



TRS 4

Teachers' Retirement System Basics

<p>Overview</p> <p>TRS Account Types</p> <p>Membership</p> <p>Employee Contribution Rates</p> <p>Defining Employment</p> <p>Retirement Eligibility</p>	<p>Beneficiary Designations</p> <p>Annual Statements</p> <p>Using Pathway</p> <p>Always Keep Addresses Current With TRS</p> <p>Contacting TRS</p>
--	--

Overview

This Teachers' Retirement System (TRS) Basics is for members in TRS 4 who entered TRS on or after Jan. 1, 2022.

TRS offers these members a comprehensive retirement plan that consists of a foundational benefit, a supplemental benefit, life insurance and retiree health insurance. The foundational defined benefit pays a lifetime retirement annuity, and the supplemental benefit, which is a

TRS Account Types			
TRS has four account types based on date of entry.			
TRS 1	TRS 2	TRS 3	TRS 4
Entry before July 1, 2002	Entry on or between July 1, 2002, and June 30, 2008	Entry on or between July 1, 2008, and Dec. 31, 2021	Entry on or after Jan. 1, 2022
TRS 1, TRS 2 and TRS 3 members should refer to the TRS Basics for them.			

savings component, can provide additional retirement income. Retirement eligibility is determined by age and years of service. The foundational benefit is based on length of service, final average salary, a multiplier and the annuity option chosen. The supplemental benefit, which includes mandatory contributions and any voluntary contributions, is determined by the account balance and the options chosen. Options for the supplemental benefit, either at retirement or a later date, include annuitizing it or having the account balance paid directly to the member.

TRS is administered by an 11-member Board of Trustees (board) that includes seven members directly elected annually by retirees and active members to staggered, four-year terms. The other members are the state education commissioner, the state treasurer and two gubernatorial appointees with financial experience.

Membership

Non-university: TRS membership is mandatory for positions with TRS employers that require either certification or graduation from a four-year college or university. Additionally, any person providing part-time services in a position requiring certification or graduation from a four-year college or university shall be a member. Any person providing substitute teaching services that are the same or similar to those teaching services provided by full-time, certified teachers shall be a member. Non-university employees contribute to TRS, but not to Social Security, because TRS benefits for non-university employees replace Social Security.

University: University employees are eligible to participate with TRS if employed full-time in a position that requires either certification or graduation from a four-year college or university. University employees contribute to Social Security and TRS because university employees receive a proportionate TRS benefit that complements Social Security.

Employee Contribution Rates	
Non-university	University
14.75%	9.775%
These mandatory salary contributions to TRS are tax deferred and are divided according to law for foundational, supplemental and retiree health insurance benefits. Additional amounts may be contributed toward the supplemental benefit.	

Defining Employment

Full time for retirement purposes is employment in a position that requires services on a continuing basis equal to at least seven-tenths of the normal full-time contract for any fiscal year.

Part time for retirement purposes is any employment that is less than full time or less than seven-tenths of the normal full-time contract for any fiscal year. Members providing part-time and substitute services for a non-university employer participate in TRS and receive retirement credit.

Retirement Eligibility

TRS 4	
No penalty Age 57 with 30 years Age 60 with 10 years Age 65 with five years	Early retirement penalty (up to 18%) Age 57 with 10 years
Age eligibility is reached on the first of the month following a member's birthday.	

Beneficiary Designations

Failure to designate beneficiaries – and keep those designations current – can result in benefits for survivors not being provided as a member would wish. TRS members make separate beneficiary designations for life insurance and for the member account. Within the member account, different beneficiaries may be designated for the foundational and supplemental benefits. If an active member dies, beneficiaries receive the life insurance benefit and the retirement contributions in the account unless the account is eligible to be retired. If married, the member's spouse is eligible for survivorship benefits unless the member subsequently named someone else as primary beneficiary or co-beneficiary of the foundational benefit. The spouse must sign an acknowledgment if not named as the primary beneficiary.

Annual Statements

Each fall, TRS sends an annual statement of account. The statement shows yearly salary history and service credit as reported by employers, account interest and beneficiary designations. During a career, the annual statement is one of the most important retirement planning documents a member will receive. The accuracy of the information is important to determining retirement benefit amounts and serves as the basis for estimates of retirement benefits.










TRS routinely audits member accounts to maintain accurate information, but members can help that effort by reviewing statements for accuracy. If an error is discovered, contact TRS or the employer. Correction of certain errors requires verification by the employer.

Using Pathway

Pathway (<https://mss.trs.gov>) is TRS's secure, online account access site for members and retirees. Pathway allows members to update personal information; create and view benefit estimates; apply for retirement; view annual statements; register for seminars and webinars; and vote in board elections. A how-to-register video is available at <https://trs.ky.gov/home/seminars-workshops/videos/#pregis>.

Always Keep Addresses Current with TRS

It is important to keep email and physical addresses current with TRS. Some information is provided through email, in addition to newsletters, board election ballots, annual statements, special notices and other documents that are mailed. Changing addresses with an employer does not change the information with TRS.

Contacting TRS				
	Address		Website	
	479 Versailles Road, Frankfort, KY 40601		https://trs.ky.gov	800-618-1687
	Hours		Email	
	8 a.m. – 5 p.m. ET Monday – Friday		info@trs.ky.gov	502-848-8500
	Facebook		Pathway	
	https://www.facebook.com/KyTeachersRS		https://mss.trs.ky.gov/	Twitter @KyTeachersRS

This is general information. The law prevails if it conflicts with this publication. Contact TRS before making retirement decisions.