

TRS & ORP Comparison

Effective July 1, 2015

Choose carefully! Your retirement plan choice is irrevocable during your University System of Georgia employment

	Teachers Retirement System	Optional Retirement Plan
Type of plan	Defined Benefit What is a defined benefit plan? (see below)	Defined Contribution What is a defined contribution plan? (see below)
Benefit at retirement	Based on formula: 2% x years of service x avg. of 24 highest consecutive months salary	Based on account accumulations, your age, and the type of annuity you select at retirement
Vesting	10 years of creditable service	Immediate
Disability benefits	Available after 10 years creditable system service	No disability benefit
Contribution rates	Employee: 6.00% Employer: 14.27%	Employee: 6.00% Employer: 9.24%
Responsibility for management of funds & investments	Teachers Retirement System; retirement benefit is guaranteed based on formula, not on returns	Employee takes active role; retirement benefit is based on investments and returns

Defined benefit plan

A defined benefit plan is a retirement account for which your employer does all the work, including contributing on your behalf and deciding where to invest. It provides a set payout (lump sum or monthly benefit) when you retire, based on your salary and how long you worked there. Typically, a “vesting” period is required to be eligible for full retirement benefits.

Defined contribution plan

A type of retirement plan in which the employer, employee or both make contributions on a regular basis. Individual accounts are set up for participants and benefits are based on the amounts credited to these accounts (through employer contributions and, if applicable, employee contributions) plus any investment earnings on the money in the account. Only employer contributions to the account are guaranteed, not the future benefits. In defined contribution plans, future benefits fluctuate on the basis of investment earnings.

You may attend a benefits overview session, held the first and third Mondays of each month at the Training and Development Center. No registration is necessary and the programs begin at 9:00am. In the event of a scheduled holiday, the session will be held the following Tuesday.

Refer to the Benefits section on the HR Web site (www.hr.uga.edu) for complete retirement plan details. Questions? Contact Employee Benefits at (706) 542-2222 or benefits@uga.edu