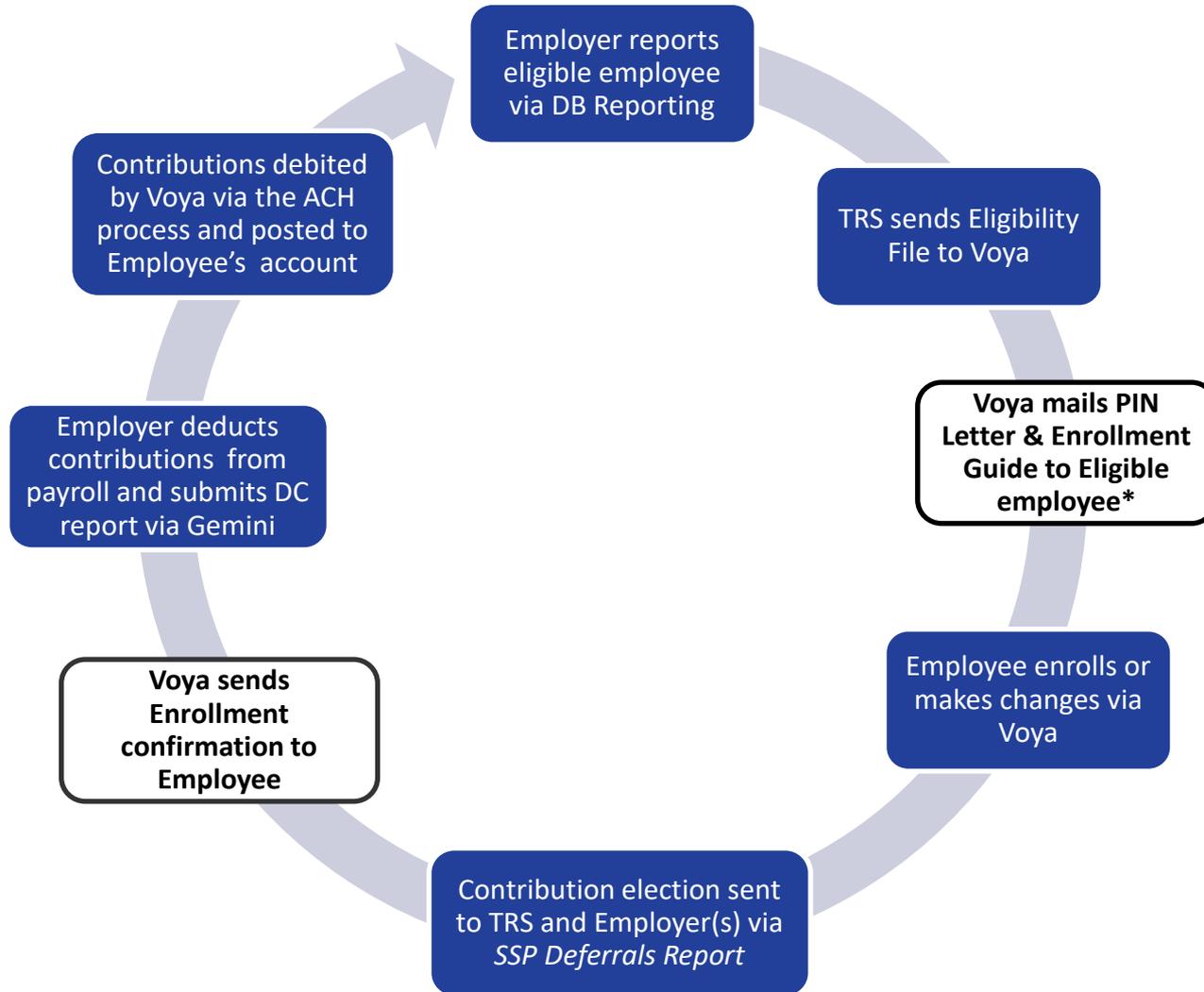
## What if my employee is automatically enrolled in the TRS SSP and doesn't want to be?

If an employee has been automatically enrolled, contributions are effective the first of the month following the Automatic Enrollment Effective Date. Once initiated, employees may elect to stop contributions at any time at [trsilssp.voya.com](https://trsilssp.voya.com) or 844-877-4572.

If an employee does not wish to participate in the SSP but fails to opt out of enrollment prior to their Automatic Enrollment Effective Date, they may request a withdrawal of any contributions\* made to their account, adjusted for any investment gains/losses and fees. The Permissible Withdrawal request must be completed **within 90 days** of the initial contribution to their SSP account. Should they choose to take a Permissible Withdrawal, their contribution rate will be changed to 0%. Permissible Withdrawals must be requested at [trsilssp.voya.com](https://trsilssp.voya.com) or 844-877-4572 and are handled by Voya, not through the payroll process.

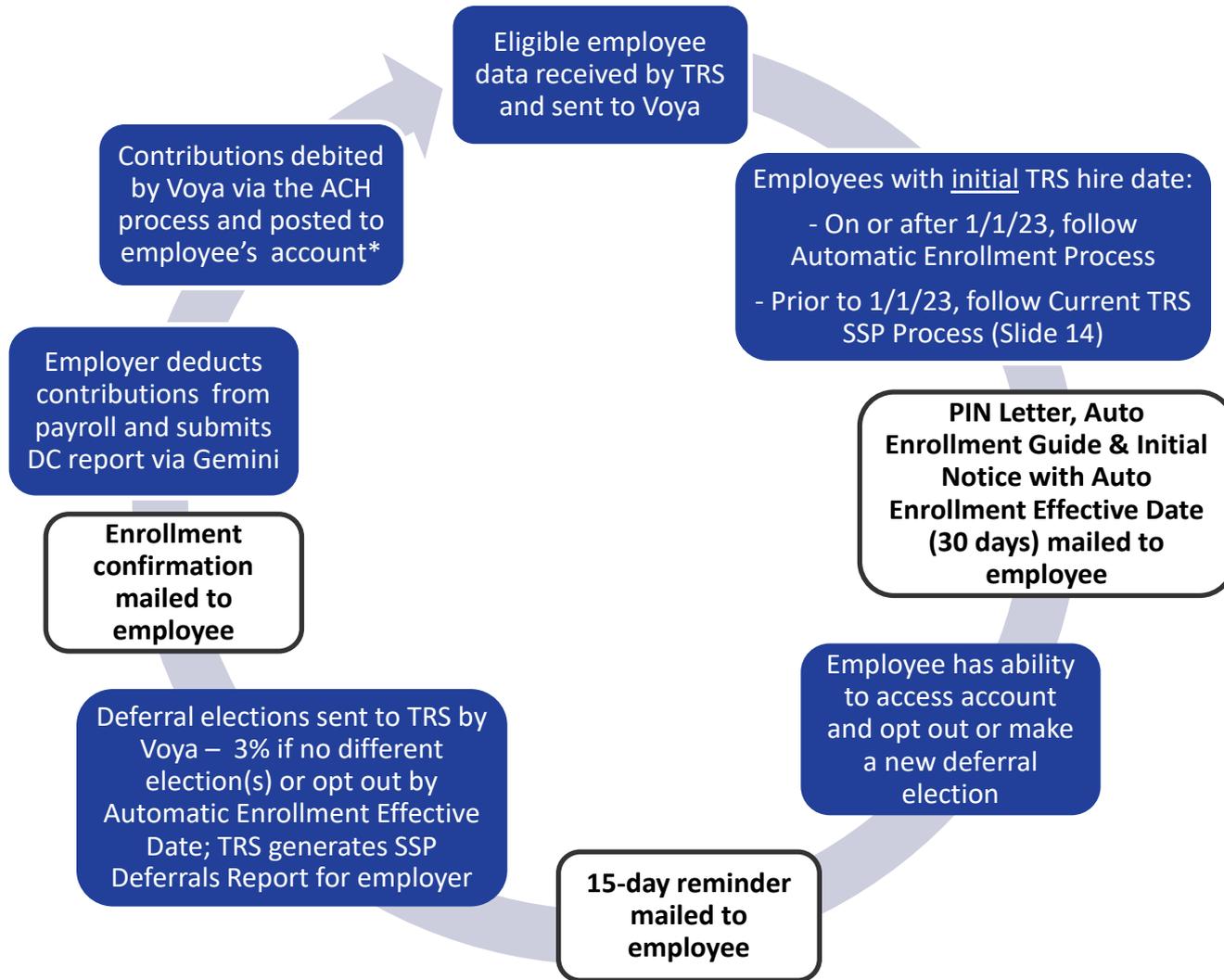
*\*Employee forfeits employer matching contributions when a permissible withdrawal is paid.*

# Current TRS SSP Process



\*Upon initial eligibility; Notice and PIN reminder sent to rehires.

# TRS SSP Automatic Enrollment Process



\*In accordance with [40 ILCS 5/16-204](#), automatically enrolled members have 90 days to withdraw from the benefit and receive a refund of amounts deferred, plus or minus any applicable earnings, investment fees, and administrative fees.

# SSP Deferrals Report

- **A new comprehensive report generates if your district has:**

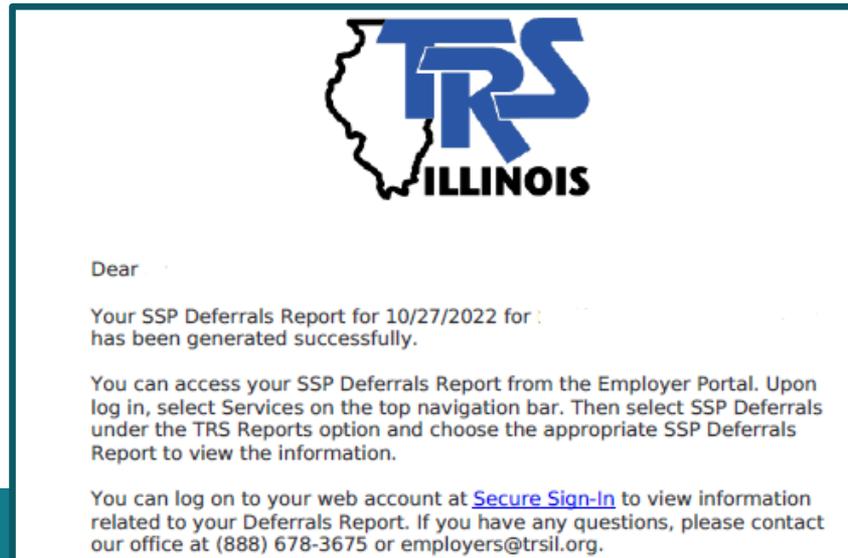
- New enrollments (including automatic enrollments);
- Changes to existing deferrals – deferral amount or type; or
- Cancellations of existing deferrals.

- **An email is sent when a new *SSP Deferrals Report* generates.**

**From:** TRS Gemini Messenger ([TRSGeminiMessenger@trsil.org](mailto:TRSGeminiMessenger@trsil.org))

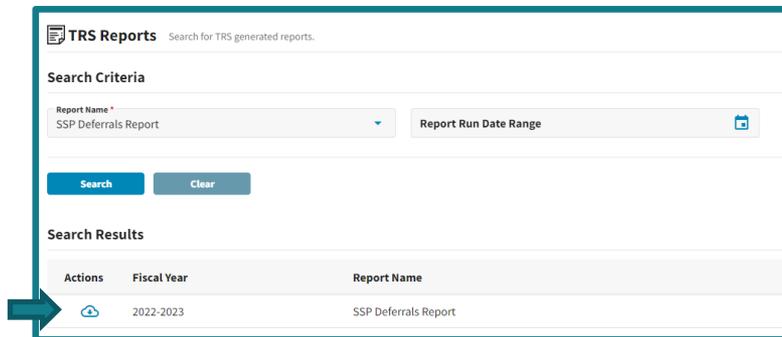
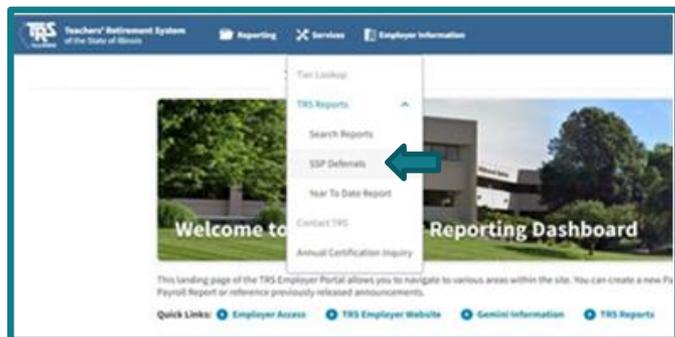
**To:** Reporting and Accounting Gemini Contacts

**Subject:** Your SSP Deferrals Report has Generated Successfully – **this will be updated soon**



# SSP Deferrals Report

- The report is in the Gemini Employer Portal under *TRS Reports*.



- The default shows the most recent report; update the “Report Run Date Range” to find an older report.
- Employers should process deferrals according to the most recent *SSP Deferrals Report*, on the first pay period with a begin date on or after the Contribution Effective Date as indicated on the *Report*.
- Do not process new deferrals, changes or cancellations until reported via the *SSP Deferrals Report*.
- **SSP deferrals must be processed in your payroll system.**
- **SSP Reporting must be completed in Gemini.**
- **Contribution Amounts are per pay deferrals:**
  - Flat dollar amounts should be deducted from each scheduled pay period.
  - Percentage deferrals should be deducted from each paycheck (including stipends and extra pays).

# SSP Deferrals Report



## Supplemental Savings Plan Deferrals Report as of 02/21/2023

Use this report to set up new or changed deferrals and to confirm existing deferrals from your payroll for the TRS Supplemental Savings Plan.

055-XXXX School District

### Legend

Contribution Category	Contribution Category Description
03	SSP Pretax
04	SSP Pretax Catch-Up
05	SSP Pretax Special Catch-Up
06	SSP Roth
07	SSP Roth Catch-up
08	SSP Roth Special Catch-up

### Changes to Deferrals

Last 4 SSN	Name	Date of Birth	Contribution Effective Date	Contribution Category	Current Contribution	New Contribution	Auto Enrolled
	Bateman, Jason R	02/12/19XX	02/01/2023	03	\$50.00	20 %	
	COPPOLA, FRANCIS J	03/03/19XX	02/01/2023	06	\$40.00	5 %	

### New Deferrals

Last 4 SSN	Name	Date of Birth	Contribution Effective Date	Contribution Category	Contribution	Auto Enrolled
	McCarthy, Melissa A	12/22/19XX	02/01/2023	06	5 %	
	McCarthy, Melissa A	12/22/19XX	02/01/2023	07	5 %	
	Rabbit, Jessica M	12/02/19XX	03/01/2023	03	3 %	Yes

02/21/2023 10:08:55 AM

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SSPDeferrals

# TRS SSP Reporting & Payments

- **TRS SSP Reporting and Payments are completed in Gemini.**
  - Refer to the [Supplemental Savings Plan Employer Reporting File Format \(Version 2.0\)](#).
  - You can submit one DB and one DC (SSP) report each day.
  - We recommend uploading a separate file for SSP deferrals.
- **Reporting Training and Resources on the TRS Employer's Website.**
  - [Employer SSP Reporting Training, August 2022](#)
  - [Defined Contribution Reporting – File Upload Process – SSP](#)
  - [Defined Contribution Reporting – Replication Process – SSP](#)
- **Reporting Errors are handled the same as on the DB side.**
  - Similar load edits, but fewer reporting edits; and
  - **SSP-specific edits** compare the employee's **Contribution Effective Date** and **Contribution Category** on the *SSP Deferrals Report* to Payroll Schedule info for each reported deferral.
- SSP deferrals are withdrawn from the account in Gemini via ACH pull. **The ACH Company ID for the TRS SSP is 5555587807.** Provide this to your financial institution.

## Defined Benefit

Submit a Defined Benefit report using File Upload.

[Proceed to File Upload →](#)

## Defined Contribution

Submit a Defined Contribution deferred compensation report using Replication.

[Proceed to Replication →](#)

If you wish to update your reporting method, please contact TRS.

# Automatic Enrollment Example

01/05/23

Your district hires a new full-time teacher, Glenn Campbell.

Mr. Campbell's **first day in a TRS-covered position is 01/05/23.**

01/18/23

Mr. Campbell's information is sent to Voya and an account is created. He is identified as eligible for automatic enrollment.

A PIN document and Autoenrollment Notice are generated and mailed, reflecting an **Autoenrollment Effective Date of 02/17/23.**

02/18/23

A new *SSP Deferrals Report* generates for the employer overnight, showing Mr. Campbell enrolled in SSP Pretax (03) for 3% with a **Contribution Effective Date of 03/01/23** and a Yes in the Auto Enrolled column.

03/16/23

Mr. Campbell's **first contribution posts to his Voya account on 03/16/23.** He has until 06/14/23 (90 days) to request a Permissible Withdrawal of all his deferrals, plus or minus any gains, losses or fees.

01/16/23

Mr. Campbell is reported via DB reporting on the 01/01-01/15/23 pay period, with a pay date of 01/13/23.

**The DB report is posted 01/16/23.**

02/17/23

Mr. Campbell does nothing and a Reminder Notice is generated and mailed 02/03/23.

He does nothing by **02/17/23 and is automatically enrolled.** An Autoenrollment Confirmation is generated and mailed.

03/01/23

The employer begins deferring 3% of Mr. Campbell's compensation on the 03/01-03/15/23 pay period, with a pay date of 03/15/23.

**The DC report is posted on 03/16/23.**

06/14/23

The deadline for Mr. Campbell to request a Permissible Withdrawal expires.

# SSP Automatic Enrollment– What's Next?

- **Updated TRS SSP Communications**

- Updated to include automatic enrollment;
- Will include:
  - Plan Highlights
  - New Hire Flyer; and
- Will be posted and available prior to January 1, 2023.

- **Automatic Enrollment Go-Live**

- Go-Live is January 1, 2023;
- Automatic Enrollment Effective Date = Date first reported for DB + 30 days;
- SSP Contribution Effective Date is 1<sup>st</sup> of the month following the Automatic Enrollment Effective Date; and
- All deferral information will be included on the *SSP Deferrals Report*.

# TRS SSP - Important Resources

- **Voya TRS SSP participant resources:**
  - TRS SSP Portal: [trsilssp.voya.com](https://trsilssp.voya.com)
  - TRS SSP Service Center: **844-877-4572 (844-TRS-457B)**
    - Voya Customer Service Associates are available **Monday through Friday, 7 a.m. to 7 p.m. CT**, except for stock market holidays.
- **Member communications and FAQs:**
  - <https://www.trsil.org/Supplemental-Savings-Plan>
  - <https://www.trsil.org/member-SSP-FAQs>
- **Employer communications, training and FAQs:**
  - SSP: <https://www.trsil.org/employers/Supplemental-Savings-Plan>
  - Gemini: <https://www.trsil.org/employers/Gemini/Resources>
- **Employer Reporting:**
  - [employers@trsil.org](mailto:employers@trsil.org)
- **SSP Payments:**
  - [SSPAccounting@trsil.org](mailto:SSPAccounting@trsil.org)

# Local Voya Education Representatives

To schedule an individual virtual appointment,  
go to <https://trssp457b.timetap.com>.

To join a scheduled webinar,  
go to <https://trs-ssp-webinar.timetap.com>.

Access the Local Representative Flyer at  
[trsilssp.voya.com](https://trsilssp.voya.com).



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# TRS Supplemental Savings Plan

# Exhibit A: SSP Contribution Limits

## What are the annual maximum contribution limits for each SSP Contribution Category?

- This information can be found on TRS' Employers site under [Contributions Rates and Earnings Limitations](#). Contribution category codes are included within each section below. Limits will be updated annually and include both Employee and Employer contributions, according to IRS rules.

TRS SUPPLEMENTAL SAVINGS PLAN CONTRIBUTION LIMITS		
LIMIT*	2022	2023
<b>457 Deferral Limit</b> The lesser of the limitation on vested contributions to 457 plans under IRC Section 457(e)(15) or 100% of includible compensation. The total of TRS SSP codes 03 (SSP Pre-tax), 06 (Roth SSP) and employer contributions cannot exceed this limit.	\$20,500	\$22,500
<b>Age 50+ Catch-up Limit</b> The special catch-up is available under IRC Section 414(v) for individuals at least 50 years old in 2022 and making eligible pre-tax contributions to 401 (k), 403(b), and governmental 457 plans. The total of TRS SSP codes 04 (SSP Catch-Up) and 07 (Roth SSP Catch-Up) cannot exceed this limit.	\$6,500	\$7,500
<b>457 Special Catch-up Limit</b> The special catch-up election for employees participating in an eligible 457 deferred compensation who have elected the special catch-up available in the three years prior to the year of normal retirement age. The total of TRS SSP codes 05 (SSP Special Catch-up) and 08 (Roth SSP Special Catch-up) cannot exceed this limit.  <i>Note: The participant in a governmental 457(b) plan may make catch-up contributions in a year equal to the greater of (a) the amount permitted under the age 50+ catch-up, or (b) the amount permitted under the 457 catch-up.</i>	\$41,000	\$45,000
<i>* Participants may contribute up to the maximum annual limit in pre-tax and/or Roth after-tax dollars minus any employer contributions they may receive. The dollar limit applies to all 457(b) accounts combined, even if the plan is not sponsored by TRS.</i>		

# Exhibit B: Automatic Enrollment Overview

Provision	Eligible Automatic Contribution Arrangement (EACA)
<b>General Description</b>	Eligible members of participating employers are automatically enrolled into the plan, but are given 30 days to make their own election, including to opt-out, before their Automatic Enrollment Effective Date.
<b>Eligible Members</b>	Full-time or part-time contractual members <u>first employed in a TRS-covered position on or after January 1, 2023</u> , and employed by an employer who has adopted the SSP.
<b>Contribution Rate</b>	3% of pre-tax <u>compensation</u>
<b>Investment of Automatic Contributions</b>	Using the member's date of birth, the age-appropriate Target Date Fund is the default investment. Contributions remain invested in Target Date Fund until the member provides investment direction.
<b>Ability to Opt Out of Automatic Enrollment</b>	The member has 30 days to opt out before their Automatic Enrollment Effective Date. Contributions are effective the first of the month following the Automatic Enrollment Effective Date. Once initiated, members may elect to stop contributions at any time.
<b>Participant Withdrawal of Automatic Contributions</b>	If automatically enrolled, the member may request to have contributions returned. The request must be made within 90 days of the first contribution.
<b>Notice Required</b>	Yes
<b>Timing of Notice</b>	Initial & Annual Notice requirement