



Enrollment Guide for State Employees, Higher Education Employees, and K-12 Teachers

When an employer has more than one retirement plan it can be difficult to decide the plan in which a new or returning employee should be enrolled. In addition to the Member Plan Search feature in Employer Self-Service, the employer edit ER177 error message has been implemented to guide you in selecting the correct plan for employees. This edit is currently effective when submitting your monthly TCRS file/report. Below is a quick reference to assist you in enrolling employees in the correct retirement plan.

New Hire Enrollment

Employees who have never participated in the state's retirement program as a state/higher education employee or K-12 certified teacher should be enrolled in the current plan as of their date of hire. As of July 1, 2014, the current retirement plan is the Hybrid Plan. For Fair Labor Standards Act exempt higher education employees, see the section below.

- [Hybrid Retirement Plan Information for General State & Higher Education Employees hired on or after July 1, 2014](#)
- [Hybrid Retirement Plan Information for Teachers hired on or after July 1, 2014](#)

Rehire Enrollment

Employees who previously participated in the state's retirement program as a state/higher education employee or K-12 certified school teacher and have not lost membership, as described in the next section, should be enrolled in the plan in which he/she previously participated. Prior to July 1, 2014, a state/higher education employee or K-12 certified school teacher participated in the Legacy Plan.

Rehired employees include retirees who are returning to work with a TCRS-covered employer full-time. For more information on Return to Work Requirements for retirees, review the Return to Work Compliance Bulletin.

- [Legacy Retirement Plan Information for General State & Higher Education Employees hired before July 1, 2014](#)
- [Legacy Retirement Plan Information for Teachers hired before July 1, 2014](#)

Enrollment for Employees who have Lost Membership

Lost membership occurs when a member 1) has not vested in TCRS and subsequently leaves TCRS-covered employment for seven or more years or 2) has taken a refund of his/her account balance. Any former employee who has lost membership should be enrolled in the current plan available to New Hires.

Considerations for Employees with Service under Multiple Plans

When a member accrues TCRS retirement credit under multiple plans, he/she will be eligible for a split benefit at retirement. While the member's full service and salary history will be used for vesting and average final compensation calculations, a separate benefit will be calculated for each plan in which the member participated, using the benefit formula specific to each plan. At retirement, the member will receive one monthly benefit payment comprised of the total benefit calculations.

TCRS Member Plan Search

Employers may use the Member Plan Search Feature available within the "Download Member Id" screen in TCRS *Employer Self-Service* to verify the correct plan for an employee.

Fair Labor Standards Act (FLSA) Exempt Higher Education Employees

New Hire Enrollment

All full-time faculty and staff of Tennessee's public higher education systems who are exempt from the Fair Labor Standards Act (FLSA) are required to participate in either the Optional Retirement Program (ORP) or TCRS as a condition of employment. If no election is made on the first day of employment, the employee will be enrolled in TCRS.

Rehire Enrollment

A returning member who previously elected ORP or TCRS must be enrolled in the plan in which the member previously participated. A member's decision to participate in ORP or TCRS is irrevocable, even if there has been a break in service. State law provides one exception to this rule: after five years of service, a member with service in the ORP has a one-time opportunity to transfer to TCRS; any member who executes the transfer will be moved from his/her current ORP plan and enrolled into the TCRS plan effective as of his/her hire date.

If the returning employee was previously a member of the Legacy Retirement Plan for State and Higher Education Employees or the Legacy Retirement Plan for Teachers, the member must participate in and continue to accrue service under the Legacy Plan.

If the employee was previously a member of the Hybrid Retirement Plan for State Employees and Teachers or participated in TCRS through employment with a local government entity and has never been given the choice between ORP and TCRS, the member will have the option of participating in either the Hybrid ORP

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Plan or the TCRS Hybrid Plan going forward. If the employee elects to join ORP, the employee will have the option to roll his/her employee contributions from TCRS to the ORP. If the member decides to do so, the employer contributions to TCRS will be forfeited and any TCRS service will be forfeited.

Enrollment Resources for Employers

- [Enrollment Decision Guide for State, Higher Education \(Non-exempt\), and Teacher New Hires](#)
- [Enrollment Decision Guide for New Full-Time, FLSA-Exempt Higher Education Employees](#)

If there are any questions regarding enrollment, please contact the Employer Reporting Team, listed under *For Employers* at RetireReadyTN.gov.