

# COMPARISON OF BENEFIT FEATURES



## TRSL 2015 Plan and the ORP

### Plan type

**TRSL**

Defined benefit plan: Monthly pension determined by years of service, highest five-year average annual salary, and a benefit factor of 2.5%.

**ORP**

Defined contribution plan: Retirement benefit determined by contributions and investment performance.

### Contributions

**TRSL**

Contributions do not determine benefits. Employee's contribution is 8% of salary. The employer makes a normal cost contribution.

**ORP**

Contributions and investment performance determine benefits. Employee's contribution is 8% of salary (less a 0.05% administrative fee). The employer contribution rate is called the "transfer amount."

- Higher education employer transfer amount is 6.2%.
- Non higher education employer transfer amount is 6.2%.

### Duration of benefit

**TRSL**

Lifetime benefit. No matter how long you live, the retirement benefit will continue.

**ORP**

Duration of benefit is based on the amount accumulated in participant's ORP account.

### When benefit is payable

**TRSL**

Lifetime benefit payable at:

- Age 62 with five years of service credit
- Any age with 20 years of service credit (actuarially reduced)

*NOTE: Excludes military service purchased after September 10, 1982*

**ORP**

Annuity with or without a partial lump-sum payout possible at time of retirement. Rollover of up to 100% of ORP funds to an IRA or qualified plan may be done after termination of all covered ORP employment.

### Guaranteed by

**TRSL**

State of Louisiana

**ORP**

Solvency of the ORP carrier

### Social Security participation

**TRSL**

TRSL members do not participate in Social Security, and are subject to Social Security reductions through the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO).

**ORP**

ORP members do not participate in Social Security, and are subject to Social Security reductions through the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO).

### Disability benefits

**TRSL**

If you have 10 years of service credit (excluding service credit earned while on workers' compensation) and become disabled, you may be eligible for TRSL disability benefits for life.

**ORP**

Benefit based on accumulated contributions, payable at your option, after termination of ORP participation. No other disability benefits are included.

### Portability of benefit

**TRSL**

Transferrable to other Louisiana public schools, colleges and universities, technical colleges, and many public agencies.

**ORP**

Portable to most U.S. colleges and universities.

### Survivor benefits

**TRSL**

Upon your death, if you have five years of service credit, your spouse and minor child(ren) may be eligible for survivor benefits.

**ORP**

Upon your death, the balance of the ORP account is paid out in a lump sum or as an annuity.

### Investment decisions

**TRSL**

TRSL controls the plan investments, which include your contributions, and bears the risk. The benefits a retiree receives from the TRSL plan are not dependent upon the investment decisions of TRSL or changes in the investment markets.

**ORP**

Participant controls own investments and bears the risk of investment decisions and changes in the investment markets. See ORP carrier's brochure.