



Notice

TRS soon will require employers to report hours and wages for substitute teachers and part-time teachers' aides/paraprofessionals who **elect to defer** membership

TRS Employers:

In response to a request from MASBO members, TRS is creating a new “**Non-Contributing Sub or PT Aide/Para**” work status for employees who meet the following criteria:

- They are substitute teachers or part-time teachers' aides/paraprofessionals who are **not** already members of TRS, and
- They have elected, via TRS Form 106, to *defer (postpone) membership* until they have worked at least 210 hours in a single fiscal year (July 1 – June 30).

When will the new work status be available in the TRS Wage & Contribution Reporting System?

TRS will implement a *Non-Contributing Sub or PT Aide/Para* work status in **early 2025**, and employers will be required to use it **beginning with their January 2025 monthly report**.

Why do we need this new work status for TRS monthly reporting?

TRS law generally requires employers to withhold contributions and report wages for all individuals who provide service in TRS-reportable positions. In most cases, the employer must withhold contributions from employees' pay starting with their first day of employment.

However, substitute teachers and part-time aides/paras who are not already members may make an election on TRS Form 106, *Membership Election: Substitute Teacher or Part-Time Teacher's Aide/Paraprofessional*, either to have contributions withheld from their first day of employment or to defer membership and have no contributions withheld from their pay until they have completed at least 210 hours of work in a single fiscal year. (No other reportable position may defer membership.)

Currently, it can be difficult for employers to know whether a substitute teacher or part-time teacher's aide/paraprofessional has already completed 210 hours of work, especially if that individual has worked in more than one school district during the same fiscal year.

The new work status will allow TRS to track hours for these employees and move them to Active member status when required. These system changes should reduce errors and frustration for employers. Watch for more details about this enhancement later in 2024!

Will our Payroll system need to be modified for this reporting change?

Yes. The TRS Information Technology manager has been in contact with the three main vendors who provide payroll software to TRS employers. Those are:

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- Black Mountain Software
- C & C Accounting
- Tyler Technologies

These three vendors are aware of the necessary changes and have agreed to implement them in time for your January 2025 payroll cycle.

IMPORTANT!

- **If your school district or organization uses a payroll system from another source** (i.e., a custom-built application or one obtained from a software vendor not listed above), **you must contact John Noble, TRS IT Manager, at (406) 444-3395 as soon as possible.**
- John will need to coordinate with your software vendor or other technical staff responsible for making the necessary changes to your system by January 2025.

Other questions about the content of this memo should be directed to Nolan Brilz, TRS Accounting/
Fiscal Manager. You may contact him by email at NBrilz@mt.gov or by phone: (406) 444-3679.