# Step by Step Process for Determining and Coding Annual Year End TRA Report for Service Credit Earned in a Fiscal Year

Minnesota
STATE COLLEGES
& UNIVERSITIES

## Overview of the TRA Year End Report

Very simply, once a year each campus needs to tell TRA how much each employee who has TRA has worked. There are many little quirky rules on how to do this – they are all based on State law. Even the deadline date to have the final report submitted to TRA is set in law. While at first this may appear to be a daunting task, following this step by step process, one piece at a time, will take you through all the tasks needed to finish the report. Just go through each step completely, in the order they are listed, and you will be able to submit your complete and accurate report to the OOC by the deadline date that was sent to you in the e-mail that contained your campus list of TRA employees and LOA Summary Report.

## Purpose of Process:

The purpose of the TRA Year End Report is to accurately report the service credit earned by each employee who is a member of the Teachers' Retirement Association of MN. The year end report is completed once each fiscal year so that the TRA member's record is accurately updated each year with the service credit that will eventually determine the amount of their monthly pension benefit. Year end reports must include all retirement eligible appointments and assignment types in SCUPPS, and the total FTE that should be posted to the employee's TRA account.

## Items You Will Need to Complete this Report:

1) **List of all employees for whom TRA has received retirement deductions during the fiscal year through the SEMA4 payroll system**. This list is generated by TRA and provided to the OOC. The master list is sorted by campus and private data is removed. Each campus listing is saved as a separate document and is e-mailed each year to the designated campus TRA contact.
2) **List of all new employees who have elected TRA as their primary retirement plan at any time during the fiscal year that is being reported.** Throughout the fiscal year, as

new employees are provided with the notice of their right to remain in IRAP as their primary retirement fund or elect to move to TRA as their primary retirement fund, campuses send a copy of the notices given to new employees and copies of completed election forms to the OOC. These copies are retained and lists of newly eligible employees and those who have elected TRA are generated and provided to the retirement funds. It is important to track the date of the start of coverage by the TRA as employees earn service credit in the fund only from the date of their start of TRA coverage. For example, an employee could work for an entire academic year and elect TRA coverage at the start of the spring semester – the employee would earn only one-half year of service credit in TRA for that year. The OOC generates individual lists for each campus of the new employees whose election of TRA has been reported to the OOC, and the date of that employee's election. These lists are e-mailed each year to the designated campus TRA contact.

3) **TRA Leave of Absence Summary Report.** The leave of absence summary report is generated for each individual campus by TRA from all of the leaves that each campus has reported throughout the year to TRA on their leave reporting forms. These summary reports are provided to the OOC by TRA. It is important that all leaves are accurately reported to TRA as employees on leave may have the opportunity to purchase service credit for the period of time they are on the unpaid leave. Certain kinds of leave carry the requirement that employees must purchase the service credit for the period of unpaid leave. A review of the summary report at the end of each fiscal year helps ensure that all leave reporting for each affected employee has been completed.
4) **Hyperion query TRA Annual Year-End Report, located in its own folder within the Reports HR Human Resources Folder.** You will need to process this query and export it to an excel file. The report contains in alphabetical order a report of all employees who are recorded in the SCUPPS data base as having TRA as their primary retirement fund on any of their assignments throughout the fiscal year, and those employees whose assignments qualify for TRA coverage based on their class code but who are coded for no retirement coverage. The report contains identifying information and information about the types of assignments for each of these employees, and the FTE and dollar amount of each of these assignments. FTE amounts are totaled on the report. This is the base report where you will need to make some adjustments and minor coding corrections before submitting it to the OOC as your final year end report. A deadline is set each year for the submission of the report to the OOC. The OOC collects all campus reports, reinserts some private data into the reports, and submits the master report to TRA in a secure manner prior to the deadline set in law.
5) **Hyperion query in the HR TRA Year End Report folder – Phased Retirements.** You will process this report and export it to an excel file to see all of the employees you have assigned to the category code for Phased Retirement Program participants; it will help you locate those employees who were required to purchase service credit up to 1.0 FTE for the period of time that they did not work while on this program. Each of these employees should also appear on the TRA LOA Summary Report as participation in this program must be reported to TRA and a purchase of service credit worksheet submitted at the beginning of the fiscal year. The total FTE of these employees will need to be adjusted to no more than 1.0 FTE total.

6) **Hyperion query in the HR TRA Year End Report folder – HR Unclassified Leaves of Absence.** You will process this report and export it to an excel file to see all of the employees who have an assignment type of any unpaid leave of absence. This will include all Sabbatical Leaves. Employees who have any kind of unpaid leave must be reflected on the LOA Summary Report as you are required to report all of these unpaid leaves to TRA at the start of the employee's leave of absence including all sabbaticals. Employees on sabbatical were required to purchase the service credit for the unpaid portion of their sabbatical leave and their total FTE must be changed to a 1.0 FTE total for the year.
7) **You may also wish to run a report of all fiscal year assignments in SCUPPS for your reference while completing this year end reporting.**

## Special Notes to Keep in Mind as you Complete Your Report:

A) Although the dollars associated with each assignment are on the report, these amounts will be used by TRA only for comparative purposes. The actual salary dollars earned and retirement deductions paid to TRA are reported directly through the SEMA4 payroll system to TRA. TRA will use these salary dollar amounts from SEMA4 for the salary information that will appear on employees' annual statements from TRA. Certain kinds of earnings are excluded from retirement coverage by TRA and those earnings have already been excluded through the design of the Hyperion query. For additional information on defined salary or severance payments, you may see M.S. 354.05, subd. 35 and M.S. 354.05, subd. 35a.

B) All MnSCU employees earn service credit in the TRA retirement fund based on the total FTE of their retirement eligible assignments during the fiscal year, including the unpaid leave time of a member who was required to purchase service credit for the leave. Manual adjustments must be made for these kinds of leaves. Manual adjustments may also be needed to the FTE of any employee who elected TRA coverage during the year after their start date. SCUPPS automatically calculates the correct FTE of an assignment based on the type of assignment, the percent time worked and the bargaining unit of the assignment as long as that information is accurately coded in SCUPPS. So, for example, a MAPE TRA member who works full time for nine months will earn .75 FTE for service credit while an IFO faculty member working the same nine months will earn 1.0 FTE for service credit. The FTE of all TRA covered assignments is added together each fiscal year, but in no case may any employee earn more than 1.0 FTE service credit in a single fiscal year.

C) If you are working on the detailed spreadsheet from the query and you need to reduce the size of the roster to make it easier to work on, do not delete any of the columns. Please just hide the columns. In order to do this, highlight the column(s) you wish to hide, click format, select column and select hide. Be sure to unhide the columns when you are finished, prior to submitting your report to the OOC.

## Review and Coding Directions – Step by Step:

**I. Make certain that all employees who had TRA deductions taken from their pay in the current fiscal year are included on your service credit report, or are otherwise accounted for to TRA.**

Review the list of employees for whom TRA received retirement deductions from SEMA4 during the year. Generally, the employees on the TRA list should match the employees on your service credit report. If there are employees on the TRA roster of employees with deductions that are not on your report, you must address the reason that these employees are not included on the service credit report. A list of these employees, if any, along with the reasons that they are not on the service credit report must be submitted along with your completed report. Typical reasons are an employee who terminated or retired in the prior fiscal year but was still paid on the 12 month pay option, or a terminated employee who requested backpay when a new union contract was implemented. There may also be employees who had TRA deductions in error and received a refund and you corrected their coding in SCUPPS.

If there are still some employees remaining on the TRA retirement deductions report that are not on your service credit report, you will need to research each employee's history to determine if they should be included on your service credit report. The query that generates the service credit report will not reflect anyone who had TRA deductions for part of the year and was then changed to a non-TRA covered appointment on the same job record. This may occur with employees who changed appointments, such as from a faculty position to an administrator position, or from a TRA covered position to participating in the Annuitant Employment Program (AEP). Because employees in these situations had TRA covered service for part of the fiscal year, you will need to manually add these employees to your service credit report and add all column information for each of the employee's assignments that were covered by TRA. The FTE of the assignment(s) that were subject to TRA retirement deductions must be reported.

**II. Make certain that only TRA covered assignments are included on the report for all employees.**

The query that generates the service credit report excludes all severance payments, early retirement incentives, early notice incentives, vacation payoffs, vacation conversions, and other kinds of pay that are excluded from retirement coverage. Review the list of assignments that are on the report and if you find any of these kinds of payments are included, you will need to remove them from the roster including any FTE and dollars associated with that assignment. You will also need to change the total FTE of the employee's assignments. If the assignment type was incorrectly coded, you will need to correct the assignment type in SCUPPS.

You will also need to delete any assignments, including the FTE and the dollars, for the excluded assignment types of MnSCU Academic Exam Monitor (unit 223), unclassified student workers (unit 223) and Americorps Participants (unit 223). These three kinds of assignments are never eligible for coverage by any retirement fund, even if the employee has other assignments that are covered by retirement deductions. Because these excluded assignments are not eligible for any retirement fund coverage, you must code the primary retirement on these assignments in SCUPPS to AN. You will need to request a refund for the deductions taken in error directly from the retirement fund involved. Unclassified assignments to classified positions (old rule 10 appointments) are never ever eligible for TRA coverage. If you need assistance changing codes in SCUPPS or SEMA4, or the action/reasons to use, etc., please don't hesitate to contact the HR

Helpdesk. You will also need to change the employee's total FTE on the service credit report to reflect the deletion of the FTE associated with the ineligible assignment.

All employees who held assignments during the fiscal year in classifications that are eligible for IRAP/TRA coverage, but who were coded as AN (no retirement fund coverage) are included on the service credit report. Review these employees who had no retirement coverage to make certain that they were correctly excluded from retirement fund coverage.

You may automatically exclude and delete from the service credit report any employees, and all of their data lines, in these circumstances:

- An employee who was on the Annuitant Employment Program for all of the fiscal year
- A MnSCU retiree who is receiving a TRA or MSRS annuity or who is drawing a benefit from IRAP during the entire year
- An employee who is receiving a TRA retirement annuity from other employment and who is under .25 FTE
- An employee who is receiving a TRA annuity from other employment and who elected TRA coverage at the time the employee's FTE exceeded .25 FTE
- Any employee who has never had any retirement coverage in IRAP/TRA eligible positions and the employee's total FTE is less than .25 FTE

If you have an employee who was coded for no retirement fund coverage and who should have had TRA deductions taken on their assignments due to prior or concurrent TRA covered service, you must report their assignments, FTE, dollars, etc. on the service credit report. TRA will bill the campus for any missed deductions.

If you have an employee who is in a retirement eligible position whose total FTE is at or is over .25 FTE and you still have the employee coded as AN (no retirement), you may have a situation where you have missed making the employee retirement eligible. You must address each of these situations – completing missed deductions forms where needed. These employees must also be deleted from the TRA service credit report as they would not have had any service that was covered by TRA deductions. Remember that newly eligible employees are immediately enrolled in IRAP and they have the opportunity to elect TRA coverage, but that TRA will cover them for retirement only from the date they complete the election form.

If you change any retirement codes in SCUPPS due to this review, make certain that the actions are recorded correctly to interface with SEMA4. If you need assistance with SCUPPS or SEMA4 coding or the interface process, please contact the HR Helpdesk.

**III. Make certain that only TRA covered FTE is recorded on the service credit report.**

If you had a new employee who was initially covered by IRAP and then elected TRA coverage, you will need to adjust that employee's assignment line and the FTE associated with it to reflect only the TRA covered service. Review the list of new employees who elected TRA throughout the fiscal year that is provided to you by the OOC against your service credit report. Adjust the start date of any assignment during the fiscal year for these employees that is before the date of TRA election; you must change it to the date of the TRA election. You will need to recompute the FTE for each assignment line where you changed the start date to a later date. You will need to recalculate the FTE in the same manner as the FTE is calculated for that assignment type in SCUPPS. If you need assistance in recalculating the FTE for that part of the assignment that was covered by TRA, please contact the HR Helpdesk. You will also need to change the employee's total FTE of all of their assignments, but the total may never exceed 1.0 FTE.

If you had an employee who moved from a position that was covered by another retirement fund, like MSRS or PERA, to a TRA covered position and you used the same job record number, you may need to adjust the start date of the employee's assignment on the service credit report to the date that the employee started the position with TRA coverage. You will also need to change the employee's FTE and dollars for that assignment line. You must also change the employee's total FTE of all assignments, but the total may never exceed 1.0 FTE.

## IV. Adjust the FTE of those employees who had leaves or assignment types that required them to purchase service credit up to 1.0 FTE.

You will need the results of the Hyperion query that provided you with a list of all Phased Retirement Program participants. All of these individuals were required to purchase the service credit for the unpaid portion of their assignment up to 1.0 FTE. Change the FTE of the phased retirement program assignment to 1.0 FTE and change the total FTE for all of the employee's assignments, but not to exceed 1.0 FTE.

You will also need the results of the Unclassified Leaves of Absences Hyperion query. Any employee who was on an unpaid sabbatical leave was required to purchase the service credit for the unpaid portion of their sabbatical assignment up to 1.0 FTE. Change the FTE of the employee's sabbatical assignment to 1.0 FTE and change the total FTE for all of the employee's assignments, but not to exceed 1.0 FTE.

Other employees who were on an unpaid leave of absence but were approved by the President and certified to TRA as participating in the Part Time Service Full Time Credit Program, will also need to have their FTE increased on their assignment to reflect the service credit that they were required to purchase. This may affect any employee, but it is generally used by IFO employees under a provision in their union contract, or by MSCF faculty who are on the Unlimited Special reduction in FTE program (but remember that not all unlimited special appointments are automatically covered by this program). Change the FTE of the assignment to 1.0 FTE and change the total FTE for all of the employee's assignments, but not to exceed 1.0 FTE.

## V. Adjust the FTE of all assignment totals that exceed 1.0 FTE.

Under TRA law, an employee's earned service credit may never exceed 1.0 in any given year. If an employee has assignments totaling more than 1.0 FTE, you must reduce the total sum number to 1.0 FTE on the sub-total line on the service credit report.

## VI. Add a comment column at the end of the service credit report and enter codes in that column where applicable.

You may use the following codes to help explain the service credit report to TRA:

- PR Phased Retirement Program participant
- EL Extended Leave, 3 to 5 years
- SAB Sabbatical, paid or unpaid
- L-MIL Leave of Absence, Military Leave, service credit may be purchased
- L-FAM Leave of Absence, Family Leave, service credit may be purchased
- L-MD Leave of Absence, Medical, service credit may be purchased

- L-VUP Leave of Absence, State Voluntary Unpaid Leave, service credit may be purchased
- LWOP All other unpaid leaves of absence, no service credit
  You may use your two Hyperion queries for phased retirees and for leaves of absence that you ran earlier to assist you in this step. Simply running through your service credit report, using the find function in excel, and looking for these assignment types is another way you may locate all of these kinds of leave.

**VII. Review the Leave of Absence Summary Report provided by TRA and make corrections as needed, including any missed Leave of Absence Report forms.**

You will need the results of the Hyperion query for all unclassified leaves. Any TRA covered employee who had an unpaid leave of absence, including sabbaticals, should be reported to TRA. The LOA Summary Report is a listing of all leaves that have been reported to TRA. If there are any employees who had unpaid leave assignment types on the service credit report, and they are not on the LOA Summary Report, this means that those leaves were not reported to TRA. The appropriate leave reporting forms must be completed at this time, and the leave must be added to the LOA Summary Report form. Leave of absence reporting forms are available on the TRA web site; the appropriate forms must be downloaded, completed for each missed leave of absence, and immediately submitted to TRA.

You must also compare the results of the Hyperion query for Phased Retirement Program participants to the LOA Summary Report. A TRA Part Time Teacher Form and a separate Worksheet form should have been submitted for each of these individuals. If there are any of these individuals missing from the LOA summary, you must immediately submit both of these forms at this time to TRA. If you are submitting a TRA Part Time Teacher Form, remember that you must also submit the MnSCU Part Time Teacher Program Worksheet.

If there are any individuals for whom you submitted salary worksheets to TRA for the purchase of service credit during the year where that same individual had a salary increase at any time during the fiscal year, you should have also submitted a revised salary worksheet to TRA. If you have not done so in these circumstances, you should complete and submit a revised salary worksheet to TRA at this time.

## Certification of the Reports:

The TRA contact individual for your campus that has completed the year end and leave reporting process should complete the certification information that is included on the LOA Summary Report for your campus. Submission of the report with a typed name and title, etc. will constitute electronic certification of your campus reports.

## Submission of the Reports:

Once you have completed all of the above steps and completed the certification of the reports, the reports need to be submitted to the OOC prior to the deadline that was set for the current fiscal year. The e-mail that included the reports mentioned above will include the name and e-mail of the person to whom the reports are to be submitted, and the deadline date. You will need to submit the following items:

- The completed TRA year end service credit report for your campus
- The completed LOA Summary Report for your campus

Remember to send any missed leave of absence forms and/or worksheets directly to TRA.

## Questions?

If you have questions regarding the Hyperion queries or regarding any ad hoc queries you may wish to run in order to assist you in completing this report, please contact Karen Cejka at Karen.cejka@so.mnscu.edu

If you have any questions regarding the coding of job records, action/reasons, SCUPPS or SEMA4 data, or the interface process, please contact the HR Helpdesk at hrhelpdesk@so.mnscu.edu

If you have questions regarding TRA deductions, missed deductions, leave report forms to be used, completion of salary worksheets, etc. please contact Rich Fick or Dave Hammer at TRA: rich.fick@state.mn.us or dave.hammer@state.mn.us

If you have any questions regarding eligibility for MnSCU retirement fund coverage, or TRA retirement fund coverage, please contact either the HR Helpdesk or Mary Muenchow at mary.muenchow@so.mnscu.edu