OKLAHOMA
Teachers' Retirement System

MEMBER HANDBOOK

Describing Plan Provisions as of July 1, 2026

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About the Teachers' Retirement System of Oklahoma

How do I contact the Teachers' Retirement System?

MyTRS: mytrs.trs.ok.gov
Website: oklahoma.gov/trs
Hours: 8:00 am – 5:00 pm; Monday – Friday (excluding state holidays)
Phone: (405) 521-2387
E-mail: mail@trs.ok.gov
Mail: Teachers' Retirement System
P.O. Box 53524
Oklahoma City, OK 73152-3524

Location: 301 N.W. 63rd, Suite 500
Oklahoma City, OK 73116

Who's Who at the Teachers' Retirement System?

Board of Trustees
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Dessa Herl, Chief Operating Officer

What is the purpose of TRS?

The Teachers' Retirement System of Oklahoma (TRS) is a state agency that administers retirement assets and provides income security through a monthly retirement benefit payable throughout the lifetime of each of our members. Our members are the educators and employees working in Oklahoma public education institutions and agencies. TRS is committed to fulfilling the mission statement as set forth by the Board of Trustees:

Mission Statement
We collect, protect and grow assets to provide a secure retirement income for public education employees.

What is the purpose of the Member Handbook?

The Member Handbook is an important part of TRS's commitment to provide TRS members with valuable information about their benefits and retirement. Do not rely solely upon this handbook to make any decisions regarding your retirement. Please contact the Teachers' Retirement System of Oklahoma directly with any questions you may have about your benefits and retirement.

The Member Handbook is not a "guidance document" as defined by Senate Bill 1433 (2026).It does not carry the force and effect of law unless expressly authorized by statute, contract, or binding legal decision. It is not legal advice and is intended for informational purposes only. The Member Handbook is not a comprehensive representation of all aspects of TRS. For state laws and administrative rules applicable to the governance of TRS, members should refer to Title 70 of the Oklahoma Statutes and Title 715 of the Oklahoma Administrative Code.

What retirement plans are managed by TRS?

Defined Benefit Plan: TRS manages a defined benefit retirement plan. This plan is qualified under Section 401(a) of the Internal Revenue Code. Eligible retirees of TRS's 401(a) plan receive a monthly benefit throughout their lifetime through a formula based on the member's years of service and final average salary. The formula gives retirees a percentage of their salary as a retirement benefit. The more years of service the member accumulates, the greater the percentage of salary the member will receive at retirement. This handbook will explain the various aspects of TRS's 401(a) defined benefit plan.

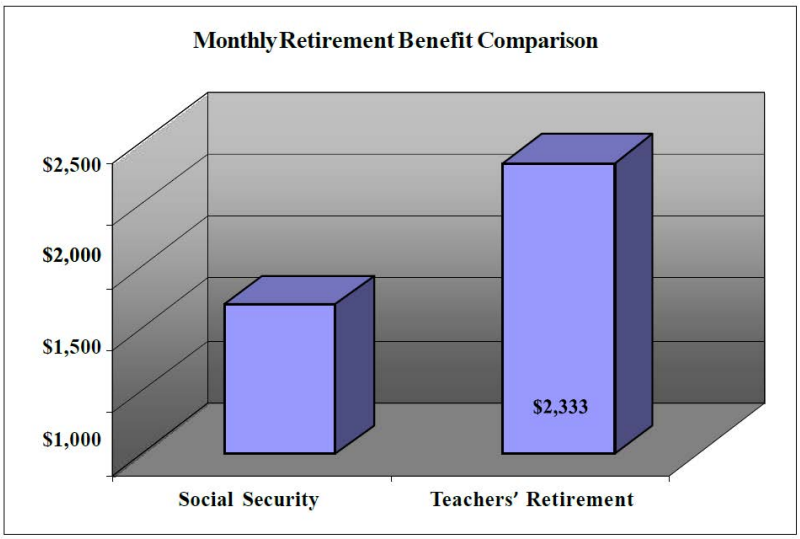
What is the three-legged stool of retirement planning?

The concept of retirement income from three sources is often referred to as the "three-legged stool". It is comprised of the lifetime monthly retirement benefit from TRS's 401(a) plan, Social Security benefits, and income from a defined contribution plan, such as a 403(b) or 457(b) plan. The components of the three-legged stool may provide retirees with a steady stream of income to replace the income earned before retirement.

How does the Teachers' Retirement System defined benefit amount compare to other retirement benefits?

TRS's 401(a) defined benefit is almost twice as much when compared to the Social Security benefit.

The example below illustrates the retirement benefits for a teacher that retires July 1, 2025 at age 62 with 35 years of service and a final average salary at retirement of $40,000.



If this teacher were to purchase a retirement annuity at age 62 from an insurance company that provided the same Teachers' Retirement monthly benefit of $2,333 per month for life, it could cost over $450,000.

Membership Provisions

Who is eligible to participate in the 401(a) plan?

Except as provided in the Alternate Retirement Plan for Comprehensive Universities Act, all classified employees are required to be members of TRS. Members who participate in another public or alternative retirement plan which will provide benefits may not receive service credit in TRS for that same employment service. Additionally, all non-classified optional personnel regularly employed for more than twenty hours per week may join TRS subject to certain requirements.

How do I enroll in the 401(a) plan?

Contact your school's or agency's payroll officer to determine eligibility and complete all necessary paperwork to ensure contributions are remitted on your behalf to the Teachers' Retirement System of Oklahoma.

How are contributions remitted to TRS?

Contributions are remitted through TRS participating employers. If the employer does not pay the employee's share of contributions as a fringe benefit, then the employer must remit the employee's share through payroll deduction. The employee's contribution rate is 7% of regular annual compensation. Contributions must be remitted on all regular annual compensation earned each fiscal or contract year to receive service credit for that year. The employer must also remit the employer's share of contributions (fee paid to the general fund and not credited to the member's account) for all eligible employees and all retirees (retired under this system) that return to employment.

What is Regular Annual Compensation?

Regular annual compensation is the salary used for calculating the retirement benefit. Regular annual compensation is defined as salary plus employer-paid fringe benefits. Contributions must be remitted on all regular annual compensation, including compensation for additional duties and secondary employment. Contributions may not be paid on more than what is actually earned. The following shall not be included as regular annual compensation: reimbursements for travel, housing or other expenses; flexible benefit allowance paid by other sources; stipends for national certification or academic achievement; payment for unused vacation or sick leave; and payment made for reason of termination or retirement.

May I terminate contributions without terminating employment?

No.

When can I request to withdraw my member account?

Upon termination of employment with a TRS participating employer,, a member may request an application to withdraw the accumulated member contributions remitted to their account. Four months after termination of employment with a TRS participating employer is the earliest that payment can be made. Members are not eligible to receive the employer's share of contributions. A member is not eligible to withdraw if they are employed with a TRS participating employer in any capacity, including positions that are otherwise ineligible for TRS membership. The termination date is verified by the member's former employer(s).

May I request to withdraw funds from my account for financial hardship?

No.

May I roll over withdrawn funds to another retirement plan?

Pre-tax funds may be rolled over to another tax-deferred account. After-tax funds may also be rolled over provided the financial institution's letter of acceptance specifically includes acceptance of after-tax funds. Any withdrawn funds comprising a required minimum distribution (RMD) may not be rolled over.

What happens to my account after the funds have been withdrawn?

Withdrawal of an account terminates the right to benefits for all service credit earned before the date of withdrawal. However, service withdrawn from TRS may be reinstated later if an eligible member resumes Oklahoma public education employment, has established twelve calendar months of creditable Oklahoma service, and completes a redeposit of withdrawn contributions including all applicable interest.

Retirement Eligibility

How do I become vested in TRS?

Members who join TRS prior to November 1, 2017, and have accumulated a minimum of five (5) years of eligible service credit in the public schools of Oklahoma shall be vested in TRS and considered eligible to receive a monthly retirement benefit at some future date. Members who join TRS on or after

November 1, 2017, will become vested when they have accumulated seven (7) years of eligible service credit.

Membership service, including redeposit of previously withdrawn service and service transferred from Oklahoma Public Employees Retirement System (OPERS), may count towards the years required to vest an account. Unused sick leave and purchased service may not count as vested service except for service credit purchased for adjunct service in Higher Education.

When will I be eligible to retire?

A member may be eligible for retirement in one of three ways: (1) a member may choose to take an early, reduced retirement benefit, (2) qualify for disability retirement, or (3) qualify for a regular, unreduced retirement benefit.

A member is eligible for a regular, unreduced retirement benefit when one of the following requirements is met:

Age 62 or Combination 80. Those who joined TRS prior to 7/1/92 may retire at age 62 or when the member's age and years of creditable service total 80 points (i.e., age 60 + 20 service years = 80 points). Those who joined TRS during the 1991-92 school year were required to remit contributions on their full 1991-92 salary prior to end of school year to qualify for the Combination 80. The highest three salaries are used in the calculation of the benefit (limited to salary cap elections, see page 14); or

Age 62 or Combination 90. Those who joined TRS on or after 7/1/92 and before 11/1/11 may retire at age 62 or when the member's age and years of creditable service total 90 points (i.e., age 55 + 35 service years = 90 points). The highest consecutive five contributory salaries are used to calculate their benefit in the retirement formula (limited to pre 7/1/95 salary cap elections, see page 14); or

Age 65 or Combination 90 at Age 60. Those who joined TRS on or after 11/1/11 may retire at age 65 or when the member's age is at least 60 and years of creditable service total at least 90 points (i.e., age 60 + 30 service years = 90 points). The highest consecutive five contributory salaries are used to calculate their benefit in the retirement formula.

When will I be eligible for early retirement?

Reduced benefits are available for members who have not reached full retirement eligibility under regular retirement. Reduction factors vary depending on age and date of membership when joining TRS.

Age Reduction Factors Prior to 11/01/11	Age Reduction Factors After 10/31/11
62 -- 1.000000	65 -- 1.00
61 -- 0.917331	64 -- 0.93
60 -- .842570	63 -- 0.86
59 -- 0.774809	62 -- 0.80
58 -- 0.713266	61 -- 0.73
57 -- 0.657264	60 – 0.65
56 -- 0.606217	
55 -- 0.559613	

NOTE: If a member terminates employment before reaching regular retirement age, the member may wait (without working) to retire until they reach their regular retirement age to avoid a reduced retirement benefit. However, waiting past regular retirement age if the member is no longer employed does not increase their monthly benefit, so they should not delay retirement once they qualify.

What if I become disabled before normal retirement age?

Any member who is actively employed in the public schools of Oklahoma and is regularly contributing to TRS shall be eligible to retire due to a medical disability which renders the member unable to perform regular employment duties if the member:

- has at least ten (10) years of Oklahoma membership service; and
- is not eligible for regular, unreduced retirement; and
- submits a valid, complete application for disability retirement; and either:
    - receives a Social Security Administration disability award, or
    - is found by TRS's Medical Board to be medically unable to continue regular duties.

In addition, any member who has terminated employment, or is on leave-without-pay status, for reason of the disability, shall be eligible to apply for disability retirement if:

- the above conditions are met; **and**
- the disability existed at the time the leave-without-pay status commenced; or
- the disability existed at the time the termination of employment from the public schools of Oklahoma occurred, and

- the disability was the reason for the leave status or termination of employment.

If a disability retirement is approved, the monthly maximum benefit is calculated in the same manner as the Maximum Plan of Retirement, except that the benefit will not be reduced based on the member's age. A disabled member may also elect to take a reduced benefit under Option 2 for their spouse to receive the 100% joint survivor benefit upon death of the member. Benefit payments begin the month after the Medical Board approves the member's disability application without retroactive payments.

Retirement Benefits

How will my monthly benefit be computed at retirement?

Benefits are calculated using a defined retirement formula:

2% x (service years) x (final average salary) ÷ 12 = monthly benefit. The 2% factor is fixed; however, benefits will vary depending on the number of service years and the final average salary.

How are service years credited to my account?

Membership Service is obtained by contributing the statutory percentage of regular annual compensation while employed in Oklahoma public education. This service is used to vest an account for retirement. **The member is ultimately responsible for the accuracy and completeness of the contributions submitted to TRS.** If a contribution deficit is noted on the account, service credit cannot be awarded unless the deficit is paid.

Creditable Service is all service that is credited to your account, including purchased service and unused sick leave credit.

Full-Time Service For service performed prior to July 1, 2013, a member employed at least 30 hours per week who earns at least $4000/year shall receive one year of service for each year worked (120 workdays minimum). For service performed on or after July 1, 2013, full-time employment will be determined based upon the information provided by each employer certifying full-time equivalency for each position, subject to approval by TRS.

Half-time Service For service performed prior to July 1, 2013, a member employed at least four (4) but less than six (6) hours per day shall be considered half-time. Half-time service shall receive one-half (1/2) year of service credit after completing six (6) months of employment in a school year. For service

performed on or after July 1, 2013, half- time service will be determined based upon the information provided by each employer certifying full-time employment for each position, subject to the approval of TRS.

Service Credit From July 1, 2016, through June 30, 2019. Service credit will be the result of days worked during the employment year divided by the number of days the full-time equivalent would be required to work during the employment year. Fractional service credit awarded for part-time employment will be based on the number of hours the employee worked per week divided by the number of hours the full-time equivalent is required to work.

Service Credit On or After July 1, 2019. The formula used to calculate service credit will be applied in the same manner for both full-time and part-time employment. The minimum requirement for full-time employment is 6 hours per day, 30 hours per week, 8 months per year. Service credit will be reduced if the employee works less than the minimum requirement for full-time employment, or less than the full-time equivalent for the position worked. Service credit will be calculated by multiplying the full-time equivalent percentage by the employment year percentage as follows:

(1) Full-time equivalent percentage is calculated by dividing the number of hours per week the member was employed by the number of hours per week for the full-time equivalent position.

(2) Employment year percentage is calculated by dividing the number of days the member was employed by the number of days required for the full-time equivalent for position.

For service performed on or after July 1, 2016, service credit of less than 1.0 shall be rounded to the nearest tenths (4 hundredths and lower will round down, and 5 hundredths and higher will round up).

Combined Service For service performed prior to July 1, 2013, fractions of school terms performed as an active, contributing member in different school years, may be combined to make a total of 6 full months to receive one year of creditable service. However, service in one school year may not be divided up into fractional parts and combined in different service years to gain additional years of service. A partial year of service may also be combined with unused sick leave credit until the combined total is 120 days for an additional year of credit. For service performed on or after July 1, 2013, fractional service credit will be added together, and the resulting sum value shall be included in the retirement formula calculations.

Sick Leave Credit is service credit for documented unused sick leave accrued while working in Oklahoma public education. A total of 120 days of unused sick leave may count as one year of service credit. As of August 1, 2012, if a member has less than 120 days of unused sick leave, additional service credit for sick leave days shall be equal to the number of unused sick leave days divided by one hundred twenty (120) days. Such service shall be added to other service credit earned while employed by the public schools of Oklahoma. Sick leave in excess of 120 days will not be recognized. The following restrictions apply to sick leave for service credit: donated leave, sick leave that accrued during non-creditable service, or sick leave accrual in excess of 15 days per year will not count toward sick leave credit. Sick leave must be verified by employer at retirement or termination of employment. When sick leave cannot be verified because records are not available at the employing school(s), an average of sick leave used during the last 10 years of employment may be used to determine sick leave credit for the years documentation is not available.

How do I purchase service credit?

Purchased Service is subject to verification and documentation before a billing statement can be prepared.

What types of service may I purchase?

- **Prior Oklahoma service (non-contributory service)** – Members may purchase credit for optional service performed prior to July 1, 2021, provided the member has not previously withdrawn such service or ceased making contributions to TRS while continuing working during the period of such service, and the service otherwise meets eligibility requirements. TRS requires the member to provide a Verification of Oklahoma Service for Purchase form (Form 9).

- **Substitute Service** - Members employed as a substitute teacher may purchase credit if they were employed for at least 120 days in one school year up to a maximum of five years. TRS requires the member to provide a Verification of Oklahoma Service for Purchase form (Form 9).

- **Adjunct Service** - Members employed in an adjunct position under the Oklahoma State System of Higher Education before becoming a TRS member may purchase adjunct service if they taught 18 or more credit hours in one school year up to a maximum of five years. TRS requires the member to provide a Verification of Oklahoma Service for Purchase form (Form 9).

- **Prior Military service** – An active, contributing member of TRS may purchase credit for active duty service in the U.S. Air Force, Army, Coast Guard, Marine Corps, Navy, Space Force, and the reserve components of these services, as well as the federal and state counterparts of both the Air National Guard and Army National Guard (with an honorable discharge). Every 180 days (or 6 months) of active duty in one school year equals one year of credit, up to a maximum of five years. The member must have two (2) years of contributory Oklahoma service after the years of military service credit for each year to be purchased. Official documentation must include the type of separation, and it may be one of the following: DD Form 214, DD Form 217 or VA Certification of Active Duty and a Verification of Military Service form (Form 7). Other evidence may be required to establish the member's eligibility for military service.

- **Out-of-state service** – An active, contributing member of TRS may purchase out-of-state service credit for qualified employment in public educational institutions outside of Oklahoma, providing he or she is not receiving and is not eligible to receive retirement credit or benefits from any other state or territory of the United States. Employment service deemed ineligible for membership service in Oklahoma shall not qualify for out-of-state service credit under any conditions. The members' out-of-state service must have been covered by and credited in the employing state's public retirement system to be eligible for service credit in TRS.

The member must have two (2) years of contributory Oklahoma service after the years of out-of-state service credit for each year to be purchased. TRS requires the member to provide a Verification of Out-of-State Service form (Form 8). Included with the verification should be a list of all employment in the public schools of other states. Verification forms must be completed by the former out-of-state retirement system. TRS may require the member to provide other evidence to establish the member's eligibility for out-of-state service.

- **Service accrual during leave** - various time limits may apply; notify TRS and employer of intent to purchase and make payment to receive proper credit for leave taken.

    - **Workers' Compensation** – An active contributing member receiving temporary total disability benefits due to a work-related injury or illness will receive credit for their absence if the member was employed by the public school immediately prior to and

during the period of absence. TRS must be notified of the member's desire to receive this service credit within 4 months of the member's return to work or termination of temporary total disability benefits, whichever is earlier. Notice must be in writing from the member. The employer will verify salary information. Cost will be determined based on the salary the member should have been contributed on during workers compensation. If no payment is made for time during workers' compensation service is awarded based on the time period in which TRS received full contributions.

- **Military duty** (under USERRA) - A member receiving differential wage payments from an employer while a member is performing qualified military service must be treated as employed and the differential wage payments are treated as compensation. Upon the member's timely return to employment with the pre-military service employer, the member will be treated as not having a break in employment and may choose to make-up contributions the member would have remitted during the period of qualified military service. The member's pre-military service employer will need to submit a letter detailing the salary the member would have received during the period of qualified military service and a copy of the member's DD Form 214 or official documents certifying the period of qualified military service. Once received by TRS and reviewed, a billing can be prepared for the make-up contributions owed by both the member and employer for the period of qualified military service. The member's make-up contributions may only be made starting with their reemployment date up to a period equal to three times the length of the qualified military service (but no more than five years).

- **Family leave** (during child's first year of life) – A teacher who takes 90 days or less of leave without pay during the first year of their child's life may purchase service credit for the days taken as leave without pay. The teacher must notify TRS within 30 days of returning to work that they wish to purchase family leave and must pay the actuarial cost of the period of absence. Applicable service credit will not be awarded until such payment is received. The teacher shall have up to twelve (12) months from the date they return to work to remit payment

- **Sabbatical** Leave – A member may purchase official sabbatical leave (if designated as an "official sabbatical" by the school's governing Board) from an Oklahoma school if the member receives at least one-half pay during leave. Contributions

must be at a rate commensurate with the full-time pay earned in the prior school year. The member must elect to participate and make contributions to TRS at the time sabbatical leave is taken.

How much does it cost to purchase service?

The cost of purchasing service credit considers the following factors, among others: your age, full-time salary, and contribution level *at the time you make the purchase* (or your salary from the previous year, if it's higher) and the earliest age when you can retire with full benefits. It also considers an estimated future salary at retirement. **Typically, the longer you wait to purchase service, the more expensive the cost becomes.** Billings must be paid by the deadline on the billing statement. If you don't complete the purchase by the deadline on your billing statement, the cost will need to be recalculated, and it may increase.

All bills must be paid **90 days prior** to your desired retirement date.

How is my Final Average Salary (FAS) calculated?

Regular Annual Compensation: Regular annual compensation is the salary used for calculating the retirement benefit. For more details about the salary used to calculate the retirement benefit and salary excluded from regular annual compensation, see page 8 of this handbook.

Membership Date: Combination 80 members (joined prior to 7/1/92) use their highest three salaries in the average salary calculation. Combination 90 and Combination 90/Minimum Age 60 members use their highest consecutive five salaries in the average salary calculation.

Employer: Salaries for employees in elementary & secondary schools, career technology centers, two-year colleges, and state education agencies may be calculated in a different way than the salaries of employees who work at regional (4-year) or comprehensive universities (OU/OSU) due to application of salary caps and/or ability to participate in the Education Employees Service Incentive Program (EESIP).

Salary Cap Elections: Salaries are calculated based on the highest salaries; however, if the highest salaries exceed the salary cap elections or limits in place prior to 7/01/1995, then a multi-tiered calculation will result.

How are salary caps applied in the benefit calculation?

Prior to July 1, 1995, all contributions were limited to salary caps. Options were given to remit on low base or high base:

- $7,800 low base vs. $10,000 high base (pre- 7/79),
- $25,000 low base vs. $40,000 high base (7/87 – 6/95),
- Salaries on or after 7/1/95 are uncapped for all members, except OU & OSU employees who may have a cap until 7/1/07.

The following examples illustrate the difference that the salary cap makes in the retirement benefit calculation for a member who joined TRS on 7/01/1974. Both examples also assume:

Retirement Date: 7/01/04 (with 30 years of service)
Employer – K-12 School or Technology Center
High 3 Salary Average – $65,000

Example 1: Low-Base Final Average Salary Calculation Contributions stopped at a low-based salary cap prior to 7/1/95, salary caps remain when the FAS is calculated at retirement.

Service	Years	x	2%	x	Salary	÷ 12	=	Monthly Benefit
7/74-6/79	5	x	2%	x	$ 7,800	÷ 12	=	$65.00
7/79-6/95	16	x	2%	x	$25,000	÷ 12	=	$666.67
7/95-6/04	9	x	2%	x	$65,000	÷ 12	=	$975.00
TOTALS	30	x	2%	x	$34,133	÷ 12	=	$1,706.65

Example 2: High-Base Final Average Salary Calculation
Member paid on their full salary (up to maximum cap limit), so benefits are based on the highest cap for years prior to 7/1/95.

Service Years	x	2%	x	Salary	÷ 12	=	Monthly Benefit
7/74-6/95	21	x	2%	x	$40,000	÷ 12	=	$1400.00
7/95-6/04	9	x	2%	x	$65,000	÷ 12	=	$975.00
TOTALS	30	x	2%	x	$47,500	÷ 12	=	$2,375.00

How does EESIP remove the salary caps?

The Education Employees Service Incentive Plan (EESIP) provides an incentive to continue service beyond regular retirement eligibility. To participate in the EESIP plan, a member must be on the high base cap at $40,000. Members who elected to contribute on the low base cap of $25,000 may change their election prior to retirement subject to TRS rules to qualify for participation in EESIP. EESIP provides an opportunity for members to wear away the salary cap by moving two years of service from the $40,000 salary cap tier to the uncapped tier for each additional year worked in common education or a career technology district beyond July 1st of the school year that regular retirement eligibility is met. Years moved on the 2-for-1 EESIP plan increases the number of uncapped years used in the calculation of the Final Average Salary.

Example 3: Same member in Example 2, but this time member worked five years beyond combination 80.

Service	Years	x	2%	x	Salary	÷ 12	=	Monthly Benefit
7/74-6/79	11	x	2%	x	$40,000	÷ 12	=	$733.33
7/79-6/95	10	x	2%	x	$65,000	÷ 12	=	$1083.33
7/95-6/04	14	x	2%	x	$65,000	÷ 12	=	$1516.67
TOTALS	35	x	2%	x	$57,143	÷ 12	=	$3,333.33

Do I qualify for EESIP?

To qualify for EESIP, a member must:

- Be actively contributing through a participating employer (i.e. elementary and secondary schools, career tech centers, two- year colleges, and state education agencies); and
- Be employed for a participating employer at least one year past the year regular retirement eligibility is reached; and
- Have an uncapped average salary at retirement that exceeds $40,000; and
- Have remitted contributions prior to 7/1/1995 on the maximum compensation level (full salary up to $40,000); and
- Pay the contribution deficit on school years from 1987-88 through 1994-95 if their salary exceeded $40,000 (high base cap). No balance is due on service years where the salary was less than $40,000 or if the years (beginning with FY95 and moving backward) are not counted in the uncapped range.

Why would I receive a billing statement?

Members may request a billing statement to increase either years of service or the final average salary used in retirement. Members may request a retirement benefit estimate with and without payment of the billing statement to determine if the increase in retirement benefit would make the payment worthwhile. Billing statements are based on the due date of the bill. Delayed payment may result in a higher cost if paid later than the billing due date.

What methods are used to pay billing statements?

Billing statements to **purchase service** generally must be requested as an active contributing member or within sixty (60) days of termination of employment[1]. Billing statements for **redeposits** must be requested and paid as an active contributing member. Unpaid balances for redeposits cannot be paid after termination of employment or death. Billing statements for **correcting contribution deficits** do not have to be requested or paid as an active contributing member. All billing statements must be paid ninety (90) days prior to filing for retirement. Credit for service or salary is adjusted when final payment is received. Payments may be paid with a personal check, a cashier's check, rollover payment from another qualified retirement plan, and/or paid in installments through your employer (when applicable). Contact TRS for proper forms to submit with payment.

Retirement Plan Options

What are the four[2] retirement plans?

All retirement plan options with TRS provide a lifetime benefit to the member in addition to a $5,000 death benefit paid to the surviving beneficiary(ies). Members with 30 years of service may also elect to receive a Partial Lump Sum Option (PLSO).

Maximum Option

- Largest retirement benefit.
- 100% of the retirement formula.
- Member account balance is depleted by lump sum amount if PLSO elected, then depleted monthly by the gross retirement benefit.
- Without PLSO, the member account balance may last 2-3 years.
- The monthly retirement benefit will cease at death, and any remaining member account balance will be paid to the designated beneficiary(ies)on file.
- Beneficiary(ies) designated under this option may be changed 60 days after the member's retirement date.

Option 1

- Monthly benefit is slightly less than the Maximum Option.

[1] Purchasing service for sabbatical leave is governed specifically by OAC 715:10-5-3. Sabbatical leave must be purchased at the time of the sabbatical leave and cannot be purchased at any later dates.
[2] Members eligible for retirement on or before 12/31/2025 may have five retirement plan options.

- Member account balance is depleted by lump sum amount if PLSO is elected, then depleted more slowly by an annuity amount.
- Without PLSO or EESIP, the member account balance may last 10+ years.
- The monthly retirement benefit will cease at death, and any remaining member account balance will be paid to the designated beneficiary(ies)on file.
- Beneficiary(ies) designated under this option may be changed 60 days after the member's retirement date.

Option 2 (100% joint survivorship for sole annuitant)

- The least monthly benefit for the member and greatest benefit to the joint annuitant (the younger the annuitant, the lesser the monthly retirement benefit).
- Joint annuitant may be the member's spouse or someone else not more than 10 years younger than member. (Reduction based on joint annuitant's age in relation to member's age). The joint annuitant may also be the beneficiary of a Discretionary and Special Needs Trust as provided in 70 O.S. § 17-105(M)(3)—the age of the trust beneficiary will be used for calculating benefits and, for Option 2, must not be more than 10 years younger than the member if the trust beneficiary is someone other than the member's spouse.
- Joint annuitant will continue to receive the same lifetime benefit (100% joint survivorship) upon death of member.
- Joint annuitant is designated at retirement and cannot be changed, but a different person may be designated as the beneficiary to receive the $5000 survivor benefit.
- If the joint annuitant predeceases the member, the member's retirement benefit will "pop up" (increase) to the Maximum Option. A new beneficiary (but not a new joint annuitant) may be designated to receive any balance of the member's account and survivor benefit upon the member's death.

Option 3 (50% joint survivorship for sole annuitant)

- Monthly benefit is not reduced as much as it is under Option 2.
- Joint annuitant can usually be anyone; however, the younger the joint annuitant, the less the member's monthly benefit. The joint annuitant may also be the beneficiary of a Discretionary and Special Needs Trust as provided in 70 O.S. § 17-105(M)(3)—the age of the trust beneficiary will be used for calculating benefits.

- Upon the member's death, the joint annuitant will continue to receive fifty percent (50%) of the monthly retirement benefit for the rest of joint annuitant's life.
- Joint annuitant is designated at retirement and cannot be changed but a different person may be designated as the beneficiary to receive the $5000 survivor benefit.
- If the joint annuitant predeceases the member, the member's retirement benefit will "pop up" (increase) to the Maximum Plan of Retirement. A new beneficiary (but not a new joint annuitant) may be designated to receive the balance of member's account and survivor benefit upon member's death.

What is the Partial Lump Sum Option (PLSO)?

Members with 30 or more years of creditable service are presented with an option to receive a portion of their retirement benefit in a lump sum payment at retirement (partial lump sum option or PLSO) in addition to a reduced monthly benefit, or members may choose to take their unreduced retirement in monthly payments with no PLSO. The PLSO is a one-time, lump-sum payment equivalent to 12, 24, or 36 months of the maximum monthly benefit and results in a reduced monthly lifetime benefit. The reduction percentage depends on the age of the member and the lump sum election. For example, a member who retires at age 62 will receive a reduced monthly benefit at approximately 90% with a 12-month lump sum; approximately 80% with a 24-month lump sum; and approximately 70% with a 36-month lump sum. The reduction percentage will apply to all future cost of living adjustments. Once retired, members may not change the option.

With required forms, the PLSO will be issued within 90 days of the member receiving their first retirement check. For those who elect the PLSO, the lump sum is paid from the member's account balance first, reducing the member account balance that may be remaining for a beneficiary. If a member elects the PLSO and Option 1 retirement plan the member account balance will be reduced more rapidly, if not entirely, upon retirement.

If a PLSO is elected, an application form and special tax notice will be sent for completion. Member should consult with a tax accountant or financial advisor before retirement. Taxes (and possibly penalties) may greatly diminish the net amount paid for selecting the lump sum option. Members may roll-over the PLSO amount to another qualified retirement plan.

Member Age	Factor for 12x PLSO	Factor for 24x PLSO	Factor for 36x PLSO
46	0.916514	0.833028	0.749541

47	0.916044	0.832087	0.748131
48	0.915534	0.831069	0.746603
49	0.914982	0.829965	0.744947
50	0.914384	0.828768	0.743152
51	0.913735	0.827470	0.741206
52	0.913036	0.826072	0.739108
53	0.912279	0.824558	0.736837
54	0.911461	0.822921	0.734382
55	0.910576	0.821152	0.731728
56	0.909626	0.819251	0.728877
57	0.908610	0.817219	0.725829
58	0.907518	0.815035	0.722553
59	0.906342	0.812685	0.719027
60	0.905076	0.810153	0.715229
61	0.903715	0.807431	0.711146
62	0.902260	0.804520	0.706779
63	0.900701	0.801402	0.702103
64	0.899041	0.798082	0.697123
65	0.897260	0.794520	0.691780
66	0.895350	0.790700	0.686050
67	0.893314	0.786627	0.679941
68	0.891121	0.782242	0.673364
69	0.888744	0.777489	0.666233
70	0.886172	0.772344	0.658516
71	0.883398	0.766796	0.650194
72	0.880376	0.760752	0.641128
73	0.877100	0.754201	0.631301
74	0.873527	0.747053	0.620580
75	0.869640	0.739280	0.608921
76	0.865398	0.730796	0.596194
77	0.860753	0.721507	0.582260
78	0.855721	0.711442	0.567164
79	0.850230	0.700460	0.550691
80	0.844236	0.688473	0.532709
81	0.837691	0.675382	0.513072
82	0.830574	0.661148	0.491722
83	0.822847	0.645694	0.468540
84	0.814372	0.628744	0.443116

Retirement Process

How do I plan for retirement?

Members contemplating retirement should ensure they complete a bona fide separation from service before retiring. Failure to do so will result in delayed or canceled retirements, repayment of all retirement benefits received, and potential additional tax consequences. *For additional important details, see Bona Fide Separation From Service under* Post-retirement employment: What if I return to work?

Members can view a retirement benefit estimate in their MyTRS account at any time.

No later than ninety (90) days before their requested retirement date and no earlier than twenty-four (24) months before their earliest retirement eligibility, members must submit a Pre-Retirement Information Verification(PIV) Form through their MyTRS account or print a PIV Form (TRS Form 3) from the TRS website and mail it to TRS. Members will receive an estimate or a projection of benefits for their retirement account. The most accurate estimates are the ones requested 6-9 months prior to retirement.

The PIV form requires the following information:

Member information includes name, current address, current daytime phone number, and the last four digits of the Social Security number or the Q number (member identification number). Please do not include the Social Security number in e-mail messages as these are not secure.

Date of retirement is the first day of the retirement month, even if a member works through the 10th of the same month. If a 9- or 10-month employee (i.e., teacher, bus driver) completes their last day of work on or before June 10, the date of retirement will be June 1. This member may draw both retirement and paycheck (for prior service) through the summer. If an 11- or 12-month employee's last day of work is June 11, the retirement date will be July 1.

Joint annuitant's date of birth is used to calculate benefits in the event a member elects Option 2 or Option 3 and designates a joint annuitant to continue receiving a lifetime benefit after the death of the member. The younger the joint annuitant designated, the greater the reduction of benefit for the member. Under Option 2, the joint annuitant may not be more than 10 years younger than the member unless it is the member's spouse—this also applies to the beneficiary of a Discretionary and Special Needs Trust as provided in 70 O.S. § 17-105(M)(3).

Unused sick leave days may be combined with a partial year worked to obtain a year of credit if the combined total is 120 days or more, or 120 days of unused sick leave may stand alone as one year of credit. If a member has less than 120 days of unused sick leave and no partial year of service, additional service credit will be awarded and will equal the number of unused sick leave days divided by 120 days. Sick leave may not be split apart or combined with more than one year. For service performed prior to July 1, 2013, if a member has 120 days of unused sick leave and has 90 days or more of service at the end of the final school year before retirement, TRS will grant one year of service credit for the

120 days of unused sick leave and round the 90 days of service to count as one additional year of service credit.

May I request more than one hypothetical estimate for comparison?

Yes. Members may request more than one estimate at a time to make decisions or comparisons between choices. It is recommended that no more than two estimates be requested at a time. To make comparisons when deciding whether to buy service or to pay a billing statement, a member may request an estimate with and without payment or purchase. To decide whether to work another year or to retire this year, a member may request estimates for two different retirement dates. A member may need to request additional estimates later.

After receiving a retirement estimate, please feel free to contact TRS for an explanation or clarification. Additional estimates may be requested as needed.

What is in the estimate packet?

Cover Letter lists the documents within the estimate packet and the order of steps for submitting the retirement estimate election.

Application to Retire outlines retirement date, service years, and monthly benefits for five plan options. Hypothetical estimates are distributed unless the member wishes to retire within the next 12 months. An Application to Retire will be issued if the member requests a retirement date within 12 months of the date of request.

Explanation of the Four Retirement Plan Options describes how a member's account balance is distributed to beneficiary(ies).

Projection provides a comparison of benefits for different years of retirement if member may be eligible for EESIP. Please sign up for access to your MyTRS account where you can view an estimate of benefits at any time.

A Partial Lump Sum Option Statement (PLSO) is provided if a member has 30 or more years of creditable service. It will list the four retirement plan options in four columns for comparison of the lump sum options for each retirement plan. The amount of the PLSO is deducted from the member account balance. The PLSO amount may exceed the amount of employee contributions in the member account.

How do I begin my retirement?

1. We must have a completed Pre-retirement Information Verification (PIV) form on file ninety (90) days before the requested retirement date to issue an Application to Retire packet. (The fastest way to submit a PIV form is through MyTRS.) The Application to Retire packet contains strict timelines to return required documentation.
2. Review the options for retirement and indicate the plan option at the bottom of the Application to Retire form. If the member had 30 or more years of service, the PLSO form indicating choice of lump sum option must also be completed and signed by both member & member's spouse (if married).
3. Mail the completed Application to Retire, and the PLSO Election (if applicable) back to TRS according to the timeline presented in the packet.
4. Once the Application to Retire is received by TRS, the retirement contract packet will be mailed to the member. The packet will contain forms for direct deposit and tax withholding in addition to the retirement contract.
5. The signed and notarized contract must be submitted no later than the first day of the month before the month of retirement (i.e. a June 1 retirement contract is due no later than May 1). **No grace period is given for weekends or holidays.** Contracts returned after the due date will postpone the retirement date.
6. Within 60 days of the effective date of retirement, a member who elected a reduced benefit under Option 1, 2, 3, or 4 may make a one-time irrevocable change their retirement plan but may not change their retirement date or designated joint annuitant or beneficiary. Single members, who marry after the date of retirement, and with documentation of good health, may change their Maximum Option to Option 2 or 3 within one year of date of marriage. All changes must be submitted in writing and received by TRS or postmarked within the specified dates.

Post Retirement

How do retirees receive monthly payments?

Effective January 1, 2000, retired members are required to receive monthly benefit payments via electronic fund transfers to a banking or financial institution. The retiree must complete a direct deposit form provided by TRS.

The monthly benefits and withholdings are paid in arrears (i.e. July 1 payment is for the June retirement benefit and June health insurance). Monthly benefit payments are paid the first day of each month to all eligible retirees; however, electronic fund transfers may take place early (the last day of the previous month) if the 1st of the month falls on a weekend or a holiday.

Members are responsible for notifying TRS of any changes that affect their retirement account. Changes in address or tax withholding can be made by logging into your MyTRS account. Authorization for Direct Deposit Change Forms must be requested directly from TRS. If the changes are received by TRS on or before the 15th of the month, every effort is made to process change requests for the following month's benefit payment. Is there a health insurance supplement available?

Members who retire or terminate employment with at least ten years of creditable service may be eligible to continue the insurance provided by their employer. If the same insurance is continued into retirement, TRS will pay a supplement of $100 - $105 (depending on length of service and final average salary at retirement) toward the member's health insurance premiums. This supplement will be suspended if retirement insurance is suspended or stopped if retirement insurance stops.

For information about your health and life insurance coverage, contact your employer or your insurance company for proper forms and instructions. Timely paperwork will allow a smooth transition from active insurance to retired insurance. Charges for retiree insurance should begin when active insurance is no longer provided through a member's employer. TRS pays the retirement benefit in arrears; therefore, TRS also pays the health insurance supplement in arrears (i.e. the September 1 retirement check is for the August retirement benefit and insurance supplement).

Post-retirement employment: What if I return to work?

Other than disability retirement, there are no restrictions on post-retirement employment with an agency or institution that does not participate in TRS. Retirees returning to employment with a TRS participating employer, must adhere to the following restrictions or forfeit benefits received during their post-retirement employment:

Bona Fide Separation from Service (BFSFS). Retirees must have a bona fide separation from service (BFSFS) before considering returning to work in Oklahoma public education—this includes employment in any capacity (paid or unpaid) with a TRS participating employer including as an independent

contractor or through a staffing agency. BFSFS means that *before members retire*, members cannot plan either verbally or in writing to return to work with a TRS-covered employer after retiring. TRS will delay or cancel the retirement of a member who retires without a BFSFS, and the member must repay retirement benefits to TRS. For members younger than 59½, an additional 10% early distribution federal tax penalty will be assessed when a member retires and receives retirement benefits without a BFSFS.

6 Month Break Between Retirement and Employment. A retired member is not eligible to be employed by a TRS participating employer, in any capacity, for six(6) months between the retiree's last day of pre-retirement public education employment or retirement date, whichever is later, and post-retirement employment. Employment during the 6 month break will cause the forfeiture of all retirement benefits received during this period. This includes employment on a volunteer basis.

Returning to Active, Contributing Status. To add service credits and increase retirement benefits, a retiree may elect to suspend their retirement and return to active, contributing status. The retiree must notify TRS of their intent to suspend retirement benefits and return to active contributing status. Contributions are credited to the member's account in the same manner as other active contributing members.

Secondary Retirement. Upon termination of post-retirement employment, a retiree should contact TRS to reinstate their retirement and apply their secondary retirement benefit. Retirees should expect this process to take about one month. The previous monthly retirement benefit will be reinstated, and a supplemental benefit will be calculated to include credit for any additional qualifying service. Secondary Retirement Benefit. The secondary benefit is calculated based on the same retirement formula for the additional years: Extra years x 2% x FAS. Secondary service years do not qualify for the incentive offered through the EESIP or for an additional lump sum distribution through the PLSO election. The original retirement contract option elected applies and cannot be changed.

Survivor Benefits

What survivor benefits are available?

A survivor's benefit of $18,000 (for an in-service member) or $5,000 (for a retired member) is provided, at no cost to the member, and it is paid to the designated

beneficiary(ies) on file, in addition to any applicable member's account balance. The member may submit separate beneficiary forms for the member's account balance and survivor's benefit amount. Beneficiary forms must be signed by the member and received by and on file with TRS prior to the death of the member. You can designate and review your beneficiaries through your MyTRS account.

Death of In-Service Members. A survivor's benefit of $18,000 shall be paid in a lump sum to the designated beneficiary(ies) along with the member's account balance and applicable interest. Beneficiaries receiving the $18,000 lump sum payment may also disclaim all or a portion of the survivor's benefit to a licensed funeral home, so long as disclaimer occurs no more than 9 months after the member's date of death. A valid qualified disclaimer to a funeral home will transfer the tax liability for the survivor's benefit to the funeral home. Beneficiary(ies) must request a Qualified Disclaimer form from TRS.

Death of Retirement-Eligible Members. If the member qualified for retirement at the time of death, had ten (10) years or more of creditable service, and the member listed only one (1) primary beneficiary (such as a spouse) for both the account balance *and* the $18,000 survivor benefit, the sole primary beneficiary may elect to forego the $18,000 lump sum survivor benefit and the member's account balance plus accrued interest to retire as the joint annuitant under the Option 2 retirement plan and receive a lifetime monthly benefit.

Death of Inactive Members. The designated beneficiary(ies) of an inactive member is entitled to receive the members' account balance of contributions and applicable interest but not the survivor's benefit.

Death of Retired Members. A survivor's benefit of $5,000 shall be paid to the designated beneficiary(ies), and other monthly payments may be made consistent with the provisions of the members' retirement option. Retirees may name a different beneficiary for the $5,000 survivor benefit than is named for the retirement plan. Beneficiaries may also disclaim all or a portion of the survivor's benefit to a licensed funeral home, so long as disclaimer occurs no more than 9 months after the member's date of death. A valid qualified disclaimer to a funeral home will transfer the tax liability for the survivor's benefit to the funeral home. Beneficiary(ies) must request a Qualified Disclaimer from TRS.

Is the survivor benefit taxable income?

The survivor benefit of $18,000 for an in-service member or the survivor benefit of $5,000 for a retired member is taxable income to the beneficiary; therefore,

a 1099R form will be provided for tax purposes. A funeral home may be designated as the beneficiary by the member so that family members are not taxed on this benefit. .

Who can I designate as my beneficiary?

Members can designate an individual, trust, funeral home, charity, etc. to receive their survivor benefit and/or their member account balance. This includes designating a minor. However, members may want to thoughtfully consider this as TRS must have specific court documents to pay a minor.

Note: If a member designates their spouse as beneficiary, and is later divorced from that spouse, the former spouse will be treated as having predeceased the member for purposes of the survivor benefit and member's account balance, unless the member redesignates the former spouse as beneficiary after the divorce.

Joint Annuitant vs. Beneficiary: What's the difference?

Upon the death of a member, a joint annuitant will continue to receive a monthly benefit for the remainder of the joint annuitant's life, whereas a beneficiary will receive a payout for a limited dollar amount (i.e. the $5,000 survivor benefit). A joint annuitant is designated by a member at retirement on the retirement contract under retirement plan Option 2 (for 100% joint annuity) or Option 3 (for 50% joint annuity). A member may only designate one joint annuitant and the joint annuitant cannot be changed.

If the designated joint annuitant dies before the member, the member's monthly benefit will "pop up" or revert to the Maximum Plan of Retirement for the remainder of the member's life. A new joint annuitant may not be designated to receive the lifetime benefit. If the joint annuitant dies after the member but before the member's account balance is depleted, then the joint annuitant's estate will be awarded the balance of the member's account balance.

In the case of a divorce between the retiree and joint annuitant, the retirement contract remains in effect and the joint annuitant (ex-spouse) will receive the member's monthly benefit after the member's death unless a Court enters a Qualified Domestic Relations Order directing otherwise. A new joint annuitant may not be designated to receive the lifetime benefit.

Disclaimer:

The Member Handbook is not a "guidance document" as defined by Senate Bill 1433 (2026). It does not carry the force and effect of law unless expressly

authorized by statute, contract, or binding legal decision. It is not legal advice and is intended for informational purposes only. The Member Handbook is not a comprehensive representation of all aspects of TRS. For state laws and administrative rules applicable to the governance of TRS, members should refer to Title 70 of the Oklahoma Statutes and Title 715 of the Oklahoma Administrative Code.