



EMPLOYER BULLETIN

Annual Report Reminder and Mentoring Excess Salary Increase Exemption

July 2008

Employer's Annual Report of Earnings

Filing deadline

The filing deadline for the 2007-08 Employer's Annual Report is **August 15, 2008**. A \$250-per-day, late-filing penalty will be assessed for each day past the August 15 deadline that the report is not on file at TRS.

TRS uses the postmark date as the date of receipt. Any postmark made by any entity other than the U.S. Post Office, such as a private mailing machine, must show a date on or before August 15, 2008, **and** must be received in the Springfield office no later than four working days after August 15. Employers should check to make sure their envelope is properly addressed and contains sufficient postage to ensure that the report reaches the Springfield office on time.

Annual Reporting System

Employers must file the 2007-08 Employer's Annual Report of Earnings via the 2008 version of the Annual Reporting System (ARS) software if they have 50 or more contributing members.

Follow the 2008 version instructions in the ARS booklet, which was mailed to all employers in May with the annual report packets, to update the annual report information.

Incomplete reports

TRS is unable to accept reports without all the required information. Reports submitted to TRS with incomplete information will be returned, will be subject to the late-filing penalty previously described, and will be deemed "not received" until properly completed and returned to the Springfield office.

Excess Salary Increase Exemption Applies to Some Mentoring Programs

Background

Public Act 94-0004, which was signed into law on June 1, 2005, establishes employer contributions for salary increases over 6 percent that are used in a retiring member's final average salary calculation. PA 94-0004 provides an exemption from employer contributions for salary increases given in accordance with contracts and collective bargaining agreements that were entered into, amended, or renewed prior to June 1, 2005.

Public Act 94-1057, which was signed into law on July 31, 2006, provides additional exemptions from employer contributions for salary increases over 6 percent. Some of the exemptions are permanent while others are available for a limited-time period. The exemptions provided in PA 94-1057 apply only in specified circumstances. (See Chapter 4 of the TRS *Employer Guide* for a complete list of exemptions.) The exempt circumstances include payments made to a member from the state of Illinois or the Illinois State Board of Education over which the employer does not have discretion.

Previously identified examples of payments over which the employer does not have discretion included stipends from the State Board for becoming a National Board Certified teacher and payments for workshops presented or attended at the Regional Office of Education for which the ROE requires the school district to be the common paymaster.

TRS has recently become aware of mentoring programs that qualify for exemption from employer contributions for salary increases over 6 percent.

(Over)



Principal Mentoring

The Illinois Principals Association currently manages the Illinois New Principal Mentoring (INPM) Program on behalf of the Illinois State Board of Education. A principal who has at least five years of experience and meets other specified requirements can choose to participate in the INPM Program as a mentor. The principal is not required to obtain approval from his/her employer to participate as a mentor.

Upon completion of a mentoring assignment, the Illinois State Board of Education will issue a \$2,000 stipend to the employer, and the employer must pay the \$2,000 stipend to the mentoring principal. Stipends paid to mentoring principals for participating in the INPM Program qualify for exemption from TRS employer contributions for salary increases in excess of 6 percent.

National Board Certified Teacher Mentoring

In accordance with the Illinois Teaching Excellence Program, each teacher who holds a Master Certificate issued by the National Board for Professional Teaching Standards (NBPTS) receives an annual stipend of \$3,000. Teachers who hold a Master Certificate may apply for participation in a mentoring program which is managed by the Iroquois-Kankakee Regional Office of Education. The teacher is not required to obtain approval from his/her employer to participate in the program.

Mentors may earn an additional \$1,000 stipend or an additional \$3,000 stipend by agreeing, in writing, to provide 60 hours of mentoring during that year to classroom teachers. A mentor may be eligible for more than one stipend if he/she mentors more than one teacher. Mentoring assignments may include providing professional development for new and experienced teachers and assisting master teacher candidates through the certification process.

The Illinois State Board of Education will issue the mentoring stipend to the mentor's employer, and the employer must pay the stipend to the mentoring teacher. 50 percent of the mentoring stipend is issued upon completion of the first 30 hours of mentoring, and the remaining 50 percent is issued upon completion of the full 60 hours of mentoring. Stipends paid to mentoring teachers for participating in the Illinois Teaching Excellence Program qualify for exemption from TRS employer contributions for salary increases in excess of 6 percent.

District Stipends Offered to Master Teachers

Some TRS-covered employers agree to pay additional stipends (over and above the \$3,000 provided by ISBE) from district funds to teachers for attaining a Master Certificate. Such discretionary stipends are not eligible under PA 94-1057 for exemption from TRS employer contributions for salary increases in excess of 6 percent.

Other Mentoring Programs

At this time, TRS is not aware of any other mentoring programs that qualify under PA 94-1057 for exemption from TRS employer contributions for salary increases in excess of 6 percent. Other initiatives, including the New Teacher Induction and Mentoring Program, may offer teachers the opportunity to earn additional mentoring stipends. However, as long as the school district controls participation and mentoring assignments, the resulting earnings do not qualify for exemption.

Contact Us

If you have questions about employer contributions for salary increases and qualifying exemptions or the Employer's Annual Report process, please call our Employer Services Department at (888) 877-0890, option 1 or e-mail us at employers@trs.illinois.gov.