New Regulations for Teacher Retirement System of Texas (TRS) and Affordable Care Act (ACA) Legislation
Teacher Retirement System of Texas (TRS)

- New regulations became effective September 1, 2013
- TRS is a **mandatory** benefit for employees that qualify
- New TRS legislation specifically includes definition of adjunct faculty
- New TRS legislation cites the methodology for determining the calculation of weekly workload clock hours for adjunct faculty
TRS Basic Eligibility Requirements:

1. Employment must be on a regular basis for either an indefinite period of time or a definite period of 4 1/2 months or more

2. Employment must be for one-half time or more of the time required of the standard workload for the same or similar full-time position

3. Salary must be comparable to the rate of pay earned by other employees in the same or similar position types

Modified by TRS Rule 25.21
TRS Rule 25.21 clarifies member eligibility for employment in higher education as follows:

• Regular employment is employment that is expected to continue for four and one-half months or more or, for higher education, *is expected to continue or does continue for more than one full semester in the same school year*

• For higher education, TRS provided a methodology for determining the requirement of working one-half time (20 hours per week) or more as follows:

  *Instructional LEH time is to be converted to clock hours and counted as a minimum of two clock hours for each hour of instruction in the classroom or lab.*
### Example – Workload Calculation

<table>
<thead>
<tr>
<th>Instructional Method</th>
<th>LEH</th>
<th>Contact Hours</th>
<th>Weekly Contact Hours</th>
<th>TRS Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lecture</td>
<td>3.00</td>
<td>48.00</td>
<td>3.00</td>
<td>6.00</td>
</tr>
<tr>
<td>Lecture</td>
<td>5.00</td>
<td>80.00</td>
<td>5.00</td>
<td>10.00</td>
</tr>
<tr>
<td>Lab (75% of Lecture)</td>
<td>2.25</td>
<td>48.00</td>
<td>3.00</td>
<td>6.00</td>
</tr>
<tr>
<td>Lab (75% of Lecture)</td>
<td>6.00</td>
<td>128.00</td>
<td>8.00</td>
<td>16.00</td>
</tr>
<tr>
<td>Clinical</td>
<td>12.00</td>
<td>192.00</td>
<td>12.00</td>
<td>24.00</td>
</tr>
</tbody>
</table>

If the faculty member is teaching less than 100% of the class, the calculation is prorated.
IMPLEMENTATION PLAN
FOR TRS
(Effective September 1, 2013)
TRS Eligibility

Determine if there is a pattern of regular employment working 20 hours per week:

- Fall 2012 and Spring 2013 will be used to determine a pattern of regular employment
- If those employees also worked 20 hours per week in the Fall 2013, the employee will be eligible for TRS benefits retroactive to Fall 2013
TRS Contribution

- TRS Employee contribution is 6.4% of the employee’s gross compensation each month.
- State/ACC contribution to TRS is 6.8%.
- Employee’s current contribution is 6% to the ACC Money Purchase Plan.
- ACC contribution is 1.5% to the ACC Money Purchase Plan.
Conversion from the ACC Money Purchase Plan to TRS

- Adjunct faculty will be withdrawn from the ACC Money Purchase Plan and monies refunded (September 2013 to November 2013)

- Eligible employees will contribute to TRS (an increase of .4% per month) as of September 2013

- Deductions and refunds will be made on the December 2013 payroll
AFFORDABLE CARE ACT (ACA)
Affordable Care Act (ACA)

- Creates “The Health Insurance Marketplace”
- An employer is obligated to offer health benefits coverage to the employee if the employee works an average of 30 hours per week
- To be covered by the Employees Retirement System of Texas (ERS) the employee must also be eligible for TRS participation
- ERS benefits begin September 1, 2014 after a waiting period
ACA Eligibility

- Fall 2013 and Spring 2014 is the period of eligibility (average of 30 hours per week)
- Eligible employees will be enrolled during Annual Enrollment effective September 1, 2014 (after waiting period)
ERS Eligibility Under ACA

- Health coverage only will be paid by the College
- The calculation of 30 hours per week is determined by the same methodology as for TRS
- All work performed for the College is included (instruction, hourly, stipend, committee work, etc.)
- Once TRS eligibility is determined, ACA eligibility will be determined
Can Employees Opt-Out or Waive Health Insurance?

- The employee must be “eligible” to participate in ACA. Once eligible the employee may waive or opt-out of ERS

**Affordable Care Act (ACA)**

Authorizes a waiver or opt-out process, but the ACA process will not go into effect until regulations are adopted

**Employees Retirement System of Texas (ERS)**

Does have a waiver and opt-out process which will be used pending adoption of federal regulations
Personnel Actions

- Adjunct faculty may work no more than a total of 28 hours per week.
- All positions with the College will be included in the calculation.
- The employee gets to determine how the 28 hours will be allocated.
- Hourly employees may not work more than 19 hours per week for the year.
- Exceptions must be approved by the Vice President and Executive Vice President.
For Additional Information

- Letter to Adjunct Faculty (11/25/2013)
- HR website:  http://www.austincc.edu/hr
- Email questions to:  hrbenefits@austincc.edu
- Call Susan Corbett at 512-223-7617