

Optional Retirement Plan

June 2024



FRIENDLY REMINDERS

- This presentation contains general information meant to be used as a guide during the webinar.
- All participants are muted except the presenters.

Have a question?

- There will be question-and-answer periods during the webinar.
- Type your question in the **Questions** area during the webinar.

What to expect

- What is ORP?
- Overview of changes
- TRSL versus ORP
- Timeline of events
- Frequently asked questions
- How to contact TRSL

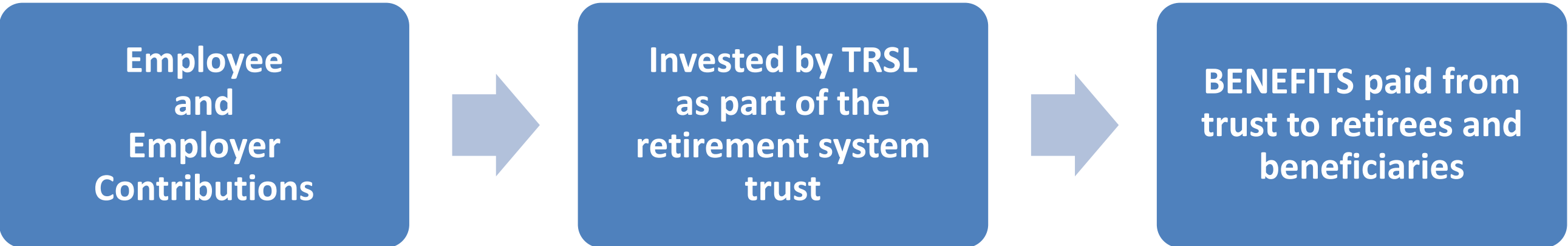


WHAT IS ORP?

- Defined contribution plan in which account holders direct their own investments through private carriers
- Created in 1989 and has been available since July 1, 1990
- Available to **unclassified** employees of public institutions of higher education and their governing boards
- Designed to accommodate the higher education community with retirement benefits that are fully portable to other U.S. colleges and universities.

DEFINED BENEFIT VS. DEFINED CONTRIBUTION

TRSL Regular Plan (Defined Benefit)



NOTE: Lifetime DB benefit based on service credit, final average comp and benefit factor.

ORP (Defined Contribution)



NOTE: Employer "transfer amount" sent to Vendor. Must be at least 6.2%.

NOTE: DC benefit based strictly on amount in ORP account.

ORP VENDORS

**Voya Life Insurance
& Annuity Company**



**Teachers Insurance
and Annuity Association**



Corebridge Financial
formerly AIG
Retirement Services



OVERVIEW OF CHANGES (ACT 109)

- Eligible ORP participants now have a limited window to transfer to TRSL's defined benefit plan.
- Depending on the date of their first ORP-eligible employment, participants have either a 1-year window or up to a 5-year window.
- The decision to leave the ORP and join the defined benefit plan **is irrevocable**.

TRANSFER WINDOWS

	One-year window	Five-year window
<p>Who's eligible</p> <p><i>NOTE: Must be eligible for TRSL participation at the time of the election.</i></p>	<ul style="list-style-type: none"> Current ORP participant whose first ORP-eligible employment occurred before August 1, 2020; and Is active and contributing as of June 2024 	<ul style="list-style-type: none"> ORP participant whose first ORP-eligible employment began on or after August 1, 2020; and Is active and contributing at the time of the election
<p>Option deadline</p>	<ul style="list-style-type: none"> Have until June 30, 2025 to make a one-time, irrevocable election to join the TRSL defined benefit plan as a new member in the 2015 plan. 	<ul style="list-style-type: none"> Can make a one-time, irrevocable election to join the TRSL defined benefit plan as a new member in the 2015 plan at any time within five years of their first ORP-eligible employment. <i>This window can close as early as July 31, 2025.</i>

EFFECTIVE DATES

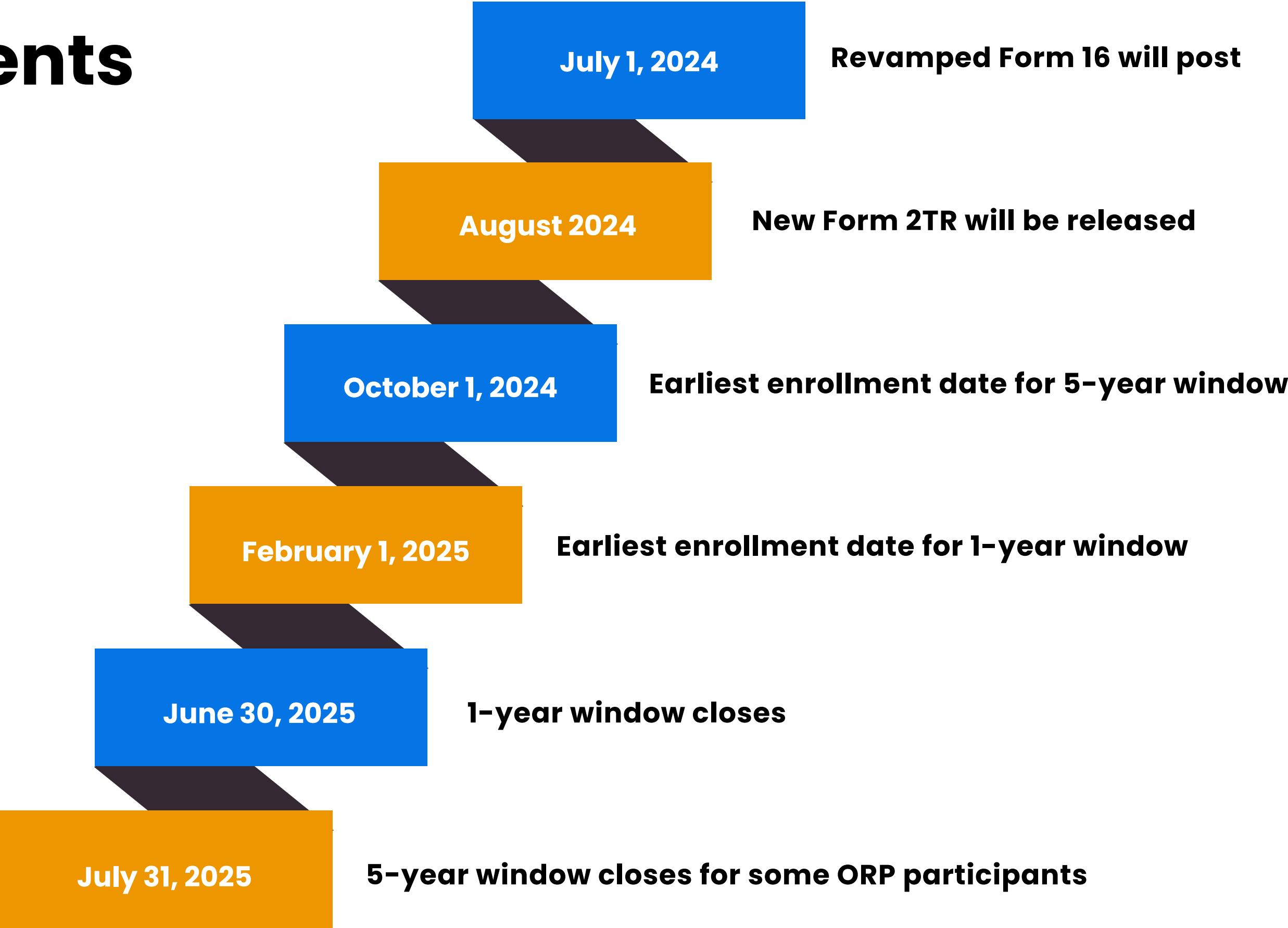
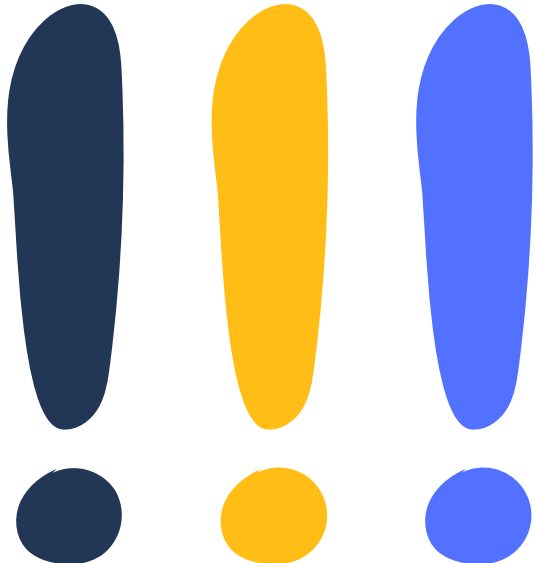
	One-year window	Five-year window
<p>When will a new election be effective?</p>	<ul style="list-style-type: none"> ▪ If TRSL receives the completed Form 2TR on or before Dec. 31, 2024: ORP participation will end on January 31, 2025 and enrollment in the TRSL defined benefit plan will begin prospectively on February 1, 2025. ▪ If TRSL receives the completed Form 2TR after Dec. 31, 2024: ORP participation will end on the last day of the month following the month in which TRSL receives the completed election form. Enrollment in the TRSL defined benefit plan will begin prospectively on the first day of the month following the end of ORP participation. 	<ul style="list-style-type: none"> ▪ ORP participation will end on the last day of the month following the month in which TRSL receives the completed Form 2TR. Enrollment in the TRSL defined benefit plan will begin prospectively on the first day of the month following the end of ORP participation.

COMPARISON OF PLANS

TRSL VERSUS ORP

Lifetime benefit that member will never outlive	Duration of benefit	Duration of benefit is based on the amount accumulated in participant's ORP account
Lifetime benefit payable after at least 5 years of service at age 62	Benefit payment	Annuity with or without a partial lumpsum payout possible at time of retirement
State of Louisiana	Guaranteed by	Solvency of ORP carrier
Eligibility begins with 10 years of TRSL service credit	Disability benefits?	Benefit based on accumulated contributions, payable at your option
Eligibility may begin with 5 years of TRSL service credit	Survivor benefits?	Upon your death, the balance of your ORP account is paid in lump sum or as annuity
Transferrable to other Louisiana public schools, colleges and many public agencies	Portability	Portable to most colleges and universities in the U.S.

Timeline of events



FREQUENTLY ASKED QUESTIONS



How can an ORP participant make the election?

- Form 2TR will be made available to employers.
- This form must be completed by the ORP participant and the employer within the time limit set by state law.

IMPORTANT!

Form 16 will be updated. You will need to discard old copies of this form.

TRSL Application for Optional Retirement Plan or Change of Carrier (Form 16) 00-16
REV. 7/24

APPLICANT: Submit this form to your Human Resources office to complete the enrollment process with TRSL. **Submit ORIGINAL form ONLY.**
No copies, faxes, or scans accepted.

Print in ink or type all entries except signatures. Incomplete forms will be returned. This is a multipurpose form to be used by individuals joining the Optional Retirement Plan (ORP) or by ORP participants changing carriers. The reverse side of this form contains important information about the ORP. Please submit this form to your Human Resources office to complete the enrollment process with TRSL for completion of section 4.

Section 1 — Applicant information

Name: Last, first, MI, suffix (Jr., II, etc.) Date of birth (mm/dd/yyyy) Social Security number (###-##-####)

Street address / PO box City, state, zip

Daytime telephone (include area code) Email address

Sex Male Female U.S. citizen? YES NO Type of visa:

To be completed only by current members of the Teachers' Retirement System of Louisiana: CHOOSE ONE

I elect to transfer my accumulated TRSL contributions to the ORP carrier I have designated below.

I elect NOT to transfer my accumulated TRSL contributions to the ORP carrier I have designated below.

Section 2 — Carrier designation

New enrollment Change of ORP carrier Existing ORP participant

Name of ORP carrier

VOYA Financial (formerly ING Life Insurance and Annuity Company)
 Teachers Insurance and Annuity Association - TIAA (formerly TIAA-CREF)
 Corebridge Financial (formerly VALIC / AIG)

ORP carrier code

01 VOYA
 02 TIAA
 03 Corebridge

Section 3 — Applicant's signature

I hereby make irrevocable application for the Optional Retirement Plan (ORP) in accordance with La. R.S. 11:921-931. I understand that future employee contributions, less any administrative fee adopted in accordance with law, and the employer transfer amount will be forwarded to the ORP carrier designated above. I have read the back of this form. I understand that (1) I can never again become a contributing member of the TRSL Regular Plan (defined benefit plan); (2) the benefits payable under the ORP are not the obligation of the State of Louisiana or TRSL, but are solely the liability and responsibility of the designated ORP carrier; (3) I hereby expressly waive my rights set forth in Louisiana Constitution Article X Sec. 29 (A) and (B), which are printed on the back of this form; and (4) no lump-sum payout of the entire account can be made from the ORP carrier directly to me during my lifetime.

Applicant's signature (DO NOT TYPE OR PRINT) Date signed (mm/dd/yyyy)

Section 4 — Agency certification (must be completed by employer prior to submission to TRSL)

Agency name Host agency number (####) Date of hire

Effective date of ORP election: Employment status Full time Part time
A part time employee is any employee who normally works 20 hours or less per week or less than 50% effort (higher education).

I certify that this employee is eligible to participate in the ORP according to La. R.S. 11:925 and that he or she has signed a contract with the carrier designated above.

Signature of authorized representative of agency (DO NOT TYPE OR PRINT) Date signed (mm/dd/yyyy)

Name of authorized representative Title

Employer: Please drop off or mail this form to TRSL at 8401 United Plaza Blvd, Ste 300, Baton Rouge LA 70809
See reverse side for important information
 PO Box 94123 • Baton Rouge, LA 70804-9123 • 1-877-ASK-TRSL (1-877-275-8775) • www.TRSL.org • web.master@trsl.org

Who is not eligible for TRSL?

- Anyone whose position is part-time, seasonal or temporary employment.
- Anyone who is no longer employed by a TRSL-participating employer.

What will the new retirement eligibility be?

- ORP participants who join TRSL's defined benefit plan will be eligible to retire:
 - » at age 62 with at least 5 years of service or
 - » at any age with at least 20 years of service (actuarially reduced)

Can ORP balances be transferred into TRSL?

- No, the ORP account will always remain separate from the TRSL pension account.
- ORP funds cannot be transferred into TRSL and no TRSL credit can be given for the time in which someone participated in the ORP.
- Employee will continue to be able to manage funds in their ORP account, but no new contributions can be made to their ORP account.
- Employee can receive distributions from their ORP account once they retire from the defined benefit plan or terminate all TRSL service.

Can ORP contributions be refunded to buy service credit?

- No. State law does not permit this.



QUESTIONS?



WE'RE HERE FOR YOU



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