

Retirement Plans

I. Tennessee Consolidated Retirement System (TCRS)

This is the only retirement plan available to non-exempt, classified employees. Full vesting in TCRS is reached after 5 years of service. (A vested member has accrued a right to a retirement benefit).

Exempt, classified employees may opt to participate in TCRS or the Optional Retirement Program (ORP).

TCRS and the ORP are non-contributory on the part of the employee; the university contributes a percentage of your monthly base salary toward the retirement plan.

II. Optional Retirement Program (ORP)

ORP members attain immediate vesting rights. This retirement option allows the member to direct employer contributions, made on his/her behalf, to one or more of the following designated companies for investment of the funds:

- 1. VALIC**
- 2. ING**
- 3. TIAA-CREF**

Optional Retirement Plan (ORP) members are offered a one-time opportunity to transfer membership to TCRS. The legislation can be found in Public Chapter 738 or TCA 8-35-403(f). The specifics of this one-time opportunity are as follows:

- The member must be a current State of Tennessee employee or higher education employee at the time of transfer with 5 or more years of service in the ORP.
- The member must not have received a cash withdrawal or other distribution from the ORP.
- The transfer must include Tennessee ORP service. If you elect to transfer to TCRS, you waive all current and future rights to ORP benefits from Tennessee contributions. The decision is irrevocable.
- The cost of the transfer will be the greater of (a) the ORP account balance, or (b) a percentage of the member's compensation during the ORP participation period, plus annual interest. Most likely, in many cases, the ORP balance will not cover the total cost of the transfer.
- The required payment must be made in lump sum not later than December 31 of the transfer year stipulated. There are various options for funding the payment including transferring your ORP account or other tax-deferred retirement accounts, or using personal savings.

Employees are under no obligation to transfer membership from the ORP to TCRS.