



ORP

Optional Retirement Plan

What is the ORP?

The ORP (Optional Retirement Plan) is a defined contribution plan, under Internal Revenue Code §401(a), in which account holders direct their own investments through private carriers.



Am I eligible?

Academic and unclassified employees of Louisiana colleges, universities, and community colleges can participate in the ORP. This retirement plan is also available to employees of any constitutionally established board that manages institutions of higher education.

How does it work?

- An ORP account is owned by the participant, and there is no waiting period to join the plan. ORP participants are 100% vested from the date of enrollment.
- Participant and employer contributions are invested by the designated ORP carrier in the investment options chosen by the participant.
- The performance of the participant's investments determines the retirement benefit due. Projections of possible benefits are provided, but not guaranteed, by the ORP carriers.

Who are the ORP carriers?

The following private ORP carriers have contracts through June 30, 2025:



Voya Life Insurance
& Annuity Company

<https://trsl.beready2retire.com/>



Teachers Insurance and
Annuity Association (TIAA)

www.tiaa.org/louisianaorp



Corebridge Financial
(formerly AIG Retirement
Services)

<https://corebridgefinancial.com/rs/trsl>

What contributions will be credited to my ORP account?

ORP participants contribute 8.0% of salary, less a 0.05% TRSL administrative fee.

Higher education employers:

The minimum contribution rate is 6.2%. However, higher education boards created by Article VIII of the Louisiana Constitution can establish the employer contribution rate above the 6.2% by board resolution.

NOTE: Any rates established by board resolution are applicable to each board's employees and the employees of each institution and agency under its supervision and control, including laboratory schools.

Non-higher education employers:

The employer contribution rate must be the greater of the employer normal cost contribution for the TRSL Regular Plan, or 6.2%.

What is normal cost?

It is the cost of funding the benefits for active members in the TRSL Regular Plan (a defined benefit retirement plan) earned that year. The normal cost is calculated by accounting for the TRSL Regular Plan's historical experiences and its assumptions about future events—such as investment returns, mortality/disability rates, salary increases, and termination/retirement rates.

Should I join TRSL or ORP?

You should carefully and realistically consider your career expectations before deciding whether to participate in TRSL or the ORP.

Points to consider:

- If you expect to change job positions or leave Louisiana within five years, the ORP may be a good idea because it is portable to most other U.S. colleges and universities.
- If you plan to continue teaching or working in Louisiana at a public college, university, community college, technical college, school, or at a state or local government agency, TRSL is probably the better choice. See our publication, *Pocket Guide (for New & Returning Members)*, for more information about a TRSL retirement benefit.
- If you are also eligible for Social Security benefits from other employment, your Social Security benefit may be reduced according to federal regulations regardless of whether you participate in TRSL or the ORP. For more information, see our brochure *Social Security & TRSL Benefits* at www.TRSL.org.

Still not sure?

If you aren't sure where your career will take you, TRSL may still be the better choice. Here's why:

- **Deferred retirement:** With five years of service credit, you can leave your contributions with TRSL and retire at age 60 or 62 with a lifetime TRSL benefit based on 12.5% of your highest, five-year average compensation.

NOTE: Retirement age is 60 for individuals who first joined a state public retirement system between 1/1/2011 and 6/30/2015; and age 62 for those who joined on or after 7/1/2015.

- **Option to transfer:** Prior to obtaining five years of creditable service in TRSL, you can change your mind and transfer the employee portion of your retirement contributions into the ORP. The employer portion of your existing contributions remains with TRSL.

Look carefully at the “Comparison of Benefit Features” in this brochure. There is also an online calculator on our website at www.TRSL.org for comparing ORP and TRSL benefits. These tools are designed to help you make the best choice for you and your family.

If you are interested in the ORP, your personnel office or TRSL can provide more information. To enroll in the ORP, you will need to submit a completed *Application for Optional Retirement Plan or Change of Carrier* (Form 16), available at www.TRSL.org.



Payment options

ORP account balances can be distributed by any of the following means:

Payment options for ORP balances:

- A lifetime income
- Trustee-to-trustee, single lump-sum cash rollover between qualified plans
- IRA
- Death benefits

ORP account balances can be rolled over to another IRS-qualified retirement plan or to an IRA(s) after termination of employment in all positions where you are eligible to participate in the ORP.

The ORP cannot be distributed as a cash distribution payable to the participant or a single lump sum. However, a one-time, lump-sum payment of up to 36 months of your annuity is available from the ORP account at the time of retirement in addition to a lifetime annuity. If the up-front, lump sum is chosen, lifetime benefits would be reduced accordingly. (LSA-R.S. 11:929B)

All payment options/distributions must be approved by your ORP carrier.



IMPORTANT! The decision to join the ORP is irrevocable, and you will not be able to later join TRSL. Even if you change to another employer that reports to TRSL, your participation in the ORP will continue.

Comparison of benefit features

Plan type

TRSL	Defined benefit plan: Monthly pension determined by years of service, highest five-year average annual salary, & a benefit factor of 2.5%.
ORP	Defined contribution plan: Monthly annuity determined by employer & participant contributions and investment return on those contributions.

Contributions

TRSL	Contributions do not determine benefits. Employee's contribution is 8% of salary. The employer makes a normal cost contribution.
ORP	Contributions determine benefits. Employee's contribution is 8% of salary (less a 0.05% administrative fee). Employer contribution: Minimum contribution rate must be at least 6.2%. Higher education governing boards may set a rate above the minimum.

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 after at least five years of service at age 60 [†] or age 62 [‡] . Refund of employee contributions, upon request, at termination of employment.
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 participation.

Guaranteed by

TRSL	State of Louisiana
ORP	Solvency of the ORP carrier

[†]For individuals who first became members of a state public retirement system between 1/1/2011 & 6/30/2015

[‡]For individuals who first became members of a state public retirement system on or after 7/1/2015

Plan election

TRSL	An ORP-eligible member has five years after first joining TRSL to change to the ORP.
ORP	The decision to join ORP is irrevocable. An ORP participant can't change their mind and join TRSL.

Survivor benefits

TRSL	Upon your death, if you have five years of service credit, your spouse and minor children 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.

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 disability benefits from TRSL 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 colleges and universities in the United States.

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. (See ORP carrier's brochure.)

Pay into Social Security?

TRSL	No
ORP	No

**For individuals who first became members of a state public retirement system on or after 1/1/2011*

We're here to help!

Physical address:

8401 United Plaza Blvd, Ste 300
Baton Rouge LA 70809-7017

Mailing address:

PO Box 94123
Baton Rouge LA 70804-9123

Telephone: 225-925-6446

Toll free (outside Baton Rouge area):

1-877-ASK-TRSL (1-877-275-8775)

Questions: www.AskTRSL.org

Web: www.TRSL.org

Facebook: facebook.com/TRSLonline

Twitter: [@TRSLonline](https://twitter.com/TRSLonline)

YouTube: [TRSLonline](https://www.youtube.com/TRSLonline)



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