

Guide to Reading Your 2009 TRS Annual Statement

Every fall, the Teacher Retirement System of Texas (TRS) mails annual statements to all active members who participate in the retirement system. The annual statement you receive contains information pertaining to the school year that you recently completed. Information on the 2009 annual statement is for the school year that began on September 1, 2008 and ended on August 31, 2009.

Most members will receive their statements during the month of October. However, you have the option of receiving your statement more quickly by requesting a password that will enable you to view your statement on the TRS Web site. For information on how to request a password, visit the [Passwords for Online Personal Access](#) page of the site.

TRS encourages you to carefully review your salary and service credit information shown on your statement. Please note that your employer reports *salary information* to TRS. Therefore, if you feel that your salary information is incorrect, contact your employer immediately. However, if you wish to inquire about possible *service credit* discrepancies, please contact TRS directly.

Your statement is printed on both the front and reverse sides. The front side features your beginning account balance, the total amount deposited into your member contribution account during the last school year, interest credited to your account over that year and your account balance as of August 31, 2009. For your convenience, we have also identified taxable and non-taxable dollars in your account on this page, if applicable.

The lower portion of the front side of your statement provides information about your retirement plan, how we calculate your retirement benefits, how we determine your eligibility for a TRS service retirement and other general tips. The *TRS Benefits Handbook*, published every two years following legislative sessions, offers more detailed information regarding your benefits. This handbook is mailed to all members and retirees and is featured on the TRS Web site, www.trs.state.tx.us.

The reverse side of your statement provides what your employer(s) reported to TRS as your 2008-2009 school year salary (September 1 through August 31 for most members), your date of birth, years of TRS service credit (based on school years – not calendar years), and the date of birth and gender for the beneficiary that you named to receive your death benefits. Your beneficiary's date of birth is not shown if you have named more than one primary beneficiary.

If you meet the age and service credit requirements for service retirement, you will find an estimate of your retirement benefits in the middle of the reverse side of your statement. If you have not yet met these requirements, you can estimate your retirement benefits by using the [TRS Retirement Estimate Calculator](#) on the TRS Web site. That calculator enables you to estimate your retirement benefits based on the scenarios you choose, including differing years of service and salary levels.

The annual statement shows only TRS service credit and provides a retirement estimate based only on TRS credit. If you meet age and service credit requirements for TRS

retirement using service credit with another Texas public retirement system participating in the Proportionate Retirement Program, your statement may not include a retirement estimate. Please contact each system for more information.

Frequently Asked Questions Regarding Your TRS Annual Statement

Q: I have not yet received an Annual Statement of Account from TRS and do not find one featured for me on the TRS Web site. Why?

A: There may be a number of reasons to explain this:

- You may have begun work for a TRS-covered employer following the end of the last fiscal year (August 31),
- You may be a retiree and therefore do not receive annual statements,
- Your membership may have terminated because you had less than five years of TRS service credit and you did not qualify for TRS service credit for five consecutive years,
- You may be a Deferred Retirement Option Plan (DROP) participant (such participants receive DROP account statements instead of annual statements of account), or
- Your statement may currently be in the mail or will soon be mailed. (Statements are generally mailed during the month of October. Statements are not all mailed at one time. They are mailed as they are printed.)

In these and some other situations, you would not have received an Annual Statement of Your Member Account. If you did not receive a statement but feel you should have, please call TRS at (800) 223-8778.

Q: Why are the annual statements of account featured on the TRS Web site dated August 31 of the last fiscal year? Isn't updated information available?

A: TRS Online Personal Access is designed to link you to your latest Annual Statement of Account -- the one dated August 31 of the last fiscal year. (For example, if in May 2009 you checked online to see your Annual Statement of Account, you would find the one dated August 31, 2008.) Since TRS relies on payroll information reported to us each month by your employer, we are continually updating member records. Due to reporting reconciliation, it often takes more than one month to verify and confirm accurate account information. For these reasons, only annually updated information is feasible at this time.

Q: When will updated TRS annual statement of account information be available online?

A: TRS will update your annual statement information on the TRS Web site at approximately the same time that we begin mailing out statements to members.

Q: So why do I need TRS Online Personal Access if I already receive an Annual Statement of Account in the mail?

A: In most cases, you can access your annual statement more quickly online than receiving it through the mail. Another benefit of TRS Online Personal Access is that it

provides you with a convenient way to access and print duplicate copies of your annual statement from the TRS Web site.

Your account data is also automatically linked to the [TRS Retirement Estimate Calculator](#), which enables you to estimate your retirement annuity online. Since you may not know the exact date that you will retire, the calculator allows you to modify salary and service credit information in order to project your estimated retirement benefits under a variety of scenarios of your own choosing.

Q: My Annual Statement of Account does not include an estimate of my retirement benefits, but a co-worker of mine did receive an estimate. Why?

A: TRS automatically provides an estimate of retirement benefits in annual statements sent to members who meet age and service credit requirements to retire. Members who have not yet met these retirement eligibility requirements have the option of using the Web site's [TRS Retirement Estimate Calculator](#) to estimate their retirement annuities.

Q: I am currently making payments to purchase TRS service credit, but it doesn't show on my most recent Annual Statement of Account that is featured online.

A: In most cases, this means that you elected to purchase the service credit after the August 31 closing of the fiscal year or you have not yet completed all required payments. Any completed service credit purchases will show on your next year's annual statement.

Q: Who is the beneficiary shown on my statement?

A: Your annual statement reflects the age and gender of your beneficiary for death benefits (not the beneficiary for your DROP account if you are participating in DROP). If there is no information in the beneficiary section of your statement, this may indicate that you have named joint beneficiaries, your estate, or some type of beneficiary that does not have an age associated with it. It is important that you keep your beneficiary up to date, especially after a marriage, divorce, birth of a child, death of a named beneficiary, or other significant life events, because of valuable benefits that will be paid at the time of your death. If the date of birth and gender shown for your beneficiary are inconsistent with the person you wish to receive benefits in the event of your death, or if this information is missing, you should immediately update your beneficiary by completing a "Designation of Beneficiary" form ([TRS 11](#)) and filing it with TRS. This form may be obtained from the TRS Web site or by calling 1-800-223-8778.

Q: Why is the 2008-2009 salary listed on my annual statement different from the salary quoted on my contract? Why is it different than the earnings on my W-2 form?

A: The annual salary quoted on your annual statement reflects the salary that has been reported to TRS by your employer. If there is a discrepancy between the salary on your statement and the salary on your contract, contact your employer. Rendering extra duties over and above your normal contract can cause the difference, or it could be caused by a reduction in your salary due to leave without pay. Salaries on your statement are school

year salaries and will not agree with the calendar year earnings that are reported on the W-2 you receive each January.

Q: What do non-taxable and taxable dollars represent?

A: The non-taxable dollars represent the deposits you paid into your TRS account prior to January 1988, as well as any service credit purchase you may have paid for with after-tax dollars. The taxable dollars in your account represent deposits you have paid into TRS since January 1988 as well as any service credit purchase you may have paid with a rollover of tax-deferred dollars from another retirement plan or IRA, plus all interest your account has earned from inception to date.

September 25, 2009