Teachers' Retirement System of the State of Illinois

Subs Are Teachers Too!

BEFORE WE BEGIN

- This presentation will begin shortly and is scheduled to last approximately 45 minutes
- All virtual attendees are muted throughout the presentation
- Questions will be addressed during designated Q&A sessions

OVERVIEW

- TRS Basics
- Retirement Benefits
- Disability Benefits
- Death Benefits
- Post-Retirement Limitations
- Medical Insurance
- Next Steps

TRS Basics

Who is … and is not … a TRS Member

- ✓ High School Principal
- ✓ School Nurse
- ✓ Kindergarten Teacher
- ✓ High School Special Education Teacher
- ✓ Substitute Teacher
- ❑ Teacher's Aide / Paraprofessional

- All certified staff in Illinois public schools (grade pre-k through 12) outside Chicago are TRS members.

- When you sub for a TRS member, you contribute to TRS and earn service credit.

TRS Basics

Contributions

- All members (Tiers 1 & 2) contribute 9% of gross earnings to TRS
- Contributions are invested by TRS to pay retirement, disability, and death benefits

TRS is a Defined Benefit (DB) Plan

- Benefits are determined by a formula set out in the Illinois Pension Code
- Benefits are paid through the month of death

Tier 1 or Tier 2?

1

Tier 1

First contributed to TRS or reciprocal retirement system prior to January 1, 2011

2

Tier 2

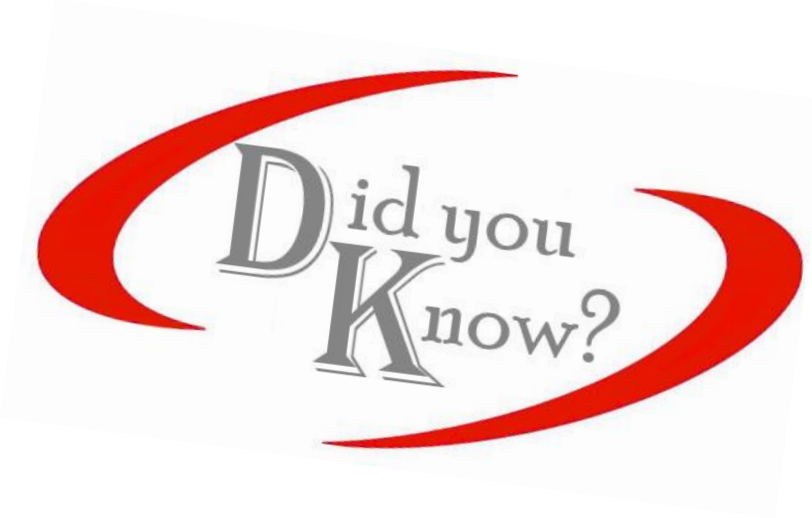
First contributed to TRS or reciprocal retirement system on or after January 1, 2011

JANUARY 2011						
SUN	MON	TUES	WED	THURS	FRI	SAT
30	31					1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29


Retirement
Benefits
TRS
ILLINOIS

Did You Know …

- School district benefits are separate from TRS
- Do not have to receive employer benefits to be eligible for TRS
- Eligibility to receive benefits determined by IL Pension Code and is the same regardless of employer
- So … Subs can qualify for a TRS pension!



Retirement Benefits

- Tier 2 members are eligible to receive a monthly pension at:
- Age 67 - with 10 or more years of service (1700 days)*
- Age 62 (reduced) - with 10 or more years of service (1700 days)*
- *Once 170 days are worked in a school year, 1 year of service credit is reached and is the maximum in a single school year

Retirement Formula

Service Credit

X 2.2%

X Final Average Salary (FAS)

= Annual Pension Benefit

Service Credit

- Earn TRS service credit when you sub for a certified staff member
  - Subbing for aide or parapro does NOT count towards TRS service
  - But may add to IL Municipal Retirement Fund (IMRF) service

- Only earn TRS service credit if you are paid by the school district
  - Working for a third-party contractor does not add service credit

Service Credit

- Amount of Service Credit depends on number of days worked in 1 school year
  - July 1 – June 30
- Every day you sub = 1 day of TRS service
  - Even if you sub half a day!
- 170 paid days = 1 year of service credit
- Maximum service credit in one school year = 1.000 year
- Divide total number of days worked by 170 to find service credit
  - *(example) Sub 67 days in the 2023-2024 school year.*
    - *Earn 67 / 170 = 0.394 year of service credit*

Reciprocal Service Credit

- IMRF, SURS, SERS, CTPF, others
- Must have at least 1 year of non-concurrent service credit
- Teacher's aide under IMRF may use less than one year if aide work was followed by teaching
- Combined service credits must meet the minimum vesting requirements in each system

Service Credit Purchase

Purchasing Eligible Service Credit is Optional!

- Out-of-system teaching (K-12 public schools)
- Leaves of absence
- RIF (reduction in force)
- Military service
- Previously refunded TRS service
- 2 years of private school (must apply by June 30, 2028)
- Paid Student Teaching after 2019

Final Average Salary

- Average of highest eight consecutive salaries in last 10 years of service
- Based on 8 service credit years, not 8 school years
- Add salaries and divide by 8 to find Final Average Salary
- May be higher than salary in any school year (Final Average Salary from table is $17,000)

School Year	Service Credit	Salaries
2020-21	0.421	$7,157
2019-20	0.579	$9,843
2018-19	0.222	$3,774
2017-18	0.126	$2,142
2016-17	0.316	$5,372
2015-16	0.336	$5,712
2014-15	0.420	$7,140
2013-14	0.834	$14,178
2012-13	0.728	$12,376
2011-12	0.012	$204
2010-11	0.006	$102

Continue to add days (service credit) until there are 10.000 or more years of service

Retirement Formula

Service Credit	10.000 years
x 2.2%	x 2.2%
Final Average Salary (FAS)	x $17,316
= Annual retirement benefit	= $ 3809 per year
or Monthly retirement benefit	or $317 per month

Note: IL State Taxes are not withheld from retirement benefits

Single – Sum Retirement (SSR)

- Members with less than 5 years service
- One time payment typically higher than refundable contributions
- Eligible the latter of 65th birthdate or last day worked in TRS position
- Must stop working in TRS position until SSR payment received
- No restrictions on TRS employment after single sum retirement
- No longer earn service credit
- TRS contributions no longer withheld from earnings


Questions?

Disability Benefits

Disability Benefits

TRS offers temporary disability benefits to ill/injured active members prior to retirement

Eligibility

- Must have at least 3 years of non-concurrent service credit
  - (TRS, SURS, SERS, and IMRF)
  - Must have subbed at least 340 hours in year disability occurred or preceding school year
- Two state-licensed physicians must certify the disability existed within 90 days of last day of work (only one physician is required for pregnancy)
- Must use up all sick leave days

- Benefit is equal to 40% of member's annualized salary rate
- You earn service credit while receiving the disability benefit

Death Benefits

Death Benefits

1%

Survivor Benefits

8%

Retirement

Beneficiary Refund

8%

Retirement

- Lump-sum refund of unrecovered pension contributions (8% of salary plus interest earned)
- Paid only if you pass away before recovering entire pension contribution (usually within the first few years of retirement)

Survivor Benefits

1%

Survivor Benefits

- Funded through survivor benefit contributions made while teaching (1% of annual salary)
- Tier 2 -- 66.7% of monthly benefit to a spouse; 50% to other dependent beneficiary
- Lump sum to any beneficiary
- Refundable in retirement if no dependent beneficiary

Death Benefits:

Completing the Beneficiary Designation Form

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Option 1

Automatic Designation

Section 3

Section 1: Personal Information Member First Middle Last Name: Member Address 1: Member Address 2: City State Zip:	Member ID: Home telephone number: Work telephone number: Cell phone number: Email address:
Section 2: Marital Status ☐ Single ☐ Married/civil union ☐ Divorced ☐ Widowed | Spouse's name:	
Section 3: Automatic Designation *(commonly selected by members with a spouse or civil union partner and/or minor children)* ☐ I elect that my dependent beneficiaries, as determined at my death, receive a survivor benefit and/or a beneficiary refund. If no dependent beneficiary survives, benefits will be paid to my estate. **If the automatic designation is selected, do not complete the Survivor Benefit or Beneficiary Refund sections.**	

- Commonly selected by members who have a spouse and/or minor children
- Death benefit is automatically paid to surviving dependents, or to your estate if you have no dependents
- If this option is selected, DO NOT list beneficiary names. Simply check the box.

Option 2

Survivor Benefits

Section 4

Section 4: Survivor Benefit*

Primary Beneficiary(ies) - *receive survivor benefits first*

1	Name:			SSN: ___-__-____
	Address:			Birth date:
	City:	State:	Zip:	Relationship:
2	Name:			SSN: ___-__-____
	Address:			Birth date:
	City:	State:	Zip:	Relationship:
3	Name:			SSN: ___-__-____
	Address:			Birth date:
	City:	State:	Zip:	Relationship:

Alternate Beneficiary(ies) - *receive survivor benefits if no primary beneficiary survives*

1	Name:	Birth date:	SSN: ___-__-____
2	Name:	Birth date:	SSN: ___-__-____
3	Name:	Birth date:	SSN: ___-__-____

Beneficiary Refund

Section 5

Section 5: Beneficiary Refund*

Primary Beneficiary(ies) - *receive beneficiary refund benefits first*

1	Name:			SSN: ___-__-____
	Address:			Birth date:
	City:	State:	Zip:	Relationship:
2	Name:			SSN: ___-__-____
	Address:			Birth date:
	City:	State:	Zip:	Relationship:
3	Name:			SSN: ___-__-____
	Address:			Birth date:
	City:	State:	Zip:	Relationship:

Alternate Beneficiary(ies) - *receive beneficiary refund benefits if no primary beneficiary survives*

1	Name:	Birth date:	SSN: ___-__-____
2	Name:	Birth date:	SSN: ___-__-____
3	Name:	Birth date:	SSN: ___-__-____

Health Insurance (TRIP/TRAIL)

TRIP/TRAIL Health Insurance

Eligibility & Enrollment Opportunities

- Must have at least 8 years of service credit with TRS to be eligible

- Available for your lifetime with multiple enrollment opportunities:
  - First of the month following retirement
  - When losing other coverage w/termination letter
  - When becoming eligible for Medicare (typically age 65)
  - Annual Benefit Choice periods

- Also available to dependents

TRIP/TRAIL/Split Family

Type of Participant	Type of Plan	Not Medicare Primary	Not Medicare Primary	Not Medicare Primary	Medicare Primary trail
		Under Age 26	Age 26-64	Age 65+	Medicare Eligible
Benefit Recipient	HMO/ OAP	$121.18	$370.76	$503.81	$7.35
	PPO	$308.40	$857.02	$1,300.03	
	PPO when HMO/OAP not available	$156.11	$431.60	$653.58	
Dependent Beneficiary	HMO/ OAP	$484.89	$1,483.01	$2,015.19	$27.14
	PPO	$624.46	$1,726.40	$2,614.28	
	PPO when HMO/OAP not available	$624.46	$1,726.40	$2,614.28	

Retirement Timeline

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Throughout Your Career

Regularly: Review your status

- Review your annual TRS statement online
- Verify beneficiaries
- Upload Proof of Birthdate
- Prepare updated benefit estimates Meet with a TRS Counselor (appts are free: in-person, videoconference or teleconference)
- Plan to attend an “It’s Time to Retire!” webinar in your retirement year
- Check in with your financial planner
  - Monitor DC plan performance
  - Make changes as needed (plan limits change as you age)

In Retirement...

Post Retirement Employment

- Must have received first pension check
- TRS-covered work limited to 120 days/600 hours per school year thru 6/30/26
- No limit on earnings

Standard Annual Benefit Increases

- Available to members who have been retired for one full year AND
  - Are at least age 67 (lesser of 1.5% non-compounded annually or 3%)
- Increases occur each January 1 (reflected in the February 1 benefit payment)

Social Security Medicare

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Social Security and Medicare

- Illinois teachers do not contribute on TRS-covered employment
- Recently passed Social Security Fairness Act eliminated the WEP and GPO. Contact Social Security for your specific information
- Check for FICA deduction on your paycheck or contact Social Security to confirm eligibility for Medicare (typically at age 65)
- Medicare ID cards are sent by the Social Security Administration

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Social Security
(800) 772-1213

www.ssa.gov

SOCIAL SECURITY ADMINISTRATION USA

Teachers' Retirement System of the State of Illinois

Contact Information

TRS Phone & Hours

Toll-free:
(877) 927-5877
M-F: 7:30 am to 4:30 pm

Email Address
members@trsil.org

Visit us
https://trsil.org

Connect
@TRSIllinois
@ILLTRS
@TRSIL
www.youtube.com/c/trsillinois

MyBenefits Service Center

TRIP/TRAIL
(844) 251-1777

Other Contact Information

MyBenefits Service Center (TRIP/TRAIL): (844) 251-1777

Illinois Retired Teachers Association: (800) 728-4782

Illinois Education Association (Retired): (800) 264-1887

Illinois State Board of Education (Licensure): (866) 262-6663


Questions?

Appendix

Reciprocal Retirement Systems

Members, employers and the state of Illinois make contributions to TRS to provide for your retirement, disability and death benefits.

CEABF	County Employees' Annuity & Benefit Fund of Cook County	www.CookCountyPension.com	(312) 603-1200
CTPF	Chicago Teachers' Pension Fund	www.CTPF.org	(312) 641-4464
PEABF	Forest Preserve District Employee's Annuity Benefit Fund of Cook County	www.CookCountyPension.com	(312) 603-1200
IMRF	Illinois Municipal Retirement Fund	www.IMRF.org	(630) 368-1010
JRS/GARS	Judges' & General Assembly Retirement System	www.srs.Illinois.gov	(217) 782-8500
LABF	Laborers' Annuity & Benefit Fund	www.labfChicago.org	(312) 236-2065
MEABF	Municipal Employees' Annuity & Benefit Fund	www.MEABF.org	(312) 236-4700
MWRD	Metropolitan Water Reclamation District	www.MWRDRF.org	(312) 751-3222
PEABF	Park Employees' Annuity & Benefit Fund of Chicago	www.ChicagoParkPension.org	(312) 553-9265
SRS	State Employees' Retirement System	www.srs.Illinois.gov	(217) 785-7444
SURS	State Universities Retirement System	www.SURS.org	(800) 275-7877
TRS	Teachers' Retirement System (of Illinois)	www.trsil.org	(877) 927-5877

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In Retirement…

Post-retirement Employment

- Must have received first pension check
- May not work in TRS-covered position until July 1st
- May not return to last employer for 30 days
- May not pre-arrange post-retirement employment with last employer
- TRS-covered work limited to 120 days/600 hours per school year thru 6/30/26 (100 days/500 hours typically)
- Reciprocal limitations apply IF retiring reciprocally or are Tier 2
- No limit on private sector or out-of-state public school work
- No limit on earnings

Retirement Process Responsibilities

TRS MEMBER	EMPLOYER
•Contact TRS 6-12 weeks prior to your last day of work (by phone or online) •Complete and submit all necessary retirement forms •Contact each reciprocal system for retirement application, if applicable •Submit retirement application to reciprocal system(s), if applicable •Pay off or waive all optional service and 2.2 balances	•Submit the supplementary report on or after the last day of work (electronically) •Submit the sick leave certification on or after the last day of work (electronically)

Retirement Process Timeline

Elected "NO" for AAI

Your retirement claim will be processed after TRS receives all necessary forms/payments and audits the supplementary report and sick leave granting certification

First retirement check issued 60-90 days after last required form or payment is received & reviewed (first payment is retro-active to your retirement date).

Elected "YES" for AAI

TRS will mail the AAI Election form to your home address after TRS receives all necessary forms/payments and audits the supplementary report and sick leave granting certification.

Once TRS receives your completed AAI Election form, TRS will process your monthly retirement benefit.

First retirement check issued after AAI Election form is received (first payment is retro-active to your retirement date).

Once your retirement claim is processed, you will receive a Transfer/Rollover form for your AAI lump-sum.

Once the calculation is complete you will receive a Notification of 1st Payment letter including the retroactive payment as well as your regular monthly payment going forward.

TRS Retirement Process

Claim Processing:
Allow 60-90 Business Days After All Forms and Payments Received and Reviewed

- AFTER last day of service, Employer will submit relevant information for final year of service
- Benefits are paid monthly through the month of your death
- You cannot outlive your benefit

Annual Increases

Standard Annual Benefit Increases

- Available to members who have been retired for one full year AND
  - Are at least age 61 for Tier 1 (3% compounded annually)
  - Are at least age 67 for Tier 2 (½ of the CPI with 3% Cap)
- Increases occur each January 1 (reflected in the February 1 benefit payment)

Accelerated Annual Increase (AAI) option

- Tier 1 member may choose in lieu of Standard Annual Increase
- 1.5% non-compounded increase from age 67 with lump sum payment at retirement
- Available for Tier 1 members retiring by June 30, 2026
- Eligible members must call for an AAI estimate ahead of retirement

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Excess Contribution Refunds

Refunds

- 2.2 Upgrade overpayment
- Early Retirement Option (ERO) – if not already claimed
- 1% Survivor Benefit Refund (if eligible)
  - Forfeits any Survivor Benefit

Refunds are paid after retirement benefit is calculated

- Refund checks are always mailed by the Illinois Comptroller's Office

Taxable refunds $200.00 or more are eligible for rollover