

TEACHERS' RETIREMENT SYSTEM



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TO: Migrant Education Program (MEP) Administrators/School Districts

FROM: Shawn Graham, Executive Director *SG*
Montana Teachers' Retirement System (TRS)

RE: MEP Positions and TRS Requirements

A recent inquiry to TRS indicated at least one circumstance in which an individual was employed by a school district in a position reportable to TRS to provide service on behalf of MEP, but was not correctly reported to TRS. Based on follow-up with the Montana Office of Public Instruction, TRS believes this was likely an isolated circumstance; however, I wanted to take this opportunity to follow-up with all MEP employers regarding reporting of MEP positions to TRS.

Proper reporting of MEP positions to TRS will ensure that TRS members who provide service on behalf of the MEP receive all credit for service and earned compensation to which they are entitled. In addition, proper identification and reporting of individuals who provide service on behalf of the MEP will help ensure that employers and retiring TRS members will not inadvertently violate TRS's requirements for

1. termination of employment in *all* positions reportable to TRS and
2. completion of the 150 calendar day break in service requirement.

Requirement to Report MEP Service in a Position Reportable to TRS

You are required to report to TRS the time worked by and compensation paid to an individual you employ on behalf of the MEP who is in a position reportable to TRS. You are also required to remit employer and employee contributions. Service on behalf of MEP is considered employment in a position reportable to TRS if such service requires the performance of functions and duties that would make the individual eligible for active member participation in TRS. This includes service as:

- a teacher
- an instructional paraprofessional
- an educational program administrator
- a school counselor
- a speech pathologist, a therapist or other related service provider under special education law, or
- in any other position providing services in an educational or instructional services capacity

The individual in a TRS reportable position must be reported either as an active member or as a working retiree, as appropriate. If you have any question regarding whether an MEP position is reportable to TRS, please contact the TRS office.

Requirement to Identify and Report an Individual Providing Service on Behalf of the MEP as TRS Participants or Working Retirees

The MEP and individuals employed in TRS reportable positions on behalf of MEP are subject to the laws and administrative rules governing TRS. This includes determination of new hire status and completion of the New Hire Questionnaire (*TRS Form 107*).

If the new hire is a TRS retiree, his/her postretirement employment on behalf of the MEP must be reported to TRS. Both the individual and employer must complete the Retiree and Employer Report of Postretirement Employment (*TRS Form 146*). The time worked by and compensation paid to the individual must be reported monthly to TRS.

Contributions must be remitted to TRS as appropriate to the individual as an active member of TRS or a working retiree.

Requirements Applicable to TRS Members and MEP Employers at the Time of and After the Member's Retirement

As with all TRS Members and Employers, the following general requirements apply at the time the TRS member working on behalf of MEP retires:

- The TRS member must terminate employment in all TRS reportable positions on behalf of all TRS employers, including the MEP. This means they cease providing all services on behalf of MEP.
- The TRS member and the MEP employer must certify the termination of employment on behalf of the MEP (*TRS Form 144*).
- A retiring/retired TRS member may not provide TRS reportable service on behalf of any TRS employer – including MEP – until the member has attained retired member status and fulfilled the 150 calendar day break in service requirement.
- A retiring/retired member who has not attained normal retirement age (age 60) will not be eligible for retirement benefits if you and the member enter into a pre-arranged agreement for postretirement service. This includes a pre-arranged agreement to provide service only on behalf of MEP.
- Once a retired TRS member is eligible to return to work in a position reportable to TRS (has attained retired member status and has fulfilled the 150 calendar day break in service period), the retired member may provide service on behalf of the MEP subject to the earnings limitations set forth by statute (*19-20-731 MCA*)

*** *Because TRS does not know, from year to year, who is employed to provide service on behalf of the MEP in positions reportable to TRS, please provide a copy of this memo to the individuals you employ in such positions to ensure they are properly advised of TRS's requirements and their obligations.*

Thank you for your attention to this matter and for your efforts to correctly identify and report individuals to TRS. If you have questions or concerns, please feel free to contact TRS at (406)444-3134.