



## FOLDER #2 - INSTRUCTIONS FOR COMPLETING RETIREMENT ENROLLMENT FORMS

(Regular)

The information and instructions in this folder relate to retirement for eligible Academic, Appointed, or Unclassified employees. If you do not meet all of the following enrollment eligibility requirements, please contact the AgCenter Human Resource Management Office for the correct retirement folder:

1. Must be an Academic, Appointed or Unclassified employee
2. Appointment must exceed two years
3. If part-time, the appointment must be for greater than 50% of full-time
4. Not on an F-1 or J-1 visa

**NOTE:** If you have 10 or more years of creditable service in (or are retired from) the La. State Employees' Retirement System or if you are retired from the Teachers' Retirement System of Louisiana, please contact the AgCenter Human Resource Management Office before proceeding with these enrollment forms.

You have the option of enrolling in either the Teachers' Retirement System of Louisiana (TRSL) or the Optional Retirement Plan (ORP). Your choice of a retirement system must be submitted to the AgCenter Human Resource Management Office within the first sixty (60) days of employment. After 60 days, if enrollment forms are not submitted, you will be required to participate in the Teachers' Retirement System of Louisiana. *You are encouraged to use these sixty (60) days for obtaining any available information to aid in making your retirement system election.* The employee contribution of 8% will be immediately withheld from your salary. As soon as you make a retirement election, these contributions will be forwarded to the proper system.

1. Teachers' Retirement System of Louisiana (TRSL) - a "defined benefit" plan wherein the employee and employer make contributions into a "pool" of funds from which you receive a retirement income based on a benefit formula. The employee contribution is 8%. The formula for maximum retirement benefits is 2.5 percent times years of creditable service (with certain provisions for converting unused leave to service credit) times the average salary of the thirty-six (36) highest successive months. Minimum eligibility requirements to retire and the formula percentages are: 5 years at age 60 - excluding military (2.5%); 20 years at any age (actuarially reduced benefit); 25 years at age 55 (2.5%); 30 years at any age (2.5%);

2. Optional Retirement Plan (ORP) - Authorized carriers are ING (AETNA), TIAA-CREF, and AIG (VALIC) - a "defined contribution" plan to which you and your employer make contributions through TRSL to the carrier of your choice to be invested in a retirement annuity contract in your name. The employee contribution is 8% and the employer contribution for fiscal year 2006-2007 is 6.6401%. There is a small TRSL administrative fee of .1% in addition to any administrative fee charged by the individual carrier. The amount of your monthly annuity income at retirement is based exclusively on the contributions and their investment earnings, the age at which you begin receiving benefits, and the type of annuity you choose. Once a year, each November and December, you may elect a change of carrier with an effective date of January 1 of the following year.

**INCLUDED IN THE EMPLOYMENT PACKET ARE BROCHURES FOR THE TEACHERS' RETIREMENT SYSTEM AND THE THREE OPTIONAL RETIREMENT PLAN CARRIERS. PLEASE MAKE ONE ELECTION.**

**INSTRUCTIONS FOR ENROLLING IN THE TEACHERS' RETIREMENT SYSTEM** - *If you elect the TRSL, you will have the option to make an irrevocable election to transfer to the ORP at any time prior to attainment of five years of creditable service in the TRSL.*

1. Complete Section I of the Enrollment Application (Form 2) and note the following:
  - a. Attach a copy of your birth certificate and social security card.
  - b. Home address and telephone number should be your new address and number. Leave blank if not yet known.
2. Complete the Designation of Beneficiary forms (Forms 3 & 3S), front and back.
3. Send all completed forms to the AgCenter Human Resource Management Office

**INSTRUCTIONS FOR ENROLLING IN THE OPTIONAL RETIREMENT PLAN** - *The decision to participate in the ORP is irrevocable.*

1. Complete Sections I, II and III of the blue Application for Optional Retirement Plan (Form 16). Submit this form to the AgCenter Human Resource Management Office.
2. Listed below are the contact persons for each carrier. The carrier of your choice will provide you with the ORP carrier's contract. The carrier's contract must be completed and submitted directly to the carrier. A **copy** must be sent to the AgCenter Human Resource Management Office with the blue ORP Enrollment Application (Form 16) mentioned in item #1.

ING - Mike Sotile (225-766-8711)  
TIAA-CREF -Katherine Hildreth (1-800-842-2006)  
AIG (VALIC) - David Mills (225/931-9090) or Drake Aguilard (504/599-9015)

**STATEMENT CONCERNING YOUR EMPLOYMENT IN A JOB NOT COVERED BY SOCIAL SECURITY** – This form explains the potential effects of two provisions in the Social Security law for workers who also receive a pension based on their work in a job not covered by Social Security. The Windfall Elimination Provision (WEP) can affect the amount of a worker's Social Security retirement or disability benefit. The Government Pension Offset (GPO) can affect any possible Social Security benefit entitlement as a spouse or an ex-spouse. Complete this form and return to the AgCenter HRM Office.

*Any questions regarding the completion of these documents should be directed to Kathy Loyd in the AgCenter Human Resource Management Office at (225) 578-8229.*



(Folder #2 (Regular) instructions continued...)

ORP/TRSL CAPSULE

WHAT KIND OF PLAN IS THE ORP? The ORP is a "defined contribution" plan to which you and your institution make contributions through TRSL to an approved carrier to be invested in a retirement annuity contract in your name. The amount of your monthly annuity income at retirement is based exclusively on these contributions (less a TRSL administrative fee), their investment earnings, the age at which you begin receiving benefits, and the type of annuity you choose.

HOW DOES ORP DIFFER FROM THE REGULAR TRSL PLAN? The TRSL is a "defined benefit" plan wherein the employer and employee make contributions into a "pool" of funds from which you receive a retirement income based on a benefit formula. The amount of benefit is based on your years of service and the average salary for your thirty-six highest successive months.

The TRSL plan also has provisions for disability and survivor benefits whereas the ORP has no such specific provisions except for the distribution of the funds that were accumulated in your account prior to your death or disability.

Leave Credit: Upon retirement, the employee is paid for up to 200 hours of sick leave and up to 300 hours of annual leave regardless of which system the employee is a member of. *(NOTE: An ORP member must meet the minimum retirement eligibility criteria of the TRSL in order to be considered "retired" by the University.)* In addition to the leave payment, a TRSL member is allowed to convert into additional service credit, one year of sick leave at no cost. All unused, unpaid sick leave earned after 06/30/90 in excess of an amount which would convert to one year of service credit and all unused, unpaid annual leave earned after 06/30/90 may only be added to a member's service account if purchased. Under the ORP, except for payment of sick and annual leave upon "retirement", leave cannot be used to enhance the retirement benefit.

IF I ELECT ORP, WHAT HAPPENS TO THE CONTRIBUTIONS I HAVE MADE TO TRSL? If you have less than 5 years of prior service in TRSL, you may join ORP and have accumulated employee contributions transferred or if you have 5 years or more in TRSL, you may allow the contributions to remain with TRSL for the purpose of receiving a retirement benefit when you are eligible.

HOW DOES VESTING COMPARE UNDER THE TRSL AND ORP? With TRSL, benefits are fully vested after you have completed five years of service. If you terminate employment prior to the expiration of the 5 year vesting period, you are entitled to a refund of your employee contributions only. A lump sum refund is available ninety days after separation.

Under the ORP, your employee contributions, less an administrative fee, as well as the normal cost contribution of your employer, are fully and immediately vested in your retirement annuity contract. This allows for portability to or from other institutions of higher education for the purchase of additional annuity contracts.

WHICH CARRIERS ARE AUTHORIZED UNDER THE LOUISIANA ORP? The ORP currently provides for three carriers; ING (AETNA), AIG (VALIC) and TIAA-CREF.

IF I AM ELECTING ORP, HOW DO I CHOOSE A CARRIER? Each carrier can supply you with an ORP enrollment form and the carrier's application. ORP participants may select only one carrier at a time and this selection must be made on the enrollment form. The completed election form must be returned to the LSU Agricultural Center Human Resource Management Office in order for the enrollment to be effective.

CAN I EVER CHANGE CARRIERS? Once a year, every November and December, you may elect a change of carrier. This election will be effective January 1 of the following year. Otherwise, no change in your ORP carrier is allowed.

**A LAST THOUGHT** - This introduction is provided to inform you of some basic rules with reference to the ORP. Again, **your decision to participate in the ORP is irrevocable** and therefore most important to your retirement planning, so you are encouraged to utilize any available information and make all necessary inquiries prior to making your election.