



Retirement Process Guidelines

Choosing to retire is a major step in your life. Navigating insurance, Medicare, and retirement plans can be overwhelming at first, but know the Texas Tech University Benefits team is here to help with your transition into retirement. This document is designed to provide helpful guidelines, information, and resources about retiring.

Questions to Answer About Planning for Retirement?

1. Have you checked with the Social Security Administration on the amount you will be receiving in retirement?
2. Do you have a financial plan? A budget? How much debt do you have?
3. How much income will you have from all sources? Pension, social security, private savings?
4. Have you discussed your plans with your spouse/partner? and other family members?
5. Will you be moving? or selling a house?
6. Will you have medical coverage?

Annually

Review TRS Statements

- TRS participants should review their TRS statement annually. TRS mails statements out after the end of every school year, which is August 31st. Watch this video on how to understand your statement. — [Understanding Your Member Statement](#).

Create a MyTRS Account

- Employees can access their personal retirement account information by creating a [MyTRS](#) account. Use [MyTRS](#) to help plan for retirement and keep track of your information. [MyTRS](#) is available to both active and retired TRS members. You can also use the Retirement Calculator to explore your options.

If you have not registered for [MyTRS](#):

1. Go to <https://www.trs.texas.gov/Pages/Homepage.aspx>
2. Click on [MyTRS](#) on the top right of the page.
3. Under “**New to MyTRS?**” click [Register Now](#) to create your login and password.

ORP participants should check their investment diversification with their vendor.

If you have at least five years of service credit with TRS and have prior military service, you may now contact TRS to purchase the service credit. The sooner this is complete, the more affordable it will be.

You should review the amounts you have saved for retirement. If you are able, there are several avenues to save more for retirement along with your contributions to TRS or ORP.

Texas Tech University makes available to all employees, except students exempt from the FICA deductions, an elective 403b plan and a 457 plan. More information on the 403b plan can be found in [OP 70.09, Tax-Deferred Account Program](#).

Information on the 457 plan can be found at www.texasaver.com

Twelve Months Prior

- Contact TRS to get a retirement estimate packet or contact your ORP vendor. *(Once this is received, contact HR to verify retiree insurance eligibility).*
- Consider attending a TRS benefits presentation or meeting with a TRS counselor. Details can be found on the [TRS website](#).
- TRS provides [member educational](#) videos as well as some [financial awareness](#) videos to help with the retirement decision.
- Consider purchasing additional service credit. TRS has multiple options to purchase service credit, more information can be found in the [TRS Service Credit](#) brochure.

Six Months Prior

Ideally, the retirement process with TTU HR department should begin **at least** 6 months prior to your intended retirement date, but no more than 12 months prior.

- Notify your department of your retirement date.
- Make a plan to return required paperwork to TRS for processing. *(TTU HR will need a copy of the TRS 25 & the original TRS 7 from your packet)*

Three Months Prior

- Apply for Medicare A & B if you or your dependents are age 65 or older.
- Return retirement paperwork to TRS, if not already complete.
- Contact TTU HR to sign up for retire insurance, if eligible.

Retiring Under TRS

- **Normal Age Service Retirement:** Meeting the “Rule of 80”, your age plus your years of TRS participation equal 80; OR you are 65 with 10 years of service. TRS retirees can receive an unreduced annuity at age 65 with a minimum of 5 years of service.
- **Early Age Retirement (will result in a reduced annuity):** Age 55 + 5 or more years of TRS participation or any age below 50 with 30 or more years of service.
- TRS participants should contact TRS to request a retirement packet between 6 and 12 months prior to their intended retirement date.
- Reach out to Human Resources at hres.employee.services@ttu.edu 6 months before retirement to have questions answered and discuss other benefits – including the retiree health insurance benefit, if applicable.

Retiring Under ORP

- **Normal Age Retirement:** Meeting the “Rule of 80”, your age plus your years of service equal 80; OR you are 65 with 10 years of service.
- Reach out to Human Resources at hres.employee.services@ttu.edu 6 months before retirement to have questions answered and discuss other benefits – including the retiree health insurance benefit, if applicable.
- ORP participants should contact their retirement account vendor approximately 60-90 days prior to their intended retirement date.
- ORP retirees can take withdrawals from their ORP accounts as early as age 59 ½, without penalty, but must begin taking them once retired and over the age of 70 ½.

Retiree Insurance Eligibility for TRS and ORP Retirees

- You must meet the retirement eligibility listed above in the Retirement Eligibility section.
- You need at least 10 years of service credit with an agency or institution that participates in the Texas Employees Group Benefits Program (GBP). This includes the University of Texas and Texas A&M University systems.
- The amount the state will contribute to your monthly health insurance premium depends on the amount of eligible service you had at a GBP-participating agency or institution as of September 1, 2014.
- If you had:
 - 5 or more years by September 1, 2014, you are “grandfathered”, and the state will pay 100% of your health insurance premium (50% if you were a part-time employee in the last three months of your employment prior to retirement).
 - Fewer than 5 years as of September 1, 2014, your insurance premium contribution will be “tiered,” based on the number of years you participated in the GBP:
 - 100% with at least 20 years
 - 75% with 15 years to 19 years, 11 months
 - 50% with 10 years to 14 years, 11 months
- Employees hired prior to September 1, 2001 are grandfathered under the old rule, which required 10 years of service, but only 3 years of actual service with a GBP-participating agency. For example, the employee can have 7 years in the TRS insurance program and 3 years in GBP insurance program to qualify for retiree insurance through GBP. The last place of employment must be a GBP employer.
- If you (or your eligible dependents) are age 65 or older, you will need to contact the Social Security Administration at 800.772.1213 to inquire about Social Security and Medicare benefits. Once enrolled in Medicare Part A & B, ERS will transition you to the Medicare Advantage Plan, administered by United HealthCare, typically within 60 days

of your enrollment in retiree insurance. This [Medicare Comparison Chart](#) will outline the difference between coverages.

- If your last place of employment is with an independent school district you will not be eligible for GBP retiree insurance.

Disability Retirement Through TRS

TRS participants may qualify for disability retirement, regardless of age or service years. You may apply for disability retirement if:

- You are mentally or physically disabled from further performance of your duty, and
- Your disability is probably permanent.

You will need to contact TRS directly to inquire on the process of applying for disability retirement. Those participants who have at least 10 years of service and are approved for disability retirement through TRS, may qualify for retiree insurance benefits.

Proportionate Retirement

If you have contributed to more than one retirement system in the State of Texas, you may be eligible to combine your service credit to satisfy eligibility requirements under TRS. Current systems under which you could have contributed:

- Teachers Retirement System of Texas
- Employees Retirement System of Texas (ERS)
- Judicial Retirement System of Texas (Plans One and Two)
- Texas Municipal Retirement System (TMRS)
- Texas County and District Retirement System (TCDRS)
- City of Austin Employees' Retirement System
- City of Austin Police Retirement System
- El Paso City Employees' Pension Fund
- El Paso Firemen and Policemen's Pension Fund

Certain restrictions apply, so contact the retirement system in which you were previously a member.

Early Age Retirement

Early age retirement is available for TRS participants starting at age 55 with at least 5 years of service credit. Your monthly annuity will be reduced according to your "retirement tier". If you are considering early retirement, you should contact TRS to get full details.

Employment After Retirement

- All employees retiring from Texas Tech University must have at least a 30-day, full-calendar month break in service before returning to work.
- For TRS retirees, TRS published a [guide](#) for the rules that must be followed in order to return to work for another TRS entity once you are retired.
- The Medicare Advantage Plan is limited to those retirees who do not return to work, or those who return to TTU in a less than part-time non-benefits eligible position.
- Faculty who wish to return to work once retired should review [OP 32.30, Voluntary Retirement of Faculty Members with Option for Part-time Teaching](#).

Helpful Resources

- Review the [TRS Handbook of Benefits](#) for more in-depth information, including information on tiers.
- Watch this [Steps to Retirement](#) video from TRS.
- **ERS** the Employees Retirement System of Texas (not TRS) administers **retiree health insurance**. Information about retiree health insurance can be found [here](#). Retirees must have 10 years of service with a [Group Benefit Plan employer](#) AND meet retirement eligibility for the retiree health insurance benefit. A full list of state agencies can be found at www.ers.texas.gov
- Refer to the Retirement Checklist to ensure all steps are covered.
- Contact hrs.employee.services@ttu.edu if you have questions. Everyone's situation is different. We are here to help navigate.
- Social Security full retirement age, <https://www.ssa.gov/benefits/retirement/planner/agereduction.html>
- TRS website & phone number – www.trs.texas.gov 1-800-223-8778

Other Relevant Information

- If you are a Faculty member and have your salary spread over 12 months, you will receive a lump sum payment for your remaining salary between your retirement date and August 31st.
- If you are enrolled in the TexFlex Flexible Spending Account, you will have until the end of the month in which you are retiring to use the funds in your account, even if you are eligible for retiree health insurance.
- TTU Campus Parking – Should you need to visit campus after you retire, parking will issue retired faculty/staff permits free of charge. You will need to contact parking at 806-742-7275 for complete information.