

**COMPARISON OF TRS vs. ORP RETIREMENT PROGRAMS**  
**Effective July 1, 2018**

**Teachers Retirement System (TRS)**

**Defined Benefit Plan**

Contributions:

- 8.185% Employee (Includes 2.78% paid in TRS Retiree Medical Plan)
- 15.865% Employer Match to above

Contributions are Tax-deferred

Investment Options Determined by TRS (Employee assumes no investment risk)

Vested After Five Years

Inflation Protection/COLA: If approved

After Separation of Employment: May leave account or request refund of basic employee contribution (Does not include portion for health plan)

Retirement for Participants Prior to 7-01-08:

- Age 55 with 5 Years of Service (Reduced benefits)
- Any Age with 27 Years of Service

Retirement for Participants On/After 07-01-08:

- Age 60 with 5 Years of Service
- Age 55 with 10 Years of Service (Reduced benefits)
- Any Age with 27 Years of Service

Medical Insurance Coverage: May be available upon retirement; availability and cost of coverage depends on service years

Death Benefits & Monthly Survivor Benefit

Purchase of Service Credit for:

- Up to six Years of Military Service
- Up to 10 Years of Out-of State Service
- Withdrawn Accounts
- Part-time Service
- Leaves of Absence Without Pay
- ORP Years of Contribution (Limitations apply)

Permanent Disability: After 5 years, members are eligible to apply (60% of Final Average Salary)

Benefit Formula at Full Retirement is:

- Service credit (years of service) x Retirement Factor (% multiplier) x Final Average Salary (High 3 years or high 5 years) = Annual Benefit. At retirement, several monthly income options are available.

**Optional Retirement Plan (ORP)**

**Defined Contribution Plan**

Contributions:

- 6.16% Employee
- 8.74% Employer Match to ORP

Contributions are Tax-deferred

Employee Makes All Investment Decisions: Investment risks are assumed entirely by employee; accounts may gain or lose value.

Immediate Vesting

No Cost-of-Living Adjustment (COLA)

After Separation of Employment: May withdraw/rollover total account value (Limitations may apply)

Employee Choice:

Early Retirement Produces a Smaller Income Payment; Minimum Distribution Required (MDR) by age 70½

No Medical Coverage for Retirees

Employee Account Balance Paid to Beneficiary or Managed by Beneficiary

No Provision for Purchase of Additional Service Credit

No Disability Benefits

Retirement Benefits Based on Investment Selections and Account Values