

## 2012 Proposed Permanent Rules

### TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA CHAPTER 1. ADMINISTRATIVE OPERATIONS

*715:1-1-2 is being amended to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-106.*

#### **715:1-1-2. Board of Trustees**

(a) The general administration and responsibility for the proper operation of the Teachers' Retirement System of Oklahoma, and effectively implementing the retirement statutes, are vested in the Board of Trustees. The statutory authority for the Board of Trustees is Title 70, Oklahoma Statutes, Section 17-106 [70 O.S. 17-106]. ~~The board is comprised of 13 trustees, appointed as follows:~~

- ~~(1) The State Superintendent of Public Instruction, ex officio.~~
- ~~—(2) The Director of State Finance, ex officio.~~
- ~~—(3) The Director of the Oklahoma Department of Career and Technology Education, ex officio, or his or her designee.~~
- ~~—(4) A representative of a school of higher education in Oklahoma, appointed by the Governor and approved by the Senate.~~
- ~~—(5) A member of the System of the nonclassified optional personnel status, appointed by the Governor and approved by the Senate.~~
- ~~—(6) An active classroom teacher, appointed by the President Pro Tempore of the Senate.~~
- ~~—(7) A retired member of the System, appointed by the President Pro Tempore of the Senate.~~
- ~~—(8) An active classroom teacher, appointed by the Speaker of the House of Representatives.~~
- ~~—(9) A retired classroom teacher, appointed by the Speaker of the House of Representatives.~~
- ~~—(10) Four members appointed by the Governor.~~

(b) ~~Persons appointed to the Board of Trustees pursuant to (a) above, shall:~~

- ~~—(1) Have demonstrated professional experience in investment or funds management, public funds management, public or private pension fund management or retirement system management, or~~
  - ~~—(2) Have demonstrated experience in the banking profession and professional experience in investment or funds management, or~~
  - ~~—(3) Be licensed to practice law in Oklahoma and have demonstrated professional experience in commercial matters, or~~
  - ~~—(4) Be licensed by the Oklahoma State Board of Public Accountancy to practice in Oklahoma as a public accountant or as a certified public accountant.~~
- ~~(c) The Governor, in making appointments that conform to the above requirements, shall give due consideration to balancing the appointments among the listed criteria.~~

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*715:1-1-3 is being amended to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-106.*

**715:1-1-3. Medical Board**

The statutory authority for the Medical Board is Title 70, Oklahoma Statutes, Section 17-106 [70 O.S. 17-106].

~~A Medical Board of three physicians, licensed by the State of Oklahoma, approved by the Board of Trustees, is charged with the responsibility of certifying members for retirement under the disability retirement provisions.~~

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*715:1-1-4 is being amended to remove obsolete information.*

**715:1-1-4. Administrative office**

The Teachers' Retirement System has office space located in the Oliver Hodge Education Building, 2500 N. Lincoln Boulevard, Oklahoma City, Oklahoma 73105. The mailing address for correspondence is TRS, P. O. Box 53524, Oklahoma City, OK 73152. The main telephone number is (405) 521-2387. The toll-free telephone number for calls originating outside the Oklahoma City local calling area is 1-877-738-6365. ~~The Teachers' Retirement System's website is [www.trs.state.ok.us](http://www.trs.state.ok.us).~~ Members are encouraged to visit the Retirement Office, or make written inquiries regarding any matter pertaining to their retirement accounts.

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*715:1-1-6 is being revoked to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-111.*

**715:1-1-6. Bonds (protective)**

~~(a) Under supervision of the Board, the administration of the System is carried out by the Executive Director and the office staff. The State Treasurer, who is the custodian of the Teacher's Retirement funds, is under a \$50,000 bond to the Board of Trustees. A \$25,000 bond is required of the Executive Director.~~

~~(b) All persons employed by TRS, except the Secretary Treasurer, shall be bonded by a blanket bond in an amount not in excess of \$20,000. The position of Secretary Treasurer shall be covered by an individual bond in the amount of \$25,000. The amount of the bonds of the Executive Director and the State Treasurer is set by the Teacher's Retirement law.~~

~~(c) A cash and securities bond provides coverage on securities, \$10,000 inside the premises and \$30,000 outside the premises, and cash, \$500 inside the premises and \$1,000 outside the premises. A depositor's forgery bond in the amount of \$10,000 protects TRS and its members against forgery on checks.~~

~~{Source: Amended at 28 Ok Reg 978, eff 5-26-11}~~

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*715:1-1-9 is being revoked to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-106.1.*

**715:1-1-9. Investment of funds**

~~The Board of Trustees shall be the trustees of the several funds created by the Teachers' Retirement Act and shall have full power to invest and reinvest such funds subject to the provisions of 70 O.S. 17-106, other pertinent laws of the State of Oklahoma, and the investment policies that may be adopted by the Board of Trustees. In making investments, the Board shall exercise the judgment and care in the circumstances then prevailing that men of prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable safety of their capital. This shall not be construed to authorize the Trustees to buy or sell property and investments from or to themselves personally, or to commingle Trust Funds with their individual funds. (See OAC 715:10-21-1)~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 1. Membership Provisions**

*715:10-1-2 is being amended to remove language that is duplicative to State Statute O.S. 70, Section 17-103 and to clarify membership provisions.*

**715:10-1-2. TRS membership eligibility**

TRS membership eligibility shall be governed by Title 70, Oklahoma Statutes, Section 17-103 [70 O.S. 17-103] and OAC 715:10-3 and OAC 715:10-4.

~~Except as provided in the Alternate Retirement Plan for Comprehensive Universities Act (70 O.S. § 17-201, et seq.), all "regular" employees of the public schools operated by and for the State of Oklahoma are eligible to become members of the Teachers' Retirement System, subject to the restrictions in paragraphs 1 through 3 of this section.~~

~~(1) Regular employee means an employee working twenty (20) hours or more per week, who has assigned duties and responsibilities, and who is treated by all standard conventions as an employee of the school; and, who receives compensation commensurate with the responsibilities of the position. Temporary, seasonal, supplemental and other employees employed on a limited or short term basis are not regular employees, and are thus ineligible.~~

~~(2) Regular employees receive payment for service by a school or state warrant, recorded on a warrant register with standard payroll deductions and receive benefits generally provided to other "regular" employees.~~

~~(3) The minimum requirement of twenty (20) hours per week shall be determined by the actual time the employee is required to be present at the place of employment.~~

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*715:10-1-3 is being amended to remove language that is duplicative to State Statute O.S. 70, Section 17-103 and to clarify membership provisions.*

**715:10-1-3. Mandatory TRS membership**

Except as provided in the Alternate Retirement Plan for Comprehensive Universities Act, the following all classified employees are required by 70 O.S. 17-103 to be members of the Teachers' Retirement System as a condition of employment.

~~(1) "Classified" employees employed by public, state-supported educational institutions in Oklahoma for twenty (20) hours or more per week at a rate of compensation comparable to other persons employed in similar positions.~~

~~(2) An administrative or supervisory employee of the State Department of Education, or other state agency whose function is primarily devoted to public education and who works twenty (20) hours or more per week at a rate of compensation comparable to other persons employed in similar positions.~~

~~(3) A county superintendent of schools. (This paragraph will become obsolete January 1, 1993, when provisions of H.B. 1017 abolish the office of county superintendent). [Source: Amended at 22 Ok Reg 2255, eff 6-25-05]~~

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**Subchapter 1. Membership Provisions**

*715:10-1-4 is being amended to clarify membership provisions.*

**715:10-1-4. Optional TRS membership**

The following employees are eligible to be members of the Teachers' Retirement System at their option:

~~(1) "Classified" employees regularly employed in the public, state-supported educational institutions of Oklahoma at any time during the five-year (5-year) period from July 1, 1938 to June 30, 1943.~~

~~(12) "Non-classified" employees employed by the public, state-supported educational institutions in Oklahoma for twenty (20) hours or more per week at a rate of compensation comparable to other persons employed in similar positions, and receive payment for service by a school or state warrant, recorded on a warrant register with standard payroll deductions, and receive benefits generally provided to regular employees.~~

~~(3) "Classified" employees regularly employed in the public, state-supported educational institutions who have reached age fifty five (55) at the time of employment.~~

~~(4) "Classified" employees regularly employed by a comprehensive university, as defined in 70 O.S. § 17-101, who have reached age forty five (45) at the time of employment, providing the employee is not currently a member of the Teachers' Retirement System.~~

~~(5) An employee on official sabbatical leave receiving at least one-half pay from the employing school or institution. Contributions for such employment shall be at a rate commensurate with the salary earned as a regular full-time employee in the last preceding school year. "Official sabbatical" means paid leave granted by the governing board of the employing school or institution. The member must elect to participate and make contributions to TRS at the time of the sabbatical. Sabbatical leave cannot be purchased by the member at a later date.~~

~~(26) Any member absent from the teaching service who is eligible to continue membership under special provisions of 70 O.S. 17-116.2, provided that such employee continues to be employed by a governmental agency.~~

~~(37) A visiting professor from another state or nation.~~

~~(48) Classified and Non-Classified members employed after retirement. (See OAC 715:10-17-13).~~

~~(59) Full-time, non-classified optional personnel who previously have opted out of TRS under OAC 715:10-11-2 may revoke their election and return to TRS participation. Providing, however, that such member is not eligible to redeposit the account withdrawn under OAC 715:10-11-2 or purchase credit for service performed after termination of membership and re-instatement of membership.~~

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*715:10-1-5 is being amended to clarify membership provisions.*

**715:10-1-5. Ineligible for TRS membership**

The following employees are ineligible to be members of the Teachers' Retirement System. (Note: Ineligible employment cannot be combined with eligible employment.)

- (1) A ~~non-classified~~ employee working less than 20 hours per week.
- (2) A substitute, irregular, seasonal, graduate assistant, fellowship recipient, adjunct supplemental or temporary employee. (Note: Certain substitute and adjunct employment may qualify for service credit. See OAC 715:10-5-2 and OAC 715:10-5-34).
- ~~(3) "Non-classified" employees who withdrew from membership in the Teachers' Retirement System after July 1, 1990, under provisions of OAC 715:10-11-2.~~
- (34) Persons employed as a consultant or persons contracting with a public school to transport students, to provide food service, or to provide any other services, who are not "regular" employees of the school. (NOTE: School bus drivers or food service personnel who are regular employees of the school are eligible for membership, subject to the requirements of OAC 715:10-1-2, 10-1-4, 10-1-5.)
- ~~(45)~~ An employee whose primary function at a school or institution is that of a student. If both the following conditions apply, a person employed in an Oklahoma public school, college or university shall be considered to be a student employee.
  - (A) The employment is conditional upon the employee's being enrolled as a student at the same institution; and
  - (B) The employee has no other employment during the same payroll period which is eligible for membership in TRS.
- ~~(6) A regular employee who earns less than \$2,000 per year.~~
- (57) Any persons whose employment compensation comes from federal or other funds and is not administered by an Oklahoma public education employer. (Note: If the employee is not paid by the school on a state warrant, the employee is not considered to be an employee of the school or the State of Oklahoma. Regular employees whose salaries are paid in part or in whole by federal or other funds are eligible for membership if they were hired by the school and paid by the school.)
- ~~(68)~~ Any person employed by the public schools of Oklahoma after July 1, 1991, who is covered by another federal, state, county or local public retirement plan which will provide benefits on the employment service covered by the Teachers' Retirement System.
- ~~(79)~~ Employees of employers that are not governmental employers within the definition of Internal Revenue Code Section 414 and 70 O.S. 17-116.2J.
- ~~(840)~~ Any person employed by the University of Oklahoma or Oklahoma State University or the entities of either comprehensive university who elects to participate in an alternative retirement plan provided by the comprehensive university as provided by the Alternate Retirement Plan for Comprehensive Universities Act.

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*715:10-1-6 is being amended to clarify membership provisions. Additionally, OTRS no longer requires Form 1-A for membership.*

**715:10-1-6. Date of Membership**

Date of membership is the date the initial contribution is made to TRS under the current membership account. (~~TRS Form 1-A must be completed and on file with TRS and membership approved by the Board of Trustees.~~) Any former member of TRS who has previously withdrawn contributions and who redeposits said withdrawn contributions as permitted by law shall have his or her initial date of membership reinstated. Any person who transfers service from the Oklahoma Public Employees Retirement System in accordance with 70 O.S., Section 17-116.2(L), shall be eligible to use his or her initial entry date into the Oklahoma Public Employees Retirement System as his or her date of membership in TRS. If a current member purchases non-contributory service for those years of qualified employment prior to the current date of membership, the official date of membership will remain the date the member's current membership account was opened. If a member purchases adjunct service that was performed prior to current date of membership, such purchased service shall be considered contributing service for purposes of vesting and membership date.

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
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**Subchapter 1. Membership Provisions**

*715:10-1-7 is being amended to clarify membership provisions.*

**715:10-1-7. Membership in education associations**

Any member absent from employment in the public schools of Oklahoma because of election or appointment as a local, state or national education association officer prior to January 1, 2011, shall be allowed to retain membership in TRS by making the contribution required of such member by Title 70 Okla. Stat. Section 17-116.2 and any other applicable statute. For purposes of this section the following shall apply:

(1) An education association is defined as an organization of educators established for the sole purpose of promoting the advancement of educational goals in Oklahoma or at the national level. A local or state association must be duly organized under the laws of the state of Oklahoma with a charter or articles of incorporation filed with the appropriate state agency and must comply with all applicable laws of the state of Oklahoma. A national association must be duly registered or chartered for the purpose of furthering educational goals at the national level.

(2) An "officer in an association" is a current member of TRS who is elected or appointed to an employment position within the association commensurate with a position in the public schools of Oklahoma defined as "classified" personnel by 70 O.S. 17-101. The officer must receive compensation for services rendered commensurate with compensation received for similar services in the public schools of Oklahoma.

(3) A member must notify TRS in writing on the form provided by TRS, the member's intent to elect to continue membership in TRS within thirty (30) days of becoming employed by an eligible association. In making this election the member shall agree to make payment in accordance with 70 O.S. 17-116.2 for the period of employment that qualifies for continued membership and to comply with all statutes and rules of TRS in maintaining membership.

(4) The maximum years of creditable service a member may receive for one such absence shall not exceed twelve (12) continuous years. A member may again qualify for creditable service in an educational association provided that the member returns to employment in the public schools of Oklahoma for a minimum of the same number of years received as credit in the former education association.

(5) On the recommendation of the Executive Director, the Board of Trustees may deny eligibility to any local state or national association, when it is judged not to conform with the intent of 70 O.S. 17-116.2 or when it is determined that the association was not established for the sole purpose of promoting the advancement of education.

(6) Effective July 1, 1994, a member may elect to continue membership as provided in paragraph (3) above only if the member has ten (10) years of contributory Oklahoma service prior to July 1, 1994.

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**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 3. Service Eligibility**

*715:10-3-1 is being amended to provide clarification and consistency after the implementation of changes in 715:10-1-2 through 715:10-1-7. Specifically, with the requirement that Classified personnel must be members of the System regardless of the number of hours worked, this change will allow all such members to receive retirement service credit in line with the fraction of full time service that is worked. This will also treat all members of the System consistently in that service credit will be based on the fraction of full time service for similar positions. The current rule grants a year of retirement service credit for those working as little as 30 hours a week. Similarly, members who work for 120 days currently receive a year of service credit. With this change, a member who works 120 days, when a full time employee in a similar position would work 180 days, would receive 0.67 years of retirement service credit. Also, a member who works 30 hours per week, when a full time employee in a similar position would work 40 hours per week, would receive 0.75 years of retirement service credit. This change in service credit calculation and accrual will apply to all service earned after July 1, 2013.*

**715:10-3-1. Requirements for creditable service**

All members of Teachers' Retirement System must be employed a specified amount of time as related to their educational employment position, and earn a minimum salary, before creditable service will be awarded. ~~Membership service credit shall be granted only when employment is performed on at least a half-time basis.~~ No service performed as a unpaid volunteer shall be counted as service credit. For service performed on or after July 1, 2012, creditable service will be awarded based upon the information provided by each employer certifying full-time equivalent for each position, subject to approval by TRS. No more than one (1) year of creditable service shall be awarded for all service in any one (1) school year. For service performed on or after July 1, 2013, fractional service will be awarded for less than full-time employment performed during the contract year. (Note: Please refer to Client Handbook for explanation of creditable service qualifications. The Client Handbook, which is periodically modified, can be found at [www.ok.gov/TRS](http://www.ok.gov/TRS)).

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*715:10-3-2 is being amended to provide clarification and consistency after the implementation of changes in 715:10-1-2 through 715:10-1-7. Specifically, with the requirement that Classified personnel must be members of the System regardless of the number of hours worked, this change will allow all such members to receive retirement service credit in line with the fraction of full time service that is worked. This will also treat all members of the System consistently in that service credit will be based on the fraction of full time service for similar positions. The current rule grants a year of retirement service credit for those working as little as 30 hours a week. Similarly, members who work for 120 days currently receive a year of service credit. With this change, a member who works 120 days, when a full time employee in a similar position would work 180 days, would receive 0.67 years of retirement service credit. Also, a member who works 30 hours per week, when a full time employee in a similar position would work 40 hours per week, would receive 0.75 years of retirement service credit. This change in service credit calculation and accrual will apply to all service earned after July 1, 2013.*

**715:10-3-2. Requirements for fulltime service**

A) For service performed prior to July 1, 2013, a member employed at least six (6) hours per day (30 hours per week) shall be considered a full-time employee.

(1) A full-time employee may receive one (1) year of creditable service after completing six (6) months or more of employment in a school year.

(2) No member shall receive one (1) year of service credit for less than 720 hours of employment. (This does not mean that a member working 720 hours is automatically entitled to one (1) year of creditable service.)

B) For service performed on or after July 1, 2012~~3~~, creditable service will be awarded as outlined in 715:10-3-1.

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*715:10-3-3 is being amended to provide clarification and consistency after the implementation of changes in 715:10-1-2 through 715:10-1-7. Specifically, with the requirement that Classified personnel must be members of the System regardless of the number of hours worked, this change will allow all such members to receive retirement service credit in line with the fraction of full time service that is worked. This will also treat all members of the System consistently in that service credit will be based on the fraction of full time service for similar positions. The current rule grants a year of retirement service credit for those working as little as 30 hours a week. Similarly, members who work for 120 days currently receive a year of service credit. With this change, a member who works 120 days, when a full time employee in a similar position would work 180 days, would receive 0.67 years of retirement service credit. Also, a member who works 30 hours per week, when a full time employee in a similar position would work 40 hours per week, would receive 0.75 years of retirement service credit. This change in service credit calculation and accrual will apply to all service earned after July 1, 2013.*

**715:10-3-3. Requirements for half-time service**

A) For service performed prior to July 1, 2013, a member employed at least four (4) but less than six (6) hours per day (at least 20 but less than 30 hours per week) shall be considered a half-time employee.

(1) A half-time employee may receive one-half (1/2) year of creditable service after completing six (6) months or more of employment in a school year.

(2) No member shall receive one-half (1/2) year of service credit for less than 480 hours of employment. (This does not mean that a member working 480 hours is automatically entitled to one-half (1/2) year of creditable service.

(3) A member who is employed one-half (1/2) the standard workload of other persons employed in similar positions shall not receive more than one-half (1/2) year of service credit even if total hours worked exceed 720 hours.

(4) Members who joined TRS prior to July 1, 1991, may receive one-half (1/2) credit for a minimum of three (3) hours per day (540 hours per school year) as long as they remain employed in the same or similar position for the same employing school. Any break in employment shall end this special provision and the member will be required to qualify for full-time or half-time credit as provided for in Subchapters 1 and 3 of this chapter.

B) For service performed on or after July 1, 2013, creditable service will be awarded as outlined in 715:10-3-1.

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*715:10-3-4 is being amended to provide clarification and consistency after the implementation of changes in 715:10-1-2 through 715:10-1-7. Specifically, with the requirement that Classified personnel must be members of the System regardless of the number of hours worked, this change will allow all such members to receive retirement service credit in line with the fraction of full time service that is worked. This will also treat all members of the System consistently in that service credit will be based on the fraction of full time service for similar positions. The current rule grants a year of retirement service credit for those working as little as 30 hours a week. Similarly, members who work for 120 days currently receive a year of service credit. With this change, a member who works 120 days, when a full time employee in a similar position would work 180 days, would receive 0.67 years of retirement service credit. Also, a member who works 30 hours per week, when a full time employee in a similar position would work 40 hours per week, would receive 0.75 years of retirement service credit. This change in service credit calculation and accrual will apply to all service earned after July 1, 2013.*

**715:10-3-4. Combining fractional years of service**

A) For service performed prior to July 1, 2013, fFractions of school terms performed as an active contributing member of TRS of at least one (1) school month, in different school years, may be combined to make a total of six (6) months for one (1) year of creditable service. It is not permissible to divide service rendered in one (1) year into fractional parts and combine these fractions with service rendered in two (2) or more years in order to gain additional years of service. All fractional service must be combined together before days of unused sick leave are applied to fractional service to obtain service credit. No more than one (1) year of credit will be given for all employment in any one (1) school year. However, if the member has one hundred twenty (120) or more days of unused sick leave and has ninety (90) or more days of combined work experience at the end of the school year when the member retires, TRS will grant one (1) year of service credit for the 120 days of unused sick leave and round the 90 days of work experience to count as one (1) year of service.

B) 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.

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*715:10-3-5 is being amended to provide clarification and consistency after the implementation of changes in 715:10-1-2 through 715:10-1-7. Specifically, with the requirement that Classified personnel must be members of the System regardless of the number of hours worked, this change will allow all such members to receive retirement service credit in line with the fraction of full time service that is worked. This will also treat all members of the System consistently in that service credit will be based on the fraction of full time service for similar positions. The current rule grants a year of retirement service credit for those working as little as 30 hours a week. Similarly, members who work for 120 days currently receive a year of service credit. With this change, a member who works 120 days, when a full time employee in a similar position would work 180 days, would receive 0.67 years of retirement service credit. Also, a member who works 30 hours per week, when a full time employee in a similar position would work 40 hours per week, would receive 0.75 years of retirement service credit. This change in service credit calculation and accrual will apply to all service earned after July 1, 2013.*

**715:10-3-5. Minimum compensation requirements**

In addition to the above, the following chart outlines the minimum salary levels which constitute membership service credit for the time periods indicated:

Period	Minimum Time Worked	Required Annual Salary	Allowable Credit	
			Monthly	Annually
07/01/43 06/30/61	9 months	\$900	---	1 year
07/01/61 06/30/64	10 months	Less than \$1,000	Not Eligible	---
		\$1,000	---	1 year
07/01/64 06/30/84		Less than \$1,000	Not Eligible	---
		\$1,000-\$1,500	1-1/2 months	1/4 year
		\$1,501-\$1,750	3 months	1/2 year
		\$1,751-\$1,999	4-1/2 months	3/4 year
		\$2,000 and over	6 months	1 year
07/01/84- <u>06-30- 11121113</u>		Less than \$2,000	Not Eligible	---
		\$2,000-\$3,000	1-1/2 months	1/4 year
		\$3,001-\$3,500	3 months	1/2 year
		\$3,501-\$3,999	4-1/2 months	3/4 year
		\$4,000 and over	6 months	1 year

07-01-~~1112~~  
1113 -  
Present

All  
fractional  
service  
eligible

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
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**Subchapter 5. Establishing Other Service Credits**

*715:10-5-4 is being revoked to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-116.8.*

**~~715:10-5-4. Cost to purchase Oklahoma service~~**

~~The purchase price for each year of Oklahoma service, unless otherwise specified, shall be based on the actuarial cost of the incremental projected benefits being purchased.~~

~~(1) The actuarial cost and any tables formulated for the purpose of determining such cost, shall be based on the actuarial assumptions adopted by the Board of Trustees to be utilized in the actuarial valuation report for the Fiscal Year beginning each July 1. New actuarial assumptions approved by the Board subsequent to January 1, 1991, shall be incorporated into such tables with an effective date of the next January 1st.~~

~~(2) The actuarial value shall be based upon the member's age, full-time equivalent salary and contribution level at the time of purchase (or the annual salary of the previous year, if greater), together with the earliest age for retirement with maximum benefits and actuarially assumed salary at time of retirement. If purchase is not made by the due date on the billing statement, the purchase must be recalculated and the actuarial cost may increase.~~

~~(3) For purposes of this actuarial cost, the member's age shall be determined as the age at last birthday.~~

~~(4) For purposes of this actuarial cost, the mortality tables shall be formulated as a unisex table assuming a 40% male and 60% female population, based on the actuarial assumptions in paragraph (1) of this section.~~

~~(5) The actuarial cost shall not be less than the contributions required of the member at a rate commensurate with the salary earned as a regular full-time employee the last preceding school year prior to the purchase. Individuals employed on a less than full-time basis shall have their salary adjusted upward, in a prorata manner, to the amount that would be earned if employed full-time.~~

~~(6) Payment may be made in a lump sum for all eligible years of service or in installments equal to establishing one (1) year of creditable service.~~

~~(7) A billing statement will be issued at the request of the member. The due date of payment shall be the date prior to the member's next birthday or June 30th, whichever occurs first.~~

~~(8) A member may request payment of past service credits billed in accordance with provisions of 70 O.S., Section 17-116.8, as amended, to be amortized in monthly installments of not more than sixty (60) months. A payment schedule may be established allowing the member to make monthly payments directly to Teachers' Retirement or through payroll deductions by the member's employer if the employer agrees to make the deductions and remit payments to Teachers' Retirement. Payments remitted by an employer for its employees must be kept separate from the employer's regular retirement contributions and tax sheltered annuity deposits. Effective January 1, 2002, installment payments made through employer payroll deductions qualify for special tax treatment. (See OAC 715:10-5-35.)~~

~~(9) The installment payment schedule provided for in this section must be in equal monthly increments of twelve-month periods not to exceed sixty (60) months. The member shall be responsible for maintaining the payment schedule. Payments are due on the first day of each month. A monthly installment not paid within sixty (60) days of the due date will result in termination of the installment payment schedule with the member given the option of paying the balance of the actuarial cost or receiving partial credit for payments made under the installment schedule as provided for in paragraph (11) of this section.~~

~~(10) The monthly payment will be determined by amortizing the total amount due for the service to be purchased over the period of the installment schedule using an interest rate equal to the actuarially assumed interest rate adopted by the Board of Trustees for investment earnings each year. The current interest rate is eight percent (8%).~~

~~(11) If the installment payment is terminated for any reason, including termination of employment, death of the member or by cessation of payments, the member or his beneficiary will have the option of paying the remaining balance within six (6) months. If the balance is not paid, the member will receive credit for service prorated in whole years for only the principal amount paid. Any payment balance that is not used in crediting whole years will be refunded to the member.~~

~~(12) Credit will not be awarded for partial years of service unless the member's employment record is such that one half (1/2) year of credit is included in the original service to be purchased.~~

~~(13) Credit for service purchased on an installment schedule will not be added to the member's account until the entire balance is paid, except as provided for in paragraph (11) of this section. All payments must be completed one (1) month prior to the effective retirement date of the member.~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 5. Establishing Other Service Credits**

*715:10-5-7.3 is being amended to remove language that is duplicative to Oklahoma State Statute O.S. 47, Sec. 2-314.*

**715:10-5-7.3. Service credit transfers for TRS members who are CLEET-certified employees of the University of Oklahoma and Oklahoma State University**

The statutory authority for this service credit transfer is outlined in Title 47, Oklahoma Statutes, Section 2-314 [47 O.S. 2-314].

~~(a) A Teachers' Retirement System member employed by the University of Oklahoma and/or Oklahoma State University as a CLEET certified police officer may make an irrevocable written election to transfer his or her membership to the Oklahoma Law Enforcement Retirement System if the school's governing board elects to participate in the Oklahoma Law Enforcement Retirement System.~~

~~—(1) The member must have been employed by the school as a CLEET certified police officer before the school's governing board elected to participate in the Oklahoma Law Enforcement Retirement System.~~

~~—(2) The member's election to transfer must be made within three (3) months following the employing school's governing board's election to participate in the Oklahoma Law Enforcement Retirement System.~~

~~—(3) The transferring member shall cease accruing service credit in the Teachers' Retirement System on the date of his or her irrevocable written election to participate in the Oklahoma Law Enforcement Retirement System.~~

~~(b) The Teachers' Retirement System shall transfer to the Oklahoma Law Enforcement Retirement System all of the transferring member's TRS records, as well as employee and employer contributions prior to the first day of the month following the Teachers' Retirement System's receipt of the member's election to transfer.~~

~~(c) The member must pay the difference in the cost of the service credits transferred by the teachers' Retirement System and the cost of such service credits in the Oklahoma Law Enforcement Retirement System.~~

~~(d) For members electing to transfer to the Oklahoma Law Enforcement Retirement System, all TRS service credits not transferred shall be canceled.~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 5. Establishing Other Service Credits**

*715:10-5-9 is being amended to remove inconsistencies in the rule.*

**715:10-5-9. Re-establishing withdrawn service**

After returning to employment in the public schools of Oklahoma a member may redeposit a withdrawn account to re-establish service previously withdrawn from the system. For purposes of this section the following shall apply:

(1) A "classified" and "non-classified" member (except as noted in paragraphs 2 and 3 of this section) who has returned to public education employment and has established one full year (twelve calendar months) of creditable Oklahoma service, is eligible to redeposit withdrawn contributions. A redeposit of withdrawn contributions must include all applicable interest, which shall be computed at a simple interest rate of ten percent (10%) per annum from the date of the withdrawal to the date repayment is made.

~~(2) Nonclassified members who voluntarily withdrew from membership in TRS, subsequent to July 1, 1990, without terminating employment in the public schools of Oklahoma, are not eligible to return to membership unless they become employed in a classified position that requires membership as a condition of employment (See OAC 715:10-1-3).~~

~~(23) Non-classified members who voluntarily withdrew from membership in TRS, between July 1, 1984 and June 30, 1990, without terminating employment in the public schools of Oklahoma, are not eligible to redeposit or purchase past service for any period of employment between the date of the membership period covered by the withdrawn account and the date of return to membership in TRS.~~

~~(34) Non-classified members who voluntarily cease monthly contributions to TRS while continuing to be employed in an eligible position shall be considered to have withdrawn from membership, for the purpose of paragraphs 2 and 3 of this section.~~

~~(45) Requests for redeposits should be made to the Teachers' Retirement System in writing. The request must include the name in which the service was rendered, the Social Security number and the number of years withdrawn.~~

~~(56) Documentation of this service is on file in the Teachers' Retirement System office and will be verified by the staff. Service that cannot be documented by researching microfilm records of the member's prior service account or the monthly remittance reports from the employing school must be purchased under the rule for establishing service prior to membership.~~

~~(67) Repayments of withdrawn accounts may be made by active contributing members of TRS in a single lump sum, which includes the withdrawn contributions and all applicable interest, or in installment payments. Such installment payments may be paid in 12-month increments, but shall be completed within 60 months. Installment payments shall include interest based upon actuarial assumptions adopted by the TRS Board of Trustees. Such installment payments shall be completed before the member's effective retirement date. No proration is allowed for partial payments. If payments terminate prior to completion of the installment agreement, the amount paid by the member shall be refunded without interest.~~

~~(78) Redepositing of withdrawn accounts must be completed, and payment made to TRS, within sixty (60) days of termination of employment in the public schools of Oklahoma, but one (1) month prior to the effective date of a member's official retirement date.~~

~~(89) No person may make a redeposit to a member's account after the death of the member.~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 5. Establishing Other Service Credits**

*715:10-5-11 is being revoked to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-113.*

**~~715:10-5-11. Military service limited to maximum of five years~~**

~~Credit for military service is limited to a maximum of five (5) years. This includes service both before and after July 1, 1943. No credit may be given for any year of military duty which duplicates any other credit already granted or in which a year of creditable service is available for service in the public schools of Oklahoma. The member must have two (2) years of creditable Oklahoma service after the years of military service credit for each year to be purchased. Out-of-state service credit cannot be counted as employment in obtaining military service credit.~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 5. Establishing Other Service Credits**

*715:10-5-28 is being amended to provide clarification and consistency after the implementation of changes in 715:10-3-1 through 715:10-3-5.*

**715:10-5-28. Sick leave service credit**

A member who has unused sick leave days at retirement may receive up to one (1) additional year of service credit. The 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. ~~one hundred twenty (120) days of accumulated unused sick leave days at retirement shall receive one (1) year of additional credit toward retirement. A member who has less than one hundred twenty (120) days of unused sick leave at retirement may add such days to days employed by the public schools of Oklahoma in obtaining an additional year of credit toward retirement.~~ It is the responsibility of the member to obtain verification of sick leave from the employing school prior to the member's official retirement date. No adjustment in retirement benefits shall be made for sick leave documented after the member's retirement date. Sick leave cannot be combined with out-of-state, military service or any non-public Oklahoma school employment to obtain additional credit toward retirement. Service credit obtained by unused sick leave may be used in qualifying for retirement benefits under the "Combination of 80," ~~and "Combination of 90," rule and~~ "Rule of 90/Minimum 60." For any member who joined TRS prior to July 1, 1995, the year of credit received for sick leave shall be treated as service earned prior to July 1, 1995. Unused sick leave may not be used to vest an account or to meet the minimum requirement of five (5) years of employment in the public schools of Oklahoma to qualify for retirement benefits. Sick leave accumulated while employed by any employer other than a public school as defined by 70 O.S. 17-101 shall not be counted for purposes of obtaining additional retirement credit under this rule.

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 5. Establishing Other Service Credits**

*715:10-5-33 is being revoked to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 6-104.1.*

**715: 10-5-33. Credit for Family Leave**

~~(a) A full time teacher who takes ninety (90) or fewer days of leave without pay to care for his or her child during the first year of the child's life shall receive retirement service credit for the days taken as leave without pay if:~~

~~—(1) the employing district certifies to the Teachers' Retirement System that the employee's leave without pay was taken with the proper approval of the employing district's Board of Education;~~

~~and~~

~~—(2) the Teachers' Retirement System receives payment for the actuarial cost of the service credit for the days taken as leave without pay;~~

~~(b) The teacher shall notify his or her employer and the Teachers' Retirement System in writing within thirty (30) days from the date he or she returns to work that he or she will pay the actuarial cost of the service credit for the days taken as leave without pay.~~

~~(c) The teacher shall have up to twelve (12) months from the date he or she returns to work to pay the actuarial cost for the days taken as leave without pay.~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 7. Membership Vesting and Termination**

*715:10-7-6 is being amended to provide clarification and consistency after the implementation of changes in 715:10-1-2 through 715:10-1-7.*

**715:10-7-6. Termination of a non-eligible person**

A member who is employed by a public education entity, in a position which is not eligible for membership, ~~does not meet the hours per day minimum, and/or salary requirements,~~ must terminate membership. All contributions remitted for a non-eligible person will be refunded with no interest. If an eligible member's employment is changed to a status that no longer qualifies for membership in TRS, the member's account will be terminated in the same manner as if the member has withdrawn from employment in the public schools of Oklahoma.

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 9. Survivor Benefits**

*715:10-9-2 is being revoked to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-105(11).*

**~~715:10-9-2. Death benefit when death occurs before retirement~~**

~~(a) A death benefit of \$18,000 shall be paid by TRS to the designated beneficiary upon the death of an in-service member. If there is no designated beneficiary, or if the designated beneficiary predeceases the member, the member's estate shall receive the death benefit. [See OAC 715:10-9-7, if the member and beneficiary were divorced before death].~~

~~(b) "In-service" membership shall include:~~

~~—(1) Employees in an active member status within the Oklahoma public education system at the time of death.~~

~~—(2) Members who have been, or would have been, rehired, automatically or otherwise, for the next school year when death occurs during the summer break.~~

~~—(3) Members on sick leave, for up to one (1) full year, who would be returned to employment by the employer upon satisfactory recovery.~~

~~(c) "In-service" membership shall not include:~~

~~—(1) Employees who are not eligible for membership in TRS.~~

~~—(2) Any member in an in-active employment status, except as noted above in paragraph (b).~~

~~—(3) Any member who resigned as an employee of the public schools of Oklahoma.~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 9. Survivor Benefits**

*715:10-9-3 is being amended to clarify the requirements of the rule.*

**715:10-9-3. Monthly annuity in lieu of death benefit**

The designated beneficiary of an active contributing member, who qualified for service retirement, may elect to receive-in lieu of the return of contributions and the \$18,000 death benefit ~~outlined above~~ the retirement benefit to which the deceased member would have been entitled at the time of death under the Option 2 retirement plan. To qualify for this option, the designated beneficiary must have been named as the primary beneficiary at the time of the member's death (see OAC 715:10-15-1 and 10-15-2). This option is only available when the member has designated one individual as the designated beneficiary, and the beneficiary is the member's spouse or someone who is not more than 10 years younger than the member. [See OAC 715:10-9-7, if the member and beneficiary were divorced before death].

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 9. Survivor Benefits**

*715:10-9-4 is being revoked to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-105(12).*

**~~715:10-9-4. Death Benefit when death occurs after retirement~~**

~~Upon the death of a retired member who contributed to the Retirement System, TRS shall pay a \$5,000 death benefit to the retiree's designated beneficiary. If the retired member had designated more than one primary beneficiary, the death benefit shall be paid in equal shares to each primary beneficiary. If there is no beneficiary the retiree's estate shall receive this death benefit, unless waived pursuant to OAC 715:10-9-6. This benefit is paid in addition to any payment provided for by the retirement option elected by the member at the time of retirement. (Note: The \$5,000 death benefit does not apply to persons receiving payments under the "Special \$150 Per Month Plan".) [See OAC 715:10-9-7, if the member and beneficiary were divorced before death].~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 9. Survivor Benefits**

*715:10-9-5 is being amended to incorporate Statutory changes under House Bill 2004, enacted in the 2011 Legislative Session.*

**715:10-9-5. Payments to beneficiaries of deceased members**

Death benefit payments will be made by TRS to the beneficiary(s) of each deceased member as expeditiously as possible. The following documents must be provided to TRS before payment can be made.

- (1) The designated beneficiary(s) must provide a certified copy of the death certificate and complete a Claimant's Affidavit Form.
- (2) When no designated beneficiary has been named or the designated beneficiary(s) predeceases the member, and no waiver is sought, permitted or allowed pursuant to OAC 715:10-9-6, the executor/administrator of the member's estate must provide a certified copy of the death certificate, complete Claimant's Affidavit Form, and provide Letters of Testamentary or other documentation of court appointment.
- (3) Payments to minor children named as beneficiaries shall be made in accordance with applicable Oklahoma statutes. However, all such payments shall be distributed in accordance with the requirements of Section 401(a)(9) of the Internal Revenue Code and any regulations under that section. [See OAC 715:10-9-7, if the member and beneficiary were divorced before death].
- (4) The beneficiary(ies) of the \$5,000 or \$18,000 death benefit may sign an "Irrevocable Assignment of Death Benefit and Qualified Disclaimer" to directly transfer all or a portion of the death benefit to a licensed funeral director or facility.

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 9. Survivor Benefits**

*715:10-9-6 is being revoked to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-105(13).*

**~~715:10-9-6. Probate Waivers~~**

~~(a) In the event a member dies, leaving no living beneficiary or having designated his estate as beneficiary, the System shall require the judicial appointment of an administrator or executor for the member's estate prior to payment of any benefits or unpaid contributions. However, this requirement may be waived by the System for any benefits or unpaid contributions in the amount of \$5,000.00 or less, upon presentation of:~~

~~(1) the member's valid Last Will and Testament~~

~~(2) an Affidavit of Heirship naming all heirs to the member's estate which must state:~~

~~(A) that the value of the deceased member's entire estate is subject to probate, and that the estate wherever located, less liens and encumbrances, does not exceed Five Thousand Dollars (\$5,000), including the payment of benefits or unpaid contributions from the System;~~

~~(B) a description of the personal property claimed (including the death benefit or unpaid contributions or both), together with a statement that such personal property is subject to probate; and~~

~~(C) a claim by each individual claiming heir identifying the amount of personal property that the heir is claiming from the System, and that the heir has been notified of, is aware of and consents to the identified claims of all the other claiming heirs of the deceased member pending with the System.~~

~~(3) a Hold Harmless Agreement signed by all heirs;~~

~~(4) a Corroborating Affidavit from someone other than an heir who is familiar with the deceased member; and~~

~~(5) proof of payment of expenses of last sickness, death and burial, including all medical, hospital and funeral expenses.~~

~~(b) The Executive Director of the Teachers' Retirement System shall retain complete discretion in determining which requests for probate waiver may be granted or denied, for any reason. If there is any question as to the validity of any document herein required, the judicial appointment requirement shall not be waived.~~

~~(c) After paying any death benefits or unpaid contributions to any claiming heirs as provided by this section, the Teachers' Retirement System is discharged and released from any and all liability, obligation and costs to the same extent as if the System had dealt with a personal representative of the deceased member. The System is not required to inquire into the truth of any matter specified in this section or into the payment of any estate tax liability.~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 11. Withdrawal From Membership and Refund of Deposits**

*715:10-11-1 is being amended to remove inconsistencies in the rule.*

**715:10-11-1. Withdrawal from membership by an eligible person**

Any member who terminates employment in the public schools of Oklahoma may voluntarily withdraw from membership in the Teachers' Retirement System under the following conditions:

(1) The Teachers' Retirement System law provides that members who leave Oklahoma public education employment are eligible to withdraw the contributions made to their TRS account four (4) months after termination. A former employee may submit application for the proceeds of the account after the last day physically worked. Withdrawal payment can be made no earlier than four (4) months after the last public school employment. There are no exceptions to this waiting period. Withdrawal forms may be obtained by contacting the TRS office. Last day of employment shall be defined as:

(A) For teachers - the actual last teaching day in the classroom;

(B) For other personnel - the actual last day on the job.

~~(2) Application for Withdrawal must be received by Teachers' Retirement System no later than the first day of the fourth month of the required waiting period in order to be approved by the Board of Trustees that same month.~~ Written verification from the school's payroll department of a member's termination of employment and/or non-resumption of teaching contract must be on file before processing the Application for Withdrawal.

~~(3) All contributions and interest due must be approved by the Board before payment to the withdrawing member. Payment will be mailed on the 20th day of the fourth month of the required waiting period unless the 20th falls on a legal holiday or a weekend. Payment will then be mailed on the closest business day.~~

~~(4)~~ The years of membership shall be calculated as follows:

(A) For withdrawal purposes - from the date of the first contribution of the current membership to the date of withdrawal, except that member accounts closed in compliance with OAC 715:10-7-3 will be from the date of the first contribution to the date the account is closed.

(B) For payment of interest purposes - from the date of the first contribution of the current membership to the ~~June 30 preceding~~ the date of withdrawal, except that member accounts closed in compliance with OAC 715:10-7-3 will be from the date of the first contribution to the date the account is closed.

~~(5)~~ Interest rate on withdrawals shall be paid as follows:

(A) July 1, 1968 through June 30, 1977 - four and one-half percent (4 1/2%), compounded annually.

(B) July 1, 1977 through June 30, 1981 - seven percent (7%), compounded annually.

(C) As of July 1, 1981 to present - eight percent (8%), compounded annually.

~~(6)~~ Interest payment on withdrawals shall be paid as follows:

(A) If termination occurs within sixteen (16) years from the date membership began, fifty (50) percent of the total accrued interest shall be paid.

(B) With at least sixteen (16) but less than twenty-one (21) years of membership, sixty (60) percent of the total accrued interest shall be paid.

(C) With at least twenty-one (21) but less than twenty-six (26) years of membership, seventy-five (75) percent of the total accrued interest shall be paid.

(D) With at least twenty-six (26) years of membership, ninety (90) percent of the total accrued interest shall be paid.

(~~67~~) The Board of Trustees has ruled that a person whose membership has not terminated due to five (5) years of absence from Oklahoma public education employment, but who has applied to withdraw all accumulated contributions, shall not have membership terminated until the withdrawal check has been accepted and cashed.

(~~78~~) Effective July 1, 1990, no member is eligible to withdraw contributions made on a pre-tax basis, unless the employee has terminated employment in the public schools for a period of four months.

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 11. Withdrawal From Membership and Refund of Deposits**

*715:10-11-2 is being amended to remove inconsistencies in the rule.*

**715:10-11-2. Withdrawal of optional membership while still employed**

A non-classified optional member may voluntarily terminate TRS membership while continuing employment in the public schools of Oklahoma, if:

(1) Proper application is made to TRS. Withdrawal may be made no earlier than two (2) months after date of application and no earlier than the receipt by TRS of the final deposit to the member's account.

(2) The financial officer of the employing school certifies the member's election to stop contributions and the effective date of the member's last contributions and the date payment will be remitted to TRS.

(3) Any member who withdraws under the conditions listed here may rejoin the Teachers' Retirement System, under the provision of OAC 715:10-1-4(8). A member who terminates membership under this section cannot redeposit contributions withdrawn under this section at a later date, even if the individual returns to membership in TRS. The member will also forfeit any right to purchase service performed from the date of termination of membership under this section and prior to the re-entry date, and will forfeit any unused sick leave accumulated from the date of termination of membership under this section and prior to the re-entry date.

(4) A member's contributions cannot be terminated, by either the member or the employer, without termination of TRS membership. Any member who ceases contributions while still employed in an optional position shall be deemed to have become an ineligible member of TRS, and will have forfeited all rights to retirement benefits provided by TRS.

(5) An employer may prevent its employees from withdrawing, under this rule, if the employer has a negotiated labor agreement, or formalized IRS plan, prohibiting such terminations and withdrawals.

(6) After-tax contributions can be refunded to an optional member prior to separation from service. Pre-tax contributions cannot be refunded until the member terminates employment or turns 62. Following termination of employment, TRS should be contacted for the proper form to be completed for return of pre-tax contributions. Upon completion of the verification form by the school and the mandatory four-month waiting period, payment of the balance of the account will be made at the same time as regular withdrawals.

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 13. Contributions for Membership Service**

*715:10-13-1 is being revoked to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-116.2.*

**~~715:10-13-1. Regular annual compensation requirements~~**

~~Each member of the Teachers' Retirement System is required to make contributions to the Retirement Fund. Monthly contributions are a set percent of "regular annual compensation". Regular annual compensation is defined as wages plus fringe benefits, excluding the flexible benefit allowance provided by Section 26-105 of Title 70 of the Oklahoma Statutes, and shall include all normal periodic payments as provided in subsection D of Section 17-116.2 of Title 70 of the Oklahoma Statutes. Wages and fringe benefits for retirement purposes are defined as normal periodic payment for service the right to which accrues on a regular basis in proportion to the service performed. Such periodic payments shall include staff development or other periodic payments to qualifying members. Fringe benefits shall include employer paid group health and disability insurance, group term life insurance, annuities and pension contributions and IRS Code Section 125 cafeteria benefits provided on a periodic basis to all qualified members of the employer, which qualify as fringe benefits under the United States Internal Revenue Code. Excluded from regular annual compensation are: employer contributions to a deferred compensation plan that is not provided to all qualified members of the employer, expense reimbursement payments; office, vehicle, housing or other maintenance allowances; the flexible benefit allowance provided pursuant to Section 26-105 of Title 70 of the Oklahoma Statutes; payment for unused vacation and sick leave; any payment made for reason of termination or retirement; maintenance or other non-monetary compensation; payment received as an independent contractor or consultant; or any benefit payments not made pursuant to a valid employment agreement. Contributions can only be remitted on actual wages and fringe benefits. No individual can contribute on unearned or non-existent compensation. Under no circumstances can members pay retirement contributions on more than they actually earn.~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 13. Contributions for Membership Service**

*715:10-13-4.1 is being revoked to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-116.2A.*

**~~715:10-13-4.1. Maximum compensation level election for the 1995-96 school year~~**

~~(a) A member employed by an entity or institution within the Oklahoma State System of Higher Education between July 1, 1995, and June 30, 1996, was eligible to elect before January 1, 1997, to make an additional contribution on regular annual compensation in excess of his or her maximum compensation level for the 1995-96 school year.~~

~~(b) The member must have made the election in writing on a form prescribed by the Board of Trustees, and the form must have been filed with the Teachers' Retirement System on or before December 31, 1996.~~

~~(c) Members electing to pay on regular annual compensation in excess of the maximum compensation level for the 1995-96 school year must pay the difference between the member's regular annual compensation up to the member's maximum compensation level for the 1996-97 school year.~~

~~(d) The 1995-96 maximum compensation level for members employed by a comprehensive university was \$32,500, for those members electing to contribute on \$25,000 on or before June 30, 1995; \$49,000 for those members electing to contribute on regular annual compensation in excess of \$25,000 on or before June 30, 1995; and \$49,000 for those members who first joined the Teachers' Retirement System after June 30, 1996, or whose regular annual compensation did not exceed \$25,000 prior to June 30, 1995.~~

~~(e) The 1995-96 maximum compensation level for a member employed by an entity or institution within the Oklahoma State System of Higher Education other than a comprehensive university was his or her regular annual compensation.~~

~~(f) A member who made the election allowed by this rule must pay six percent (6%) of regular annual compensation up to his or her 1995-96 maximum compensation level, plus two and one-half percent (2.5%) of regular annual compensation up to his or her 1995-96 maximum compensation level as employer contributions, less the amount already paid by the member and his or her employer during the 1995-96 school year; however, the employer may pay all or any part of the payment required of the member.~~

~~(g) The payment may be made any time prior to the date the member files the written application for retirement with TRS.~~

~~(h) The member shall be charged interest compounded annually at the rate of ten percent (10%) from the date such contributions would have been paid until the payment is made to TRS.~~

~~(i) The member shall not receive credit for the election until the balance of contributions plus interest is paid in full.~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 13. Contributions for Membership Service**

*715:10-13-9 is being revoked to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-120.*

**715:10-13-9. Monthly remittance report of contributions**

A remittance report shall be prepared and filed with the Executive Director of the Teachers' Retirement System by the superintendent of schools or the financial secretary of a school, on the form supplied by the Teachers' Retirement System each month for each payroll period occurring during that month. This remittance report shall be submitted as an electronic file as specified by the Executive Director.

(1) School officials preparing the claims shall prepare an alphabetical list of all members comprising the report, the amount of contributions both taxed and non-taxed (paid by the employer on a before tax basis) for each employee and the total monthly compensation amount. Monthly compensation shall be the total compensation (including benefits) for the pay period and shall not in any case be less than 1/12th of the maximum compensation option elected by the member. The report must include a listing of all persons who are employed by the school and the amount of employer contributions remitted for each employee.

(2) Schools shall send the TRS Form 32, Summary of Payroll Remittance, along with warrants covering the total amount to be remitted for each month. All employee contributions, employer contributions, retired member contributions and matching funds for the pay period shall be remitted at the same time.

(3) TRS Form 1-A Personal Data shall be required for each new member of the Teachers' Retirement System. This form must be mailed to TRS prior to or with the first remittance report containing the name of a new employee/member.

(4) Payments for prior school years may not be included on current year reports. These payments must be handled as a back payment including any interest which may be due. Contact Teachers' Retirement System for proper billing of these amounts.

(5) The employer of each member shall submit the required school reports and corresponding funds within ten (10) days of the last day of each calendar month. Any required reports and corresponding funds not submitted to the Retirement System after thirty (30) days from the end of the payroll month shall be subject to a monthly late charge of one and one-half percent (1 1/2%) of the unpaid balance to be paid by the employer to the Retirement System compounding monthly for each month payment is overdue.

(6) Reports for the summer months of June, July and August must be made on three individual TRS Form 32 reports; however, they can all be sent to TRS at the same time. Reports for July and August of the preceding school year must be prepared and filed as separate reports from reports filed for the new year beginning July 1. Contributions due for one fiscal or school year shall not be commingled on the same remittance report with contributions for the next fiscal or school year.

(7) The Executive Director of TRS may, at any time, require additional items to be included on the monthly remittance report or require additional reports when in the Executive Director's judgment such information is necessary for the efficient operation of the System or to comply with state statutes.

(8) Receipts shall be issued by the Teachers' Retirement System to the remitting agency making the remittance.

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 13. Contributions for Membership Service**

*715:10-13-13 is being amended to clarify the requirement of the rule.*

**715:10-13-13. Contributions while receiving payments from Workers' Compensation**

Any member who is an active contributing member and receives temporary total disability benefits during the period of absence from a public school due to a work-related injury or illness and qualifies for payment pursuant to the Workers' Compensation Act shall receive credit for said period of absence subject to the following requirements:

- (1) the member was employed by the public school immediately prior to and during the period of absence,
- (2) the member must notify the System in writing not later than four (4) months after the member's return to his or her job duties with the public school, or termination of the temporary total disability benefits, whichever is earlier, of the member's desire to receive service credit for the period of absence,
- (3) the public school employer must certify to the System in writing the dates during which temporary total disability benefit payments were paid to the member, and
- (4) the member and the public school employer shall each pay the respective contributions required for the period of absence without interest within sixty (60) days of billing by the System, or with interest at a rate consistent with the actuarial assumed earnings rate adopted by the Board of Trustees (currently 8% per annum), compounded annually if paid after said sixty (60) days. Employee and employer contributions will be based on the member's regular annual compensation the member would have earned had the injury or illness not occurred.
- (5) All balances due must be paid in full at least 30 days prior to retirement or termination of employment.

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 15. Service Retirement**

*715:10-15-1 is being amended to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-105.*

**715:10-15-1. Eligibility for service retirement**

**Service retirement requirements shall be administered as outlined in Title 70, Oklahoma Statutes, Section 17-105 [70 O.S. 17-105].**

Members are eligible for service retirement benefits when they have:-

- ~~(1) withdrawn from employment in the public education institutions of Oklahoma;~~
- ~~(2) obtained a minimum of five (5) years of creditable service in the public schools of Oklahoma;~~
- ~~(3) satisfied the age and service requirements of Title 70, Okla. Stat., Section 17-105, as defined in OAC 715:10-15-2; and,~~
- ~~(4) made application as provided in OAC 715:10-15-3.~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 15. Service Retirement**

*715:10-15-2 is being amended to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-105.*

**715:10-15-2. Age, service requirements for regular retirement**

**Service retirement requirements shall be administered as outlined in Title 70, Oklahoma Statutes, Section 17-105 [70 O.S. 17-105].**

~~A member is eligible for service retirement benefits when the following requirements of age and service are met. Any member who joins TRS after July 1, 1991, shall be required to have five (5) full years of membership as a contributing member of the System. For members who join after July 1, 1991, Oklahoma service purchased after membership will not be counted for "vesting" purposes.~~

~~(1) For any member who joined TRS prior to July 1, 1992, full retirement benefits will be paid to members who:~~

~~—(A) Have reached age 62, or~~

~~—(B) Whose age as of their last birthday and number of years of creditable service total 80.~~

~~(2) For any member who joined TRS after June 30, 1992, full retirement benefits shall be paid to the member who:~~

~~—(A) Has reached age 62, or~~

~~—(B) Whose age as of his or her last birthday and number of years of creditable service total 90.~~

~~(3) Reduced retirement benefits will be paid to members who:~~

~~—(A) Are between ages 55 to 61 and have at least five (5) years of Oklahoma creditable service, but do not have 80 or 90 "points"; the reductions shall be as shown below:~~

~~—(i) 55 — 61.89%~~

~~—(ii) 56 — 65.95%~~

~~—(iii) 57 — 70.38%~~

~~—(iv) 58 — 75.23%~~

~~—(v) 59 — 80.00%~~

~~—(vi) 60 — 86.66%~~

~~—(vii) 61 — 93.33%~~

~~—(viii) 62 — 100.00%~~

~~—(B) Have thirty (30) or more years of creditable service, regardless of age, but do not have 80 or 90 "points." (TRS will provide reduction percentages upon request to any member desiring reduced benefit calculations who is under age 50 with 30 years of service.)~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 15. Service Retirement**

*715:10-15-7 is being amended to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-116.2.*

**715:10-15-7. Standard retirement formula**

**The standard retirement formula will be applied as directed in Title 70, Oklahoma Statutes, Section 17-116.2 [70 O.S. 17-116.2]**

The standard retirement formula used to determine the maximum monthly retirement benefit is Final Average Salary, times two percent (2%), times Years of Creditable Service, divided by 12. For purposes of this section:-

(1) Final average salary for members who joined TRS prior to July 1, 1992, is the average of the three (3) highest years on which contributions were made. Final average salary for members who joined TRS after June 30, 1992, is the average of the five (5) highest consecutive years on which contributions were made.-

(2) If the final average salary is under \$40,000, it will apply to all creditable service years. If the final average salary exceeds \$40,000, the member will have a two tier retirement calculation. All years prior to July 1, 1995, will be calculated at \$40,000 and all years after July 1, 1995, will be on actual final average salary, except for members employed by an entity or institution within the Oklahoma State System of Higher Education as of June 30, 1995, as provided in OAC 715:10-15-7.1.-

(3) Salary for any school year shall not exceed the statutory maximum limit for contributions for that particular school year.-

(4) A member who elected to contribute only on compensation up to \$25,000 shall have the average salary limited to no more than \$25,000 for years of service performed prior to July 1, 1995 (see OAC 715:10-13-4).-

(5) A member who elected to contribute on compensation up to \$40,000, but has not paid all contributions and any applicable interest for any year after June 30, 1987, shall have the average salary limited to no more than \$25,000 for years of service performed prior to July 1, 1995.-

(6) A member who elected to limit contributions on salary up to \$7,800 between 1974 and 1979, shall have all years of service prior to July 1, 1979, calculated on an average salary not to exceed \$7,800, unless the waiver is revoked in accordance with OAC 715:10-5-8. Years of service after July 1, 1979, shall be calculated using an average salary determined in the same manner as all other members.-

(7) The years used in determining average salary must be Oklahoma service credits and shall not exceed the actual compensation received during the school or fiscal year when such service was performed.-

(8) Creditable service shall be the total years of creditable service, including Oklahoma, military, out-of-state or other years provided by Board rules and statutes.-

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 15. Service Retirement**

*715:10-15-7.1 is being revoked to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-116.2.*

**715:10-15-7.1. Retirement formula for members employed by a comprehensive university**

~~(a) For a member employed on or after July 1, 1995, two percent (2%) multiplied by the member's final average salary on which contributions were made times the years of creditable service performed on or after July 1, 1995.~~

~~(b) For a member employed on or before July 1, 1995, as follows:-~~

~~(1) For service prior to July 1, 1995, in the same manner as described in OAC 715:10-15-7; plus-~~

~~—(2) Two percent (2%) multiplied by the average of the member's maximum compensation level for those years between July 1, 1995 and June 30, 2007, in which the member's regular annual compensation meets the maximum compensation level in effect for the member, times the years of creditable service earned during this period in which the member's regular annual compensation meets the maximum compensation level in effect for the member; plus-~~

~~—(3) Two percent (2%) of the member's final average salary multiplied by the years of creditable service earned for those years between July 1, 1995 and June 30, 2007, that did not meet the member's maximum compensation level in effect for this period, plus-~~

~~—(4) Two percent (2%) of the member's final average salary multiplied by the years of creditable service earned by the member for service performed after June 30, 2007; plus-~~

~~—(5) Two percent (2%) of the member's final average salary upon which contributions were made, multiplied by the member's years of creditable service performed for an employer other than an entity or institution within The Oklahoma State System of Higher Education on or after July 1, 1995.~~

~~(c) The member's maximum compensation level for the years between July 1, 1995 and June 30, 2007, shall be determined by the contribution election made by the member prior to July 1, 1995.~~

~~(d) The term "average of the member's maximum compensation level" means an average of the annual salary on which contributions were made for the years between July 1, 1995 and June 30, 2007.~~

~~(e) In the event there is an insufficient number of years for the time period between July 1, 1995 and June 30, 2007, to reach the high three (3) or high five (5) consecutive years as defined in 70 O.S. § 17-101, the member's maximum compensation level shall be determined by an average of the salary on which contributions were made. In no case shall the member's average maximum compensation level exceed the average salary that would be calculated for any other TRS member for the same period of service with the same contribution level.~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 15. Service Retirement**

*715:10-15-10.2 is being amended to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-105.2.*

**715:10-15-10.2. Partial lump-sum payments**

**The requirements for partial lump-sum payments shall be administered as directed in Title 70, Oklahoma Statutes, Section 17-105.2 [70 O.S. 17-105.2].**

~~Any member of the Teachers' Retirement System with 30 or more years of service credit may elect to receive a partial lump-sum payment in exchange for a reduced annuity. The application for a partial lump-sum payment will be added to the retiring member's final contract for retirement on a form prescribed by the Board of Trustees. A beneficiary of a deceased active member is not eligible to select a partial lump-sum payment.~~

~~(1) A member may elect to receive a partial lump-sum payment in an amount equal to the unreduced retirement benefit (Maximum Retirement Allowance) which would have been paid over a period of 12, 24 or 36 months, had the lump-sum option not been selected. Once the payout amount is selected, a reduced Maximum Retirement Allowance is then calculated using factors based upon the member's age at retirement and the payout option (12, 24, or 36 months) selected. This reduced Maximum Retirement Allowance then serves as the basis upon which other optional payment alternatives will be calculated pursuant to 70 O.S. § 17-105 and OAC 715:10-15-10.~~

~~(2) The partial lump-sum payment shall be paid in a single check separate from the regular monthly retirement benefit within thirty (30) days of the retiring member's first monthly benefit payment. The partial lump-sum payment cannot be returned to the Retirement System once it has been received by the member.~~

~~(3) The partial lump-sum payment shall be subject to federal income tax in accordance with Internal Revenue Code or applicable Internal Revenue Service regulations. In accordance with IRS regulations, the member may elect to roll over the partial lump-sum payment into an eligible individual retirement account (IRA) or other eligible retirement plan, including the Oklahoma Teachers' Retirement System's 403b Tax Sheltered Annuity Plan.~~

~~(4) The total amount of the partial lump-sum payment shall be deducted from the member's account balance consisting of the employee contributions plus interest posted to the member's account prior to July 1, 1968, for the purpose of determining unused contributions remaining in the account.~~

~~(5) The partial lump-sum payment will be based on the service credit and average compensation, including projected compensation, at the time of retirement, but may be issued before final compensation and contributions are received and posted to the member's account. TRS reserves the right to correct any overpayment or underpayment discovered after final compensation and contribution postings have been received. Should the member have been overpaid, TRS will collect such overpayment from the member, based on an actuarial adjustment to the member's monthly benefit. Should the member have been underpaid, TRS will actuarially adjust future monthly benefit payments to compensate the member for the amount of the underpayment.~~

~~(6) A retiree, having received a partial lump-sum payment, who is reemployed and returns to membership contributing status pursuant to OAC 715:10-17-13, shall have his or her subsequent retirement benefit calculated taking into consideration that a partial lump-sum payment has been received.~~

~~(7) Should the retiring member die after the effective date of retirement, but before the partial lump-sum payment is made, the payment will be made to the beneficiary(ies) designated by the retiring member on the final contract for retirement, unless the member filed a separate beneficiary~~

~~form specifically designating a third party as the beneficiary of the partial lump sum payment.~~  
~~(8) If the retiring member is married at the time of retirement, the member's spouse must sign the member's partial lump sum application form acknowledging the retiring member's intent to receive a partial lump sum payment.~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 15. Service Retirement**

*715:10-15-10.3 is being amended to remove inconsistencies in the rule.*

**715:10-15-10.3. Partial Lump-sum Option Factors**

The following factors have been developed by consulting actuaries and adopted by the Board of Trustees to be used in the calculation of the partial lump-sum payment selected by a member of the Teachers' Retirement System. The Board of Trustees may adopt new tables at any time upon recommendation of the consulting actuaries, when in the opinion of the Board the experience of the System may justify the need for such change. Adoption of new tables will be prospective and shall not affect any partial lump-sum payment selected and paid prior to the adoption of new factors. (Note: Please refer to Client Handbook for a list of the factors. The Client Handbook, which is periodically modified, can be found at [www.ok.gov/TRS](http://www.ok.gov/TRS).)

Age	Factor for 12x PLSO	Factor for 24x PLSO	Factor for 36x PLSO	-	Age	Factor for 12x PLSO	Factor for 24x PLSO	Factor for 36x PLSO
45	91.59%	83.18%	74.77%	-	65	89.50%	78.99%	68.49%
46	91.54%	83.08%	74.63%	-	66	89.29%	78.57%	67.86%
47	91.49%	82.98%	74.47%	-	67	89.06%	78.11%	67.17%
48	91.43%	82.86%	74.30%	-	68	88.81%	77.62%	66.43%
49	91.37%	82.74%	74.11%	-	69	88.54%	77.08%	65.62%
50	91.31%	82.61%	73.92%	-	70	88.25%	76.51%	64.76%
51	91.24%	82.48%	73.71%	-	71	87.94%	75.89%	63.83%
52	91.16%	82.33%	73.49%	-	72	87.61%	75.22%	62.83%
53	91.08%	82.17%	73.25%	-	73	87.25%	74.50%	61.75%
54	91.00%	82.00%	73.00%	-	74	86.86%	73.72%	60.58%
55	90.91%	81.82%	72.73%	-	75	86.44%	72.89%	59.33%
56	90.81%	81.62%	72.43%	-	76	86.00%	71.99%	57.99%
57	90.71%	81.41%	72.12%	-	77	85.51%	71.02%	56.54%
58	90.59%	81.19%	71.78%	-	78	84.99%	69.99%	54.98%
59	90.47%	80.94%	71.41%	-	79	84.44%	68.88%	53.32%
60	90.34%	80.68%	71.02%	-	80	83.85%	67.69%	51.54%
61	90.20%	80.39%	70.59%	-	81	83.21%	66.43%	49.64%
62	90.04%	80.08%	70.12%	-	82	82.54%	65.08%	47.62%
63	89.87%	79.75%	69.62%	-	83	81.82%	63.64%	45.46%
64	89.69%	79.39%	69.08%	-	84	81.05%	62.10%	43.15%

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 15. Service Retirement**

*715:10-15-13 is being revoked to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-105(12).*

**~~715:10-15-13. Survivor benefits when death occurs after retirement~~**

~~Upon the death of a retired member who contributed to the Retirement System, TRS shall pay a \$5,000 death benefit to the retiree's designated beneficiary. If there is no beneficiary the retiree's estate shall receive the death benefit. The benefit is paid in addition to any payment provided for by the retirement option elected by the member at the time of retirement. (Note: The \$5,000 death benefit does not apply to persons receiving payments under the "Special \$150 Per Month Plan"). In the event the total retirement payments made to a retired member and the retired member's joint annuitant, if any, are less than the member's accumulated contributions as credited at the time of retirement, the difference shall be paid to the member's designated beneficiary, or if no designated beneficiary survives, to the member's estate or to the member's nearest surviving next of kin as determined by Oklahoma statutes.~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 17. Post-Retirement Employment**

*715:10-17-2 is being amended to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-116.10.*

**715:10-17-2. Break between employment and retirement**

The requirements for post-retirement employment shall be administered as directed in Title 70, Oklahoma Statutes, Section 17-116.10 [70 O.S. 17-116.10].

~~A retired member is not eligible to be employed by the public schools of Oklahoma, in any capacity, for sixty (60) calendar days between the retiree's last day of pre-retirement public-education employment and any post-employment. (Note: The last day of pre-retirement employment means the last day the employee is required to be physically present on the job to complete the terms of the employment contract or agreement.) Employment under any condition during this time or payment at a later time for services performed during this time period will cause the forfeiture of all retirement benefits received during the period.~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 17. Post-Retirement Employment**

*715:10-17-6 is being amended to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-116.10.*

**715:10-17-6. Earnings limits**

The limitations on post-retirement earnings shall be administered as directed in Title 70, Oklahoma Statutes, Section 17-116.10 [70 O.S. 17-116.10].

~~(a) Effective July 1, 2003, the annual earnings limit from employment in the public schools of Oklahoma for a retired member under age 62 may not exceed one half (1/2) of the member's final average salary used in computing retirement benefits or \$15,000, whichever is less.~~

~~(b) Effective July 1 2003, the annual earnings limit from employment in the public schools of Oklahoma for a retired member age 62 or older may not exceed one half (1/2) of the member's average salary used in computing retirement benefits or \$30,000, whichever is less.~~

~~(c) Notwithstanding the provisions of subsections (a) and (b) of this section, effective July 1, 2008, any retired member who has been retired for thirty six (36) months or more may receive annualized earnings from employment in the public schools of Oklahoma with no reduction in retirement benefits.~~

~~(d) For purposes of this rule the following shall apply:~~

~~(1) Earnings shall mean "regular annual compensation" as defined in OAC 715:10-13-1 and 70 O.S. § 17-116.2(D). Earnings shall include any payment by a public school for services rendered by a retired member who is employed for any purpose whatsoever. Supplemental retirement payments paid by a former public school employer in accordance with 70 O.S. 17-105(9) or other applicable state statutes or payments to an independent contractor or consultant, pursuant to a lawful contract which complies with the requirements of 70 O.S. § 6-101.2(B), will not be counted as earnings.~~

~~(2) Earnings in excess of the maximum limit will result in a loss of future retirement benefits of one dollar (\$1) for each one dollar (\$1) earned over the maximum.~~

~~(3) The earnings limits will, in all cases, be applied on a calendar year basis from January 1 through December 31.~~

~~(4) The earnings limit for the calendar year in which a member retires shall be one twelfth (1/12th) of the annual limit multiplied by the number of months the member is eligible to work and receive payments from the public schools of Oklahoma.~~

~~(5) The earnings limit for the calendar year in which a member reaches age 62 shall be prorated in equal monthly increments with the month in which the member's birth date occurs counted at the higher earnings level.~~

~~(6) The earnings limit for the calendar year in which a member reaches his or her thirty sixth (36th) month of retirement shall be prorated in equal monthly increments.~~

~~(7) For purposes of this section, for a retired member whose average salary exceeds \$40,000, "average salary" means the weighted or aggregated average used to compute monthly benefits for all the member's years of credited service.~~

**TITLE 715. TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**  
**CHAPTER 10. GENERAL OPERATIONS**  
**Subchapter 25. Qualified Domestic Order**

*Subchapter 25 (715:10-25-1 through 715:10-25-6) is being revoked to remove language that is duplicative to Oklahoma State Statute O.S. 70, Sec. 17-109.*

**~~Subchapter 25. Qualified Domestic Order~~**

**~~715:10-25-1. Definition~~**

**~~715:10-25-2. Filing a qualified domestic order~~**

**~~715:10-25-3. Contents of a qualified domestic order~~**

**~~715:10-25-4. Payment to alternate payee~~**

**~~715:10-25-5. Termination of a qualified domestic order~~**

**~~715:10-25-6. Teachers' Retirement not subject to ERISA~~**

**~~715:10-25-1. Definition~~**

~~The term "qualified domestic order" means an order issued by a district court of the State of Oklahoma pursuant to the domestic relations laws of this state which relates to the provision of marital property rights to a spouse or former spouse of a member and which creates or recognizes the existence of an alternate payee's right to, or assigns to an alternate payee the right to receive a portion of the benefits payable with respect to a member of the Teachers' Retirement System.~~

**~~715:10-25-2. Filing a qualified domestic order~~**

~~A member of Teachers' Retirement, his or her legal representative, a member's former spouse, or his or her legal representative may file a qualified domestic order with the Teachers' Retirement System. In not less than thirty (30) days of such filing, Teachers' Retirement will acknowledge receipt and notify all parties listed in the order that the order has been accepted or that clarification of the order must be provided to Teachers' Retirement. All qualified domestic orders filed with the Teachers' Retirement System of Oklahoma must be in accordance with Oklahoma Statutes and must conform to the provisions of 70 O.S., Section 17-109, as amended. TRS Form 110.46 OTRS Qualified Domestic Order is available upon request and its use is recommended.~~

**~~715:10-25-3. Contents of qualified domestic order~~**

~~For a qualified domestic order to be accepted and binding on the Teachers' Retirement System the order meet the following requirements:-~~

~~(1) The order must clearly specify the following:-~~

~~—(A) the name and last known mailing address (if any) of the member and the name and mailing address of the alternate payee covered by the order,-~~

~~—(B) the amount or percentage of the member's benefits to be paid by Teachers' Retirement to the alternate payee,-~~

~~—(C) the number of payments or period to which such order applies,-~~

~~—(D) the characterization of the benefit as to marital property rights, and whether the benefit ceases upon the death or remarriage of the alternate payee, and-~~

~~—(E) each plan to which such order applies.-~~

~~(2) The order meets the requirements of this section only if such order:-~~

~~—(A) does not require Teachers' Retirement to provide any type or form of benefit, or any option not otherwise provided under the state law as related to the Retirement System,-~~

- ~~—(B) does not require Teachers' Retirement to provide increased benefits,~~
- ~~—(C) does not require the payment of benefits to an alternate payee which are required to be paid to another alternate payee pursuant to another order previously determined to be a qualified domestic order or an order recognized by the Retirement System as a valid order prior to the effective date of this subchapter, and~~
- ~~—(D) does not require payment of benefits to an alternate payee prior to the actual retirement date of the related member or prior to the date the member elects to receive a lump sum distribution of his or her retirement account.~~

#### **~~715:10-25-4. Payment to alternate payee~~**

~~Payments to an alternate payee will be made in a like manner and at the same time payment is made to the member. Payment will be either a lump sum distribution of the contributions and interest due the member upon termination of service or death, or monthly benefit payments under the retirement options available to the member at the time he or she applies for retirement benefits. The alternate payee shall not be allowed to choose a method of payment that is different from the method chosen by the member. The alternate payee may not receive payment of any kind prior to the member making application and becoming eligible for payment of benefits. Federal and Oklahoma state income taxes will be withheld from the payment to an alternate payee in accordance with applicable federal and state statutes.~~

#### **~~715:10-25-5. Termination of a qualified domestic order~~**

~~A qualified domestic order will terminate when Teachers' Retirement has fully met the provisions of the order. The obligation of the Teachers' Retirement System to pay an alternate payee pursuant to a qualified domestic order shall cease upon the death of the related member. In the event a qualified domestic order requires the benefits payable to an alternate payee to terminate upon the remarriage of the alternate payee, the Retirement System shall terminate said benefit only upon the receipt of a certified copy of a marriage license, or a copy of a certified order issued by the court that originally issued said qualified domestic order declaring the remarriage of said alternate payee. The order may be cancelled or modified by the court that originally issued the order.~~

#### **~~715:10-25-6. Teachers' Retirement not subject to ERISA~~**

~~For purposes of this subchapter the Teachers' Retirement System of Oklahoma is not subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), 29 U.S.C.A Section 1001, et seq., as amended from time to time, or rules and regulations promulgated thereunder, and court cases interpreting said act.~~