

# Frequently Asked Questions about Oklahoma Teachers' Retirement (OTR)

## How do I calculate the 7% contribution?

The 7% contribution is based on your total compensation. Total compensation is your base salary plus the amount OSU pays towards your life and health benefits, including any wellness credits and OSU contributions to your Flex Spending or Health Savings accounts. An example calculation has been provided in the Retirement Program Guide and the Choosing a Retirement Election video.

## Will I have to make up contributions if I miss the payroll deadline?

Yes. Contributions will apply retroactively based upon your eligibility date and must be made up on the next payroll.

## Can the make-up amount be split over a few payrolls?

Per OTRS guidelines, the full make-up amount will be remitted at one time.

## I worked for OSU previously and was a member of OTRS. During my prior employment, OSU made my contribution. Do I now have to make the contribution?

If you made an irrevocable election during your employment with OSU between July 1, 2004, and June 30, 2018, you will be grandfathered into the old plan, where OSU makes your contribution. Please work with OSU Benefits to confirm your enrollment and if this is applicable to you. If your employment was prior to July 1, 2004, you would likely not have an irrevocable election agreement and will be responsible for paying the 7% contribution if you choose to join OTRS.

## What happens if I do not make an election?

By state statute, if you do not make an election within 30 days, you will be default enrolled into OTRS and you will be responsible for paying the 7% contribution. This enrollment into OTRS will be irrevocable.

## What does OSU contribute?

If you choose OTRS, OSU contributes 8.55% of your total compensation. The employer contribution is a statutory employer fee. The 8.55% is not deposited into your personal OTRS account; rather this fee is remitted to aide in the funding of OTRS. If you choose to participate in the ARP and are working 0.75 FTE or greater, then OSU will contribute 11.5% of your base salary, on your behalf, to the Alternate Retirement Plan (ARP) vendor, TIAA. You are not required to make a contribution under the ARP. You will have a two-year vesting period with the ARP; therefore, if you leave the University before becoming vested, then you will forfeit the contributions made to TIAA by OSU.

## When I leave the University, how do I receive my money?

OTRS has a four month waiting period, in that they require a four month break-in-service from your OTRS-participating employer before remittance of contributions; therefore, you would not be able to work part-time or even in a temporary or student position and request withdrawal from OTRS.