



Member Handbook 2024-2025 School Year

TABLE OF CONTENTS

Arkansas Teacher Retirement System - At A Glance	3
Arkansas Teacher Retirement System - Overview.....	4
Member Information.....	5
Membership Overview	6
Membership Generally	6
Membership Status.....	7
Concurrent Membership	7
Service Credit and Vesting.....	8
Vesting	8
Service Credit Generally.....	8
Free and Purchased Service Credit.....	8
Reciprocal Service Credit	9
Concurrent Service Credit	10
Contributions	11
Cash and Savings Help Program	13
T-DROP	15
T-DROP Program Enrollment.....	15
T-DROP Participation Years.....	15
Exiting T-DROP.....	16
Cash Balance Account (CBA).....	17
Retirement	18
Age and Service Retirement – Voluntary and Early Voluntary Retirement.....	18
Deferred Retirement	19
Disability Retirement.....	19
Annuity Options	21
Benefit Amount and Cost of Living Adjustment.....	23
Termination Separation Period and Postretirement Employment.....	24
Divorce Before and After Retirement	25
Beneficiaries.....	26
Beneficiary Designations Generally	26
Residue and Lump-Sum Death Benefit.....	26
Option Beneficiaries	28
Death of Designated Beneficiary	29
Divorce, Marriage, and Beneficiary Designations	30
Survivor Benefits	32
T-DROP and Beneficiary Designations.....	34
Dispute Resolutions.....	36
Legal Disclaimer.....	36
Appendices.....	37
Appendix A – Service Credit Calculation	38
Appendix B – Purchasable Service Credit	39
Appendix C – Cash Balance Account Interest Rates	40
Appendix D – Retirement Filing Dates and Checklists	41
Appendix E – Survivor Benefit Eligibility Checklists	45
Appendix F – Option Beneficiary Eligibility Checklists.....	47

ARKANSAS TEACHER RETIREMENT SYSTEM - AT A GLANCE

The Arkansas Teacher Retirement System (“ATRS” or “System”) is the retirement plan established by state law for public school and other public education employees in Arkansas. It is a **defined benefit** plan, which means that it guarantees eligible members a specific monthly retirement benefit for life. That benefit amount primarily depends on the member’s final average salary, years of service credit, and contributory status.

VESTING – “Vested” means that you have earned the right to a guaranteed monthly benefit for life when you retire. You will be vested once you have five (5) years of actual service credit for working at an ATRS employer. You can also count reciprocal service towards those five (5) years.

BENEFITS – Once you become vested in ATRS, you may be eligible for the following benefits:

Retirement: You may retire and receive a guaranteed monthly benefit for life at age sixty (60) or when you have at least twenty-eight (28) years of service credit, whichever comes first. You may apply for early retirement with a reduced benefit when you have at least twenty-five (25) years of service credit.

After you have been retired from ATRS for at least one (1) full year, you will receive a simple cost of living increase of at least three percent (3%) every July 1.

If you reach twenty-eight (28) years of service credit and want to continue working, you may enter the Teacher Deferred Retirement Option Plan (T-DROP). T-DROP allows you to continue working while you save a percentage of monthly retirement benefits into a T-DROP account that accumulates interest.

Survivor: You may designate a beneficiary to receive any contributions that are remaining on your account at the time of your death (called residue).

If you die while actively employed with an ATRS employer, your surviving spouse and surviving children may be eligible for monthly survivor benefits. And if you have at least ten (10) years of actual service credit, your designated beneficiary will receive a lump-sum death benefit of at least \$6,667 and as much as \$10,000.

If you die after you become an ATRS retiree, and you have at least ten (10) years of actual service credit, your designated beneficiary will receive a lump-sum death benefit, which will be at least \$6,667 and up to \$10,000.

Disability: You may apply for disability retirement if you become unable to perform your job duties for a covered employer because of your personal injury or disease.

CONTRIBUTORY STATUS – If you are a contributory member, you contribute seven percent (7%) of your salary into a member deposit account. Contributory members receive retirement benefits that are significantly larger. The retirement benefits earned in one (1) year of contributory service can be more than double the amount of benefits earned in a noncontributory year. Most ATRS members are contributory. A noncontributory member can always elect to be contributory.

HOW TO GET HELP – For questions about ATRS, your benefits, and retirement:

Call: (501) 682-1517

Email: info@artrs.gov

Web: <https://www.artrs.gov/>

For questions about state or school retiree health insurance, contact the state’s Employee Benefits Division by calling (501) 682-9656 or (877) 815-1017 or go to <https://my.arbenefits.org>.

ARKANSAS TEACHER RETIREMENT SYSTEM - OVERVIEW

ATRS's mission is providing retirement security for Arkansas's past, present, and future public education professionals.

ATRS was established on March 17, 1937. Since that time, ATRS has provided retirement benefits to Arkansas's public school and public education employees. ATRS pursues excellence in managing the pension fund and strives to deliver exemplary service to its members, covered employers, and other stakeholders. ATRS is a defined benefit plan that is administered as a "qualified" retirement plan under the provisions of IRS § 401(a).

As of July 2024, ATRS has 142,198 members including:

- 56,177 Retirees or beneficiaries currently receiving benefits;
- 2,981 T-DROP participants;
- 14,775 Inactive vested members (not receiving benefits); and
- 68,265 Active members.

In addition, there are 342 covered employers including:

- 259 Public and charter schools;
- 39 State colleges and universities;
- 17 State agencies; and
- 27 Other/privatized employers.

The administration of plan benefits and the operations of the System are primarily governed by Arkansas Law under the Arkansas Teacher Retirement System Act, Ark. Code Ann, § 24-7-201 et seq., ATRS Rules, and ATRS Board Policies.

The Board of Trustees of the Arkansas Teacher Retirement System is responsible for the general administration and the proper operation of the System. The Board is comprised of fifteen (15) trustees, eleven (11) of which are directly elected by ATRS members.

The ATRS office is in Little Rock at 1400 W. 3rd Street, Little Rock, AR 72201. The phone number for ATRS is (501) 682-1517. The Arkansas Code can be accessed through the Arkansas State Legislature website (<https://www.arkleg.state.ar.us>) by selecting the Arkansas Law tab and then selecting Arkansas Code and Constitution of 1874. A copy of the System's rules and policies can be found at <https://www.artrs.gov/board-rules/>.

MEMBER INFORMATION

Q: Where can I get general information about ATRS?

A: The fastest and most convenient way to find information about ATRS is by visiting the ATRS website at <https://www.artrs.gov/>.

The ATRS website provides information on a wide range of topics, such as the Board of Trustees and the administration of the System, policies and rules, retirement counseling, membership milestones, retirement options, participation in the Teacher Deferred Retirement Option Plan (T-DROP), and survivor benefits available to our members' loved ones. You will also find Frequently Asked Questions, which you can use as a quick reference guide for any questions you may have.

The ATRS website also has links to forms that you may need and a Calendar of Events that you can use to help keep you informed of Board of Trustees and Medical Committee meetings, the benefit payroll schedule, and bookkeeper workshops.

Q: How can I get information about my ATRS member account?

A: You can learn more about your membership and its benefits by visiting the ATRS website at <https://www.artrs.gov/>.

If you are looking for information that is specific to you, you can get that information by taking advantage of our in-office or virtual counseling sessions, calling ATRS at (501) 682-1517, or emailing ATRS at info@artrs.gov.

You can also set up your own online ATRS Member Portal account, which is the quickest and most efficient tool that you can use to review and access your account information. Your online account can be used to perform many tasks such as reviewing your personalized account information, updating your contact information, designating or changing your chosen beneficiaries, and calculating your estimated retirement benefits.

Q: Should I update my contact information with ATRS?

A: Yes, you are responsible for ensuring that your contact information with the System is correct and up to date. You should update your contact information as soon as you can, the earlier the better. All correspondence and account verifications will be sent to the address on file.

You can update your contact information through the ATRS Member Portal by completing and submitting a Change of Address form to ATRS. If you are a retiree who lives out-of-state, you can complete and submit the yearly Benefit and Address Verification Affidavit.

MEMBERSHIP OVERVIEW

Becoming an ATRS member means investing in your future and working towards your financial security after retirement. All members who retire from the System will receive lifetime monthly benefits from ATRS.

MEMBERSHIP GENERALLY

Q: How do I become a member of ATRS?

A: You can become a member of ATRS by working for an employer that is covered under ATRS (covered employer). Membership in ATRS is automatic if you are directly employed with a public school, educational service cooperative, the Arkansas Department of Education, or another employer that must participate in ATRS. Some covered employers outsource the performance of certain services to contractors and because of this may offer ATRS membership to the contractor's employees.

You can also become a member of the System if you work for a permissible employer that has elected to become a covered employer and you meet any other applicable eligibility requirements.

Finally, you can become a member of the System if you work for a post-secondary or higher education employer (PSHE employer) that offers ATRS as a retirement plan and you meet the PSHE employer's eligibility requirements. Check with your employer or contact ATRS with questions about this type of membership.

Q: What are the benefits of being an ATRS member?

A: As an ATRS member, when you are eligible to retire, you will receive a lifetime monthly benefit payment from the System. Depending on your status at the time of your death, your surviving spouse and surviving children may also be eligible to receive benefits when you pass away.

If you are not quite ready to retire, you have the option of participating in the Teacher Deferred Retirement Option Plan (T-DROP) program. T-DROP allows you the opportunity to have a percentage of your plan benefits deposited monthly into a T-DROP account that accumulates interest.

When you leave the T-DROP program and retire from the System, you will have three (3) options for your T-DROP account balance. You can:

- Receive a monthly T-DROP benefit that will be in addition to your regular monthly retirement benefit;
- Receive some or all of your T-DROP account balance in a lump-sum that can be paid directly to you; or
- Transfer some or all of your T-DROP account balance into a Cash Balance Account (CBA) or another eligible retirement plan such as an IRA or 403(b) plan.

MEMBERSHIP STATUS

Q: Are there different types of ATRS membership?

A: Yes, membership in ATRS is either contributory or noncontributory. As a contributory or noncontributory member of the System, you may also fall into one or more of the following statuses: (a) vested, (b) non-vested, (c) active, (d) inactive, (e) T-DROP participant, and (f) retired.

Q: What is the difference between an active member and an inactive member?

A: An active member is a person who currently works for a covered employer and is eligible to earn service credit with ATRS. An inactive member is a person who used to be an active member but no longer works for a covered employer and has not retired from ATRS.

Q: What is the difference between a contributory and noncontributory member?

A: Contributory members pay a pre-tax percentage of the salary that they earn through covered employment to the System and in return they receive a larger benefit when they retire. Noncontributory members do not pay contributions on the salary that they earn through covered employment and as a result they receive a smaller benefit when they retire.

Q: Can I elect to become contributory or noncontributory?

A: If you are a noncontributory member of ATRS, you can always elect to become a contributory member of the System. However, contributory members cannot elect to become noncontributory members of the System.

Q: How do I know if I am contributory or noncontributory or whether I can make an election to be contributory?

A: If you have an account in the online ATRS Member Portal, you can view your member data, including your contributory status. You can also call or e-mail ATRS to verify your status. The law concerning contributory and noncontributory membership has evolved over time, if you have any questions concerning your status as a contributory or noncontributory member or whether you may make an election to be contributory, please contact ATRS.

Q: Where can I find out more about my membership status?

A: You can call ATRS at 501-682-1517 and talk to one of our counselors via phone or video conference. You can also request an in-person appointment at 1400 W. 3rd Street, Little Rock, AR 72201.

CONCURRENT MEMBERSHIP

Q: Can I be a member of ATRS and another Arkansas state retirement system at the same time?

A: No, unless you are member of the Arkansas General Assembly, you cannot be a member of ATRS and another Arkansas state retirement system at the same time.

SERVICE CREDIT AND VESTING

All active members of ATRS earn service credit. ATRS uses service credit for several purposes such as determining whether a member is vested, determining retirement eligibility, and calculating retirement benefits.

VESTING

Q: What does it mean to be a vested member of ATRS?

A: Vesting means that you have earned the right to a monthly benefit from ATRS when you retire. A vested member is a member who has earned at least five (5) years of actual service credit with ATRS or five (5) years of credited service with ATRS from both actual service and reciprocal service. Only vested members may retire from the System.

SERVICE CREDIT GENERALLY

Q: How do I earn service credit?

A: You earn service credit by working for a covered employer. The amount of service credit you earn is based on the number of days that you work in a fiscal year (July 1 – June 30). See Appendix A.

Q: How many days do I have to work to earn one (1) year of service credit?

A: You must work at least one-hundred sixty (160) days to earn one (1) year of service credit. See Appendix A.

Q: Can I earn more than one (1) year of service credit in a fiscal year?

A: No, you cannot earn more than one (1) year of service credit with ATRS in a fiscal year.

Q: Is there any other way that I can earn or be given service credit?

A: The only way you can earn service credit in ATRS is by working for a covered employer of the System before you retire or enter T-DROP. However, you may be eligible to receive service credit if you purchase service credit, are eligible for free military service credit, or work for an employer of a reciprocal system.

FREE AND PURCHASED SERVICE CREDIT

Q: What types of service credit can I purchase from ATRS?

A: There are various types of service credit that you may be able to purchase from ATRS. You must meet the eligibility requirements for the service credit that you would like to purchase. See Appendix B for a list and brief description of the types of service credit that may be purchased from the System. Please contact ATRS if you are interested in purchasing service credit.

Q: How will any service credit I purchase be used?

A: You can use your purchased service credit to meet the eligibility requirements for voluntary retirement, early voluntary retirement, and participation in the T-DROP program. ATRS will also use your purchased service credit to calculate your monthly retirement benefit.

You cannot use purchased service credit to meet the eligibility requirements for the ten-year benefit stipend or the lump-sum death benefit.

Q: How can I get free service credit?

A: You may be eligible to receive free service credit if you served in United States Armed Forces during a period that a federal military draft was in effect. Please contact ATRS if you think that you may be eligible for free service credit.

Q: Can I use purchased service credit or free service credit to become a vested member of ATRS?

A: No, you cannot use purchased service credit or free service to vest in ATRS.

RECIPROCAL SERVICE CREDIT

Q: What are the reciprocal systems in Arkansas?

A: The reciprocal systems are:

The Arkansas Public Employees' Retirement System (APERS);

The Arkansas State Highway Employees' Retirement System (ASHERS);

The Arkansas State Police Retirement System (ASPRS);

The Arkansas Judicial Retirement System (AJRS);

The Arkansas Local Police and Fire Retirement System (LOPFI); and

Alternate retirement plans offered by certain institutions of higher education, the Division of Higher Education, and the Career Education and Workforce Development Board.

Q: What is reciprocal service credit?

A: Many members of ATRS may have previously worked for an employer that participates in a reciprocal system. Reciprocal service credit is service credit that a person earns in one (1) state retirement system (the preceding reciprocal system) and has honored by another state retirement system (the succeeding reciprocal system).

Q: How can I receive reciprocal service credit?

A: If you previously worked for an employer that participates in a reciprocal system, you may receive reciprocal service credit in ATRS by submitting a request for the reciprocal service credit on an ATRS-approved form. Please contact ATRS if you think you may be entitled to receive reciprocal service credit.

CONCURRENT SERVICE CREDIT

Q: What is concurrent service?

A: Concurrent service occurs when a person works for more than one employer in a fiscal year and all the employers are not covered by the same retirement system. In this situation, the person will earn concurrent service credit in more than one reciprocal system in a fiscal year. In some cases, concurrent service credit earned in more than one reciprocal system will cause the member to earn more than one (1) year of service credit in a fiscal year.

Q: When will ATRS recognize concurrent service credit?

A: ATRS will recognize concurrent service credit if you earn concurrent service credit in ATRS and in either the National Guard or a reciprocal system that is not APERS or an alternate retirement plan.

ATRS will not use concurrent service credit to credit you with more than one (1) year of credited service in ATRS for a fiscal year. Additionally, ATRS will not use concurrent service credit to combine the salaries that you earned in ATRS and a reciprocal system in a single fiscal year.

Q: Can I earn more than one (1) year of service credit in ATRS if my concurrent service credit in ATRS and another reciprocal system amounts to more than one (1) year of service credit?

A: No, you cannot earn more than one (1) year of service credit in ATRS if your concurrent service credit in ATRS and another reciprocal system amounts to more than one (1) year of service credit.

Q: When will ATRS not recognize my concurrent service credit?

A: ATRS will not recognize concurrent service credit if you earned the concurrent service credit in APERS or an alternate retirement plan. Because of this, you will need to determine whether it is in your best interest to keep the concurrent service credit that you earned in ATRS or with APERS or the alternate retirement plan. To make this determination, you are strongly encouraged to contact ATRS and the reciprocal system.

Q: What if I want to keep the service credit I earned in ATRS and do not want to keep the service credit I earned in a reciprocal system?

A: If you want to keep the concurrent service credit that you earned in ATRS and do not want to keep your concurrent service in a reciprocal system, you may need to forfeit the concurrent service credit that you earned in the reciprocal system.

Q: What if I want to keep the service credit I earned in a reciprocal system and do not want to keep the service credit I earned in ATRS?

A: If you want to keep the concurrent service credit that you earned in a reciprocal system and do not want to keep your concurrent service in ATRS, you may elect to waive all or part of the concurrent service credit that you earned in ATRS.

Q: Do the other reciprocal systems allow their members to earn concurrent service credit?

A: As every reciprocal system is different and subject to varying laws and regulations, you are strongly encouraged to contact the other reciprocal systems for information on how they handle concurrent service credit.

CONTRIBUTIONS

Covered employers and contributory members must pay contributions to the System. Contributory members must pay seven percent (7%) on a pre-tax basis of any salary they earn as contributions, and covered employers pay a matching fifteen percent (15%) in contributions for every contributory and noncontributory member under their employment. The contribution rates are set annually by the Board of Trustees.

Q: Do I have to make contributions to ATRS?

A: All contributory members must pay contributions to ATRS. You do not pay contributions if you are a noncontributory member of ATRS.

Q: What does ATRS do with my contributions?

A: Your contributions are deposited into your member deposit account. Employer contributions are not deposited into your member deposit account. Both employer and employee contributions are invested by the System and also used to pay benefits to members and their beneficiaries after the members retire or pass away.

Q: How will ATRS receive my contributions?

A: Your covered employer will deduct your contributions from your salary on a pre-tax basis and pay ATRS your contributions on your behalf.

Q: Will I still receive service credit if my contributions are not paid?

A: No, you will only receive service credit for the time your contributions are paid. In order to receive service credit for the period of time during which your contributions were not paid, you will need to pay the unpaid contributions to ATRS on your own or convert the contributory service credit to noncontributory service credit.

Q: Can my contributions ever be refunded to me?

A: Yes, your contributions may be refunded to you if you request a refund and meet all other requirements for receiving a refund. You can request a refund of your contributions if you become inactive by terminating your employment with a covered employer and do not intend to return to covered employment.

Receiving a refund cancels all of your service credit, including noncontributory service credit, and all membership rights and beneficiary designations. A member who requests and receives a refund of contributions will not be eligible to receive benefits at retirement. If you are an inactive member of the System and would like to request a refund of your contributions, please contact ATRS.

Q: If I receive a refund of my member contributions will I also receive the employer contributions that my covered employer paid?

A: No, employer contributions will not be refunded to you.

Q: Can I borrow money from my deposit account?

A: No, you cannot borrow money from your member deposit account. Additionally, you cannot receive any money from your member deposit account until you retire from the System or become an inactive member and request a refund of their contributions.

Q: How do I see my contribution balance?

A: ATRS will send you an annual statement each year, which will include the total amount of your member contributions. You can also view your contribution balance on your online ATRS Member Portal account.

Your annual statement will include your information for the previous fiscal year, which is July 1 through June 30. Your annual statement will be sent to your last address on record with ATRS. So, it is important for you to keep your information up to date with ATRS.

CASH AND SAVINGS HELP PROGRAM

The Cash and Savings Help (CASH) program is a voluntary program in which eligible members may choose to cancel their membership and forfeit their retirement benefit rights in exchange for receiving a one-time lump sum payment from ATRS.

Q: When is the CASH program offered?

A: The Board of Trustees decides when the CASH program will be offered. If the Board of Trustees decides that the CASH program should be offered, anyone who is eligible to participate will be contacted by ATRS. This typically occurs annually in October.

Q: How do I know if I am eligible to participate in the CASH program?

A: If the Board of Trustees decides that the CASH program should be offered, you will be eligible to participate in the CASH program if you:

- Are eligible for deferred retirement; and
- Have been inactive for at least one (1) year following the last fiscal year that in which you worked for a covered employer and received at least a quarter (1/4) year of service credit.

Q: Can I still participate in the CASH program if I am not an inactive member who is eligible for deferred retirement?

A: No, participation in the CASH program is limited to inactive members who are eligible for deferred retirement. The Board of Trustees can decide in the future to offer the CASH program to an additional group of members, survivors, or alternate payees who meet the requirements of the group.

Q: What do I need to do to participate in the CASH program?

A: If you are eligible to participate in the CASH program, ATRS will send you a letter notifying you that you are eligible to participate. This letter will also include the ATRS CASH program election forms and the deadline for returning the forms.

If you are notified by ATRS that you are eligible to participate in the CASH program and you would like to participate, you will need to complete and return the ATRS CASH program election forms to the System before the deadline.

Q: If I participate in the CASH program will I be a retiree of ATRS?

A: No, participation in the CASH program does not mean that you have retired from the System.

Q: If I participate in the CASH program will I still be a member of ATRS?

A: No, if you participate in the CASH program, you will not be a member of ATRS once ATRS issues you the one-time lump-sum CASH program payment.

Q: If I participate in the CASH program will I still be able to receive retirement benefits from ATRS?

A: No, if you participate in the CASH program you will not be able to receive retirement benefits from ATRS. Your participation in the CASH program cancels any past, present, and future interest or right that you had in the System once ATRS issues you the one-time lump-sum CASH program payment.

Q: If I participate in the CASH program will I still have service credit in ATRS?

A: No, if you participate in the CASH program you will not have service credit with ATRS. Your participation in the CASH program will cancel any contributory and noncontributory service credit that you have with ATRS once ATRS issues you the one-time lump-sum CASH program payment.

Q: Will my CASH program payment include payment for my reciprocal service?

A: No, your CASH program payment will not include a payment for reciprocal service. A CASH program payment can only be made for actual service credit that you have with ATRS.

Q: How will my CASH program payment be paid to me?

A: Your CASH program payment will be paid by check. The check will be mailed to your last known address on record with ATRS. If you decide to participate in the CASH program, it is important that you make sure that your address and other contact information is up to date with ATRS.

If you do not want to receive payment by check, you may have the CASH program payment rolled over into an eligible retirement plan such as an IRA or 401(b) plan.

Q: What if I participate in the CASH program and then later return to work for a covered employer?

A: If you participate in the CASH program and later return to work for a covered employer, you will become a member of ATRS again, but the retirement benefits, service credit, and other rights that were cancelled when you participated in the CASH program will not be reinstated. However, you may repurchase your cancelled service credit as contributory service after becoming an active member of ATRS again.

T-DROP

The Teacher Deferred Retirement Option Plan (T-DROP) program is an option available to eligible members who are not quite ready to retire. If eligible, you may elect to participate in the T-DROP program instead of retiring and drawing your monthly retirement check.

T-DROP PROGRAM ENROLLMENT

Q: How does T-DROP work?

A: When you start participating in T-DROP, you do not officially retire from the System. You continue to work for and be paid by your covered employer. You will not directly receive a monthly retirement benefit. Instead, a portion of your monthly retirement benefits will be deposited once a month into your T-DROP deposit account.

Interest accrues on your T-DROP deposit account balance at the rate of 3% compounded annually. The Board of Trustees may authorize an increased incentive interest rate depending on the System's investment returns and actuarial condition.

Q: When am I eligible to elect to participate in T-DROP?

A: If you have at least twenty-eight (28) years of service credit, you may elect to participate in the T-DROP program with a reduction for early entry. If you have at least thirty (30) years of service credit, you may elect to participate in the T-DROP program with no reduction.

Q: How do I participate in T-DROP?

A: To participate in T-DROP, you must submit a T-DROP application to ATRS. T-DROP participants are enrolled once a year on July 1st. Because of this, you must submit your T-DROP applications to ATRS between March 1st and May 31st immediately preceding the July in which you would like to begin your participation. You are solely responsible for making sure that your T-DROP application has been submitted to ATRS between March 1st and the May 31st deadline.

Q: What happens if I submit a T-DROP application after the May 31st deadline?

A: If you submit your T-DROP application after the May 31st deadline, you will not be allowed to begin participating in T-DROP in the July that immediately follows the May 31st deadline. You will only be allowed to reapply to participate in T-DROP on July 1st of the following year.

T-DROP PARTICIPATION YEARS

Q: Do I have to work full-time while participating in T-DROP?

A: No, you do not have to work full-time for a covered employer when you are T-DROP participant. However, there is a minimum number of days that you must work every quarter in order to continue having a portion of your monthly retirement benefits deposited into your T-DROP deposit account. See Appendix A.

Q: What if I stop working for a covered employer while participating in T-DROP?

A: If you stop working for a covered employer while participating in T-DROP, monthly retirement benefit deposits will not be made to your T-DROP deposit account. However, interest will continue to accrue and be deposited to your T-DROP deposit account.

Q: Will the salary I earn while participating in T-DROP count towards my final average salary when I leave the T-DROP program?

A: No, any salary that you earn after entering the T-DROP program cannot be used to recalculate your final average salary.

Q: Do I have to pay contributions while participating in T-DROP?

A: No, even if you are a contributory member, you do not pay contributions to ATRS while participating in the T-DROP program.

Q: Can I accrue more service credit while participating in T-DROP?

A: No, you cannot earn, be given, or purchase service credit while participating in the T-DROP program.

Q: Can I borrow money from my T-DROP deposit account?

A: No, you cannot borrow money from your T-DROP deposit account. Additionally, you cannot receive any money from your T-DROP deposit account until you stop participating in the T-DROP program and retire from the System.

EXITING T-DROP

Q: How long can I participate in T-DROP?

A: You can participate in T-DROP for up to ten (10) consecutive years. Participation years are calculated from the time you first begin participating in the T-DROP program.

Q: How do I leave the T-DROP program?

A: You leave the T-DROP program when you retire from the System or pass away.

Q: What if I don't leave the T-DROP program after ten (10) consecutive years?

A: If you do not leave T-DROP after ten (10) consecutive years, the monthly retirement benefit deposits to your T-DROP deposit account will stop. However, interest will continue to accrue and be deposited to your T-DROP deposit account once a year on June 30th. The interest rate varies from a minimum of four percent (4%) to a maximum of six percent (6%).

Q: What happens to my T-DROP deposit account after I retire from the System?

A: When you leave the T-DROP program and retire from the System, you must decide how you would like to receive your T-DROP deposit account balance. You may:

- Convert your T-DROP deposit account balance to an annuity, which will increase your monthly retirement benefit;
- Receive part of your T-DROP deposit account balance as a lump-sum payment (payable via check) and the remaining balance as a monthly retirement benefit; or
- Receive your T-DROP deposit account balance in a lump-sum payment payable to:
 - You via check;
 - A Cash Balance Account (CBA) maintained by ATRS; or;
 - A qualified retirement plan such as an IRA or 403(b) plan.

You must submit your choice on how you would like to receive your T-DROP deposit account balance on an ATRS-approved form. Please note that if you receive any portion of your T-DROP deposit account balance in a lump-sum payment, there may be significant tax consequences if you do not roll over the balance to another qualified retirement plan. Consult with your tax advisor for guidance.

CASH BALANCE ACCOUNT (CBA)

Q: What is a Cash Balance Account (CBA)?

A: A CBA is an account into which you can have all or a portion of your T-DROP deposit account balance deposited instead of receiving a lump-sum distribution of your T-DROP deposit account balance.

Q: Do CBAs earn interest?

A: Yes, CBAs are credited monthly with T-DROP CBA interest at a rate that grows over time. See Appendix C for interest rates applicable to CBAs.

Q: Can I withdraw money from my CBA?

A: Yes, you can withdraw money from your CBA up to six (6) times in a quarter. More than six (6) withdrawals can be made with the approval of the ATRS Executive Director. You can also make recurring monthly withdrawals.

Q: Do I have to make withdrawals from my CBA?

A: Generally, you must withdraw a required minimum distribution (RMD) from the CBA if you have reached the required minimum distribution age. However, a minimum distribution will not be required if you are a rehired retiree or have continued to work for a covered employer without a break in service and your covered employer reports you to the System and pays employer contributions for you. RMD requirements are governed by federal tax law and IRS rules. Consult your tax advisor for guidance.

Q: What is the required minimum distribution age?

A: The required minimum distribution age is seventy-three (73) under the federal tax law and IRS rules in effect at the time of publication.

RETIREMENT

ATRS offers several retirement options for retirees to fit the needs of its members, giving each member the flexibility to fit the retirement benefit to their specific needs. Members cannot retire from the System unless they have paid ATRS all their required contributions and any other amounts owed due to underpayments, overpayments, and purchased service. Generally, a member who files an application for voluntary retirement will receive their first monthly benefit in the same month as their effective retirement date if the member has timely submitted all required documents to ATRS. Once a member retires, the System pays the member monthly retirement benefits for their lifetime.

AGE AND SERVICE RETIREMENT – VOLUNTARY AND EARLY VOLUNTARY RETIREMENT

Q: When am I eligible for voluntary retirement?

A: You are eligible for voluntary retirement if you are an active member and you:

- Have at least twenty-eight (28) years of service credit; or
- Are at least sixty (60) years old and have vested in ATRS.

Q: When am I eligible for early voluntary retirement?

A: You are eligible for early voluntary retirement if you are an active member or an inactive member and you:

- Have vested in ATRS; and
- Have a total of at least twenty-five (25) years of service credit.

Q: Will my monthly retirement benefit be subject to a reduction if I retire under early voluntary retirement?

A: Yes, if you retire under early voluntary retirement, your monthly retirement benefit will be subject to a permanent early annuity reduction. Please contact ATRS if you would like more information on how the early annuity reduction will be applied to you.

Q: When should I file an application for age and service retirement?

A: If you are eligible for age and service retirement, you must file your application no earlier than four (4) months before your anticipated effective retirement date and no later than one (1) month before your anticipated effective retirement date. See Appendix D for a chart of the retirement application windows and a retirement checklist. If you are an inactive member, you may file your application for age and service retirement at any time.

Q: Can my effective retirement date be before July 1 if I am a classroom teacher?

A: You cannot retire earlier than July 1 if you are a classroom teacher and have not reached the Normal Retirement Age. (Please refer to Termination Separation Period and Post Retirement Employment on page 24 for an explanation of Normal Retirement Age).

Q: Can I cancel my application for age and service retirement?

A: Yes, you can cancel your application for age and service retirement at any time before the end of the second full calendar month immediately following your effective retirement date. If you cancel your application for age and service retirement, you will have to repay the System the total amount of any monthly retirement benefit that you received.

DEFERRED RETIREMENT

Q: When am I eligible for deferred retirement?

A: You are eligible for deferred retirement if you are an inactive member and:

- Are at least sixty (60) years old;
- Became inactive before you turned sixty (60) years old;
- Are vested in ATRS;
- Did not participate in the System's buyout plan (CASH program);
- Did not receive a refund of your contributions from ATRS; and
- Did not receive a refund of your contributions from any reciprocal system for any service credit that you used to vest in ATRS.

Q: When should I file an application for deferred retirement?

A: If you are eligible for deferred retirement, you can file your application for deferred retirement at any time.

Q: Can I cancel my application for deferred retirement?

A: Yes, you can cancel your application for deferred retirement at any time before the end of the second full calendar month immediately following your effective retirement date. If you cancel your application for deferred retirement, you will have to repay the System the total amount of any monthly retirement benefit that you received.

DISABILITY RETIREMENT

Q: When am I eligible for disability retirement?

A: You are eligible for disability retirement if you are currently an active member or were an active member in the fiscal year immediately preceding the current fiscal year, and you:

- Are ineligible for voluntary retirement;
- Have vested in ATRS; and
- Are found by the System's Medical Committee to be totally and permanently physically or mentally incapacitated, so that you are unable to perform your current job duties because of your personal injury or disease.

Q: Do I have to be approved for Social Security Disability before I can apply for disability retirement?

A: No, you may apply for disability retirement before being approved for Social Security Disability. However, if you are younger than fifty-seven (57) years old when your effective disability retirement benefits begin, you must apply for and receive a favorable Social Security disability determination within three (3) years of your effective date of disability retirement with ATRS.

Q: When should I file an application for disability retirement?

A: If you believe that you may be eligible for disability retirement, you should file your application for disability retirement as soon as you are aware that you are suffering from an illness or disease that is totally and permanently preventing you from being able to perform your job duties with your covered employer.

Q: Can I still file an application for disability retirement if I recently became inactive?

A: If you recently became an inactive member, you may still file an application for disability retirement if you have not been inactive for more than one (1) fiscal year after your last period of covered employment in which you earned at least a quarter (1/4) year of service credit.

Q: Can I file an application for disability retirement if I am eligible for voluntary retirement?

A: No, you cannot file an application for disability retirement if you are eligible for voluntary retirement.

Q: Can I reapply for disability retirement if my initial disability retirement application is denied?

A: If your disability retirement application is denied, you may request a second review of your disability retirement application. You may request a second review only once.

If you do not request a second review, or if your application for disability retirement is denied after a second review, you may reapply for disability retirement if you are either (1) active or (2) have not been inactive for more than one (1) fiscal year after your last period of covered employment in which you earned at least a quarter (1/4) year of service credit.

Q: What if I am unable to obtain a favorable Social Security disability determination?

A: If you are unable to obtain a favorable Social Security disability determination within three (3) years of your effective retirement date, you may request an extension of the three-year deadline.

You may request an extension of the three-year deadline if you can show that:

- You filed your Social Security disability claim two (2) years before the three-year deadline; and
- Your Social Security disability claim is still under review and your Social Security disability claim was never voluntarily dismissed or withdrawn by you.

If you cannot or choose not to request an extension of the three-year deadline, you may file an application for disability review by the Medical Committee.

Q: Will my disability retirement benefits be suspended or terminated if I am unable to obtain a favorable Social Security disability determination?

A: If you do not submit a favorable Social Security disability determination by the three-year deadline, your disability retirement benefits will be suspended during the time period in which you may file an application for disability review. Your disability retirement benefits will be terminated if you do not file an application for disability review by the application deadline.

Q: How long do I have to file an application for disability review?

A: You may file an application for disability review no earlier than three (3) full calendar months before and no later than three (3) full calendar months after the three-year deadline to submit a favorable Social Security disability determination.

Q: Who reviews disability retirement applications and disability review applications?

A: The ATRS Medical Committee reviews disability retirement applications and disability review applications. The ATRS Medical Committee also performs the second review of a disability retirement application.

When reviewing applications, the Medical Committee will also review any supporting medical records that you provide.

The Medical Committee is made up of three (3) physicians who meet monthly to review applications.

Q: Can I work as a disability retiree?

A: After becoming a disability retiree, you may work for a covered employer for no more than seventy-nine (79) days in each fiscal year. If you work for more than seventy-nine (79) days, your disability retirement benefits will stop and you will become an active member of the System again.

ANNUITY OPTIONS

Q: When I retire, what are my annuity options?

A: At the time of your retirement, you may choose to receive a straight life annuity or a reduced Option annuity: Option A, Option B, or Option C.

Q: What is a straight life annuity?

A: The straight life annuity is the highest paying retirement benefit ATRS offers to its members. If you retire and choose to receive a straight life annuity, you will receive an unreduced monthly benefit for your lifetime. If you choose to receive a straight life annuity, you cannot designate a beneficiary who will receive a monthly annuity when you pass away.

Q: What is an Option A annuity?

A: A member who retires and chooses an Option A annuity receives a reduced monthly annuity for their lifetime. If you choose to receive an Option A annuity, you can designate one (1) more beneficiaries who will receive a monthly annuity for their lifetime when you pass away.

When you pass away, one hundred percent (100%) of your reduced annuity will be paid to your designated beneficiaries for their lifetime. Please refer to Option Beneficiaries on page 28 for more information on who you may designate as your Option A beneficiary and how an Option A annuity will be paid to one (1) or more of your beneficiaries.

Q: What is an Option B annuity?

A: A member who retires and chooses an Option B annuity receives a reduced monthly annuity for their lifetime. If you choose to receive an Option B annuity, you may designate one (1) or more beneficiaries who will receive a monthly annuity for their lifetime after you pass away.

When you pass away, fifty percent (50%) of your reduced annuity will be paid to your designated beneficiaries for their lifetime. Please refer to Option Beneficiaries on page 28

for more information on who you may designate as your Option B beneficiary and how an Option B annuity will be paid to your beneficiaries.

Q: What is the Option C benefit?

A: A member who retires and chooses an Option C annuity receives a reduced monthly annuity. If you choose to receive an Option C annuity, you may designate one (1) or more beneficiaries who will receive a monthly annuity when you pass away if a monthly annuity can be paid.

If you pass away and received one hundred twenty (120) monthly retirement benefit payments, an annuity will not be paid to your designated Option C beneficiaries.

However, if you pass away and received less than one hundred twenty (120) monthly retirement benefit payments, the remaining balance of the one hundred twenty (120) monthly retirement benefits will be paid to your designated Option C beneficiaries. Annuity payments to your Option C beneficiaries will stop after the remaining balance of the one hundred twenty (120) monthly retirement benefit payments have been made.

If you do not pass away before you receive one hundred twenty (120) monthly retirement benefit payments, your benefit will “pop up” to the straight life annuity amount in the 121st month and you will receive that monthly benefit for the remainder of your lifetime.

Please refer to Option Beneficiaries on page 28 for more information on who you may designate as your Option C beneficiary and how an Option C annuity will be paid to your beneficiaries.

Q: Can I change the annuity option I chose after I retire?

A: Yes, you may change the annuity option you chose when you retired if the change is made within one (1) year of your effective retirement date. You may have to repay ATRS some of the retirement benefits you previously received if you change your annuity option.

You may only change your selected annuity option once. If you want to change the annuity option you selected, you will need to complete and submit a new annuity election form to ATRS.

If you selected an Option A, Option B, or Option C annuity and all your option beneficiaries die before you, you may change your Option A, Option B, or Option C annuity to a straight life annuity (pop-up) or select replacement option beneficiaries. Pop-up means that your monthly option annuity will change to the maximum annuity payable under ATRS. The maximum annuity payable under ATRS is the straight life annuity.

Q: If I change the annuity option I selected, when will the change take effect?

A: Any change to your annuity option will be effective the month following the System’s receipt of your new annuity election form and any repayment that may be due.

BENEFIT AMOUNT AND COST OF LIVING ADJUSTMENT

Q: What will my monthly retirement benefit be after I retire?

A: The amount of your monthly retirement benefit will depend on several factors such as:

- The number of your contributory and noncontributory years;
- The amount of service credit you accrued;
- Your final average salary;
- Whether you are subject to a court-ordered ATRS-approved qualified domestic relations order; and
- The multiplier rates applicable to you.

When you retire, a final retirement contract will be prepared for you. Your final retirement contract will include the amount of your monthly retirement benefit. The amount of your monthly retirement benefit will never decrease.

If you would like an estimate of what your monthly retirement benefits will be before you apply for retirement, please contact ATRS or use the Benefit Estimator available in your online ATRS Member Portal account.

Q: What is a benefit stipend?

A: A benefit stipend is an additional amount of money that a retiree receives in addition to their monthly retirement benefit. You are eligible to receive a benefit stipend if you have at least ten (10) years of actual service in ATRS.

Q: What is the amount of the benefit stipend?

A: The amount of the benefit stipend is fifty dollars (\$50) per month.

Q: Will my monthly retirement benefit remain the same for the rest of my life?

A: No. Every July 1, you will receive a simple cost of living adjustment (COLA) increase to your monthly retirement benefits if you have been retired for at least one (1) full year. The annual COLA increase is three percent (3%) of your base retirement benefit. The Board of Trustees may authorize a higher COLA percentage or a compound COLA depending on the System's investment returns and actuarial condition.

Q: How will my retirement benefits be paid to me?

A: Your monthly retirement benefits will be paid to you by an electronic fund transfer deposit to your bank account. You are required to complete an ATRS direct deposit authorization form in order to receive your monthly retirement benefits.

Q: When will my retirement benefits be paid to me?

A: Your retirement benefits will be paid to you monthly towards the end of the month. A schedule of the monthly retirement benefit payment dates may be found on the ATRS website.

Q: Do I get a report of the amount of retirement benefits I receive each year?

A: Yes. ATRS will send you an IRS Form 1099-R annually for tax purposes. You can also access your 1099-R on your online Member Portal account. The 1099-R shows the total amount of benefits that ATRS has paid to you in a calendar year.

TERMINATION SEPARATION PERIOD AND POST RETIREMENT EMPLOYMENT

Q: Can I work for a covered employer immediately after retiring from ATRS?

A: If you are the Normal Retirement Age, you can work for a covered employer immediately after retiring from ATRS.

Q: How do I know if I am the Normal Retirement Age?

A: You are the Normal Retirement Age if you are vested in ATRS and:

- You are at least sixty-five (65) years old; or
- You are at least sixty (60) years old and the sum of your age and your combined years of credited service in ATRS, T-DROP, or from reciprocal service in another state retirement system totals ninety-eight (98).

Q: When can I work for a covered employer if I am not at the Normal Retirement Age?

A: If you retire from ATRS and are not the Normal Retirement Age, you can work for a covered employer after your mandatory termination separation period ends. The termination separation period is four (4) full months from a member's effective retirement date.

A termination separation period is required by federal tax law and IRS rules. You cannot work for a covered employer, apply for work with a covered employer, or make any agreement to work for a covered employer until the end of the termination separation period.

Q: Will I have a termination separation period if I am approved for disability retirement?

A: No, if you are approved for disability retirement, you will not have a termination separation period. However, you must still terminate from your covered employment before you can begin receiving disability retirement benefits.

The only exception is if you are finalizing work for a covered employer after being approved by the Medical Committee. In this situation, you must terminate your covered employment no later than two (2) full calendar months after the date on which your application for disability retirement was approved.

Q: What happens if I work for a covered employer during the termination separation period?

A: If you work for a covered employer during the termination separation period, you cannot receive monthly retirement benefits and will be required to repay ATRS the total amount of any retirement benefits you received. Additionally, you will be required to submit a new application for retirement.

Q: Can I volunteer for a covered employer during the termination separation period?

A: Please contact ATRS to obtain written clearance if you are considering volunteering for a covered employer during your termination separation period.

Q: Can I work for a substitute teaching provider or another third-party that provides services to a covered employer during the termination separation period?

A: Generally, a member can work for substitute teaching provider or another third-party if the member does not have substantial control of the employee-employer relationship and a covered employer does not pay the member for the work they do. Please contact ATRS

to obtain written clearance if you are considering working for a substitute teaching provider or another third-party that provides services to a covered employer during the termination separation period.

Q: Can I work as a substitute teacher for my former covered employer?

A: If you are not the Normal Retirement Age, you cannot work for your former covered employer and your former covered employer cannot employ you during your termination separation period. Please contact ATRS to obtain written clearance if you are considering working for your former covered employer as a substitute teacher or in any other position during your termination separation period.

Q: Can I work for an employer that is not a covered employer during the termination separation period?

A: Generally, you will not violate your termination separation period if you work for an employer that is not a covered employer. However, you may violate your termination separation by working for an employer that is not a covered employer if the employment would cause you to be paid by a covered employer.

Additionally, you may also violate your termination separation period if your employment would require you to provide services to a covered employer and you are found to have substantial control of the employee-employer relationship. Please contact ATRS to obtain written clearance if you have any doubts about whether working for an employer will cause you to violate your termination separation period.

Q: Should I contact ATRS if I am considering working during the termination separation period?

A: Yes, you should always contact ATRS to obtain written clearance if you are considering working during your termination separation period. Contacting ATRS will help you avoid violating your termination separation period and having to pay back benefits that you received from the System.

DIVORCE BEFORE AND AFTER RETIREMENT

Q: If I get a divorce before or after retiring, can my former spouse receive a portion of my contributions or retirement benefits?

A: Your former spouse may be entitled to receive a portion of your contributions or retirement benefits if you were a member of the System at any time during your marriage.

A court will need to enter an ATRS-approved qualified domestic relations order (also called a QDRO) before your former spouse can receive a portion of your contributions or retirement benefits.

If your former spouse wants to receive a portion of your contributions or retirement benefits and you would like to use a qualified domestic relations order, please be aware that ATRS will not accept a qualified domestic relations order for your case if you have less than five (5) years of actual service credit. If you think an ATRS-approved qualified domestic relations order is or will be needed for your divorce, please contact ATRS for more information.

BENEFICIARIES

Beneficiary designations are an important part of planning for your future. By designating a beneficiary for your benefits, you can help ensure that your spouse, children, and other eligible loved ones are provided for after you pass away. Members often have major life events, such as divorce, marriage, or death, that may impact the member's beneficiary designations. If you are a member who has experienced a major life event, please contact ATRS, so that a counselor can guide you through your options.

BENEFICIARY DESIGNATIONS GENERALLY

Q: What types of beneficiary designations can I make?

A: Generally, you may designate option beneficiaries, residue (contribution) beneficiaries, and lump-sum death benefit beneficiaries.

Q: Can I designate a primary and contingent beneficiary?

A: Yes, for residue and lump-sum death benefit beneficiaries, you may designate one (1) or more primary and contingent beneficiaries.

Q: Do I have to designate a person as my beneficiary or can it be a trust or other entity?

A: An Option A or Option B beneficiary must be your spouse or an eligible dependent child. You may designate a person or an entity as your Option C beneficiary. You may also designate a person or an entity as a beneficiary that will receive your residue and lump-sum death benefit.

Q: Can I designate a funeral home as my beneficiary?

A: You may designate a funeral home as your Option C, lump-sum death benefit, and residue beneficiary. However, ATRS will not be responsible for paying a funeral home any remaining balance due for funeral services if the amount the funeral home receives from ATRS as a beneficiary is not enough to cover the cost of the funeral services. Additionally, ATRS will not be responsible for assisting your loved ones in recouping any amount in excess of the cost of the funeral services, nor will ATRS reimburse your loved ones for any amount in excess of the cost of the funeral services.

Q: What happens if I do not designate a beneficiary?

A: If you do not designate a beneficiary, the lump-sum death benefit and any remaining residue or contributions will be paid to your estate.

RESIDUE AND LUMP-SUM DEATH BENEFIT

Q: When does a member have a residue?

A: You may have a residue if at the time of your death you were:

- An inactive member who did not receive a refund of your contributions;
- An active contributory member of the System;
- A retiree and the monthly retirement benefit payments you received did not total the amount of contributions that you paid into the System; or
- A retiree with a balance left in your Cash Balance Account (CBA).

Q: When will ATRS pay my residue to my residue beneficiaries?

A: If you pass away and have a residue balance, your residue balance will be paid to your residue beneficiaries if:

- You do not have option beneficiaries;
- Survivor benefits cannot be paid on your member account; and
- Your residue beneficiaries do not waive their right to receive their portion of your residue.

If you pass away and have designated one (1) or more option beneficiaries, your residue, if any, will not be paid until after your option beneficiaries pass away. After your option beneficiaries pass away, any residue still remaining will be paid to your residue beneficiaries.

Q: How will residue be paid if I have more than one designated beneficiary?

A: Your residue will be paid in equal shares to your designated beneficiaries.

Q: When will I be eligible for a lump-sum death benefit?

A: You are eligible for a lump-sum death benefit if you are an active member, T-DROP participant, or a retiree with at least ten (10) years of actual service in the System.

Q: How much will my lump-sum death benefit be?

A: For a member with ten (10) or more years of actual contributory service, the lump-sum death benefit is \$10,000. For a member with only noncontributory service, the benefit is \$6,667. For members with a mix of contributory and noncontributory service, the benefit is prorated. If you would like an estimate of what your lump-sum death benefit may be, please contact ATRS.

Q: How will my lump-sum death benefit be paid if I have more than one designated beneficiary?

A: Your lump-sum death benefit will be paid in equal shares to your designated beneficiaries.

Q: Can my lump-sum death benefit be paid to my beneficiary if I die as an inactive member?

A: No. If you pass away while you are an inactive member of the System, you will not be eligible for a lump-sum death benefit. For the purposes of eligibility for the lump-sum death benefit, you are considered active until the end of the fiscal year after your last period of covered employment in which you earned at least a quarter (1/4) year of actual service credit.

Q: Can I change my designated residue and lump-sum death benefit beneficiaries?

A: Yes, you can change your designated residue and lump-sum death benefit beneficiaries any time before you pass away.

Q: Do I need to provide and update the contact information of my residue and lump-sum death benefit beneficiaries with ATRS?

A: Yes, you and your residue and lump-sum death benefit beneficiaries are strongly encouraged to make sure that ATRS has up-to-date contact information for your designated beneficiaries. The contact information for your residue and lump-sum death benefit beneficiaries should be updated as soon as possible after there has been a change.

OPTION BENEFICIARIES

Q: When can I designate an option beneficiary?

A: You may designate an option beneficiary when you retire from the System.

Q: Can I change my designated option beneficiaries after retiring?

A: You cannot change your designated option beneficiaries after retiring unless they pass away.

Q: Can I designate an Option C beneficiary if I am a disability retiree?

A: No, you cannot designate an Option C beneficiary if you are a disability retiree.

Q: Who can I designate as my Option A or Option B beneficiary?

A: You may designate your spouse, your incapacitated children (in the case of a retiree, an incapacitated child is also called a dependent child), or both your spouse and incapacitated children as your Option A or Option B beneficiaries. See Appendix F for Option Beneficiary Eligibility Checklists.

Q: Who can I designate as my Option C beneficiary?

A: You may designate any person or entity as your Option C beneficiary.

Q: Can I designate my spouse as an Option A or Option B beneficiary if we have been married for less than one (1) year before I begin receiving a monthly retirement benefit?

A: No, you may only designate your spouse as an Option A or Option B beneficiary if you were married to your spouse for at least one (1) year before you begin receiving a monthly retirement benefit.

Q: Can I designate my spouse as an Option C beneficiary if we have been married for less than one year before I begin receiving a monthly retirement benefit?

A: Yes, there is not a marriage duration requirement under Option C.

Q: Who qualifies as an incapacitated child?

A: If you are a retiree, your child qualifies as incapacitated child if your child has been found mentally or physically incapacitated by a court. If you have a child who is a minor, your child will not qualify as an incapacitated child unless your child has been found mentally or physically incapacitated by a court.

Q: How will benefits be paid if I designate both my spouse and dependent children as my Option A or Option B beneficiaries?

A: If you designate both your spouse and incapacitated children as your Option A beneficiaries, then fifty percent (50%) of your reduced annuity will be paid to your spouse and the remaining 50% will be paid to your dependent children in equal shares.

If you designate both your spouse and incapacitated children as your Option B beneficiaries, then fifty percent (50%) of one-half (1/2) of your reduced annuity will be paid to your spouse and the remaining fifty percent (50%) will be paid to your dependent children in equal shares.

Q: Can my spouse choose to receive a lump-sum payment of my residue instead of receiving an annuity?

A: Yes, your spouse may choose to receive a lump-sum payout of your residue instead of receiving an annuity if you did not designate other residue beneficiaries, your spouse is designated as an option beneficiary, and your spouse waives their right to receive the annuity in writing.

Q: Do I need to provide and update the contact information of my option beneficiaries with ATRS?

A: Yes, you and your option beneficiaries are strongly encouraged to make sure that ATRS has up to date contact information for your option beneficiaries. The contact information for your option beneficiaries should be updated as soon as possible after there has been a change.

DEATH OF DESIGNATED BENEFICIARY

Q: What happens if all of my designated primary and contingent residue and lump-sum death benefit beneficiaries die before me?

A: If all of your designated beneficiaries die before you, any available residue and lump-sum death benefit will be paid to your estate. However, any monthly retirement benefits that would have been payable to your option beneficiary will not be paid to your estate.

Q: What happens if all of my designated primary residue and lump-sum death benefit beneficiaries survive me, but some or all of them die after me?

A: If all of your primary beneficiaries survive you, but all of them die after you, any available residue and lump-sum death benefit will be paid to the estate of the primary beneficiary who died last.

Q: What happens if all of my designated primary residue and lump-sum death benefit beneficiaries die before me, but my contingent beneficiaries survive me?

A: If all of your designated beneficiaries die before you, any available residue and lump-sum death benefit will be paid to any contingent beneficiaries who are alive.

Q: What happens if all of my designated option beneficiaries die before me?

A: If your option beneficiaries die before you, you may change your Option A, Option B, or Option C annuity to a straight life annuity (pop-up) or select replacement option beneficiaries. Pop-up means that your monthly option annuity will change to the maximum annuity payable under ATRS. The maximum annuity payable under ATRS is the straight life annuity.

Q: If one of my designated Option A or Option B beneficiaries pass away, will their share of the annuity be paid to the surviving option beneficiaries?

A: No, if an Option A or Option B beneficiary dies before any other Option A or Option B beneficiaries, the deceased option beneficiary's share of the annuity will not be paid to any surviving option beneficiaries.

Q: If one of my designated Option C beneficiaries pass away, will their share of the annuity be paid to the surviving option beneficiaries?

A: Yes, if an Option C beneficiary dies before any other Option C beneficiaries, the deceased option beneficiary's share of the annuity will be paid in equal shares to the surviving option beneficiaries.

Q: Can any benefits available to my beneficiaries or my estate be forfeited?

A: Yes. If the benefit is a survivor benefit, the benefit may no longer be payable to a beneficiary if an application to receive the benefits and any necessary accompanying documents are not submitted to ATRS by the required deadline.

If the benefit is a lump-sum death benefit or residue, the benefit may be forfeited if the benefit remains unclaimed for more than five (5) years after the benefit first became payable.

DIVORCE, MARRIAGE, AND BENEFICIARY DESIGNATIONS

Q: Should I tell ATRS when I get married or divorced?

A: Yes, if you get married or divorced, you should tell ATRS as soon as possible.

Q: If I get married, can I designate my new spouse as my lump-sum death benefit and residue beneficiary?

A: Yes, you may change your lump-sum death benefit and residue beneficiary at any time before you pass away.

Q: What happens if I designate my spouse as my lump-sum death beneficiary and we later divorce?

A: Unless you remarry or change your lump-sum death benefit beneficiary designation to remove your former spouse as a designated beneficiary, the lump-sum death benefit will be paid to your former spouse. That is why it is critical that you keep your member information up to date with ATRS.

Q: What happens if I designate my spouse as my residue beneficiary and we later divorce?

A: Your residue will be paid to your former spouse unless you change your residue beneficiary designation to remove your former spouse as a designated beneficiary. However, your former spouse will not be paid the residue if you remarry and your former spouse's residue beneficiary designation would prevent your current spouse from receiving an annuity from the System.

Q: If I was married for less than a year before I retired, can I designate my spouse as my Option A or Option B beneficiary?

A: If you are receiving a straight life annuity and were married to your spouse for less than a year before you retired, you may designate your spouse as your Option A or Option B beneficiary.

However, you may designate your spouse as your Option A or Option B beneficiary only after you and your spouse have been married for one (1) year. You must designate your spouse as your Option A or Option B beneficiary within six (6) months of the date on which you and your spouse were married for one (1) year.

Q: If I get married after I retire, can I designate my new spouse as my Option A or Option B beneficiary?

A: If you are receiving a straight life annuity and get married after you retire, you may cancel your straight life annuity and designate your new spouse as an Option A or Option B beneficiary.

However, you may designate your new spouse as your Option A or Option B beneficiary only if you have been married to your new spouse for at least one (1) year. You must designate your new spouse as your Option A or Option B beneficiary within six (6) months of the date on which you and your new spouse were married for one (1) year.

Q: If I get married after I retire and I am receiving an Option A or Option B annuity, can I designate my new spouse as my Option A or Option B beneficiary?

A: No, you cannot change your option beneficiary designations after you retire unless your designated option beneficiaries pass away.

Q: What happens if I designate my spouse as my only Option A or Option B beneficiary and we later divorce?

A: If your spouse is your only Option A or Option B beneficiary and you and your spouse later divorce, you may elect to cancel your Option A or Option B annuity and receive a straight life annuity instead.

Q: What happens if I designate my spouse and dependent children as my Option A or Option B beneficiaries, and my spouse and I later divorce?

A: If your former spouse was not your only Option A or Option B beneficiary and it has been **more than one (1) year** since you retired:

- You cannot change your Option A or Option B annuity election;
- You cannot change your other option beneficiary designations;
- Your former spouse will not be eligible to remain as your option beneficiary and you cannot select another beneficiary to replace your former spouse.

If your former spouse was not your only Option A or Option B beneficiary and it has been **less than one (1) year** since you retired:

- You may change your annuity option election;
- If you do not choose to receive a straight life annuity, your former spouse will not be eligible to remain as your option beneficiary and you cannot select another beneficiary to replace your former spouse;
- If you do not choose to receive a straight life annuity, you cannot change your other option beneficiary designations.

Q: What happens if I designate my spouse as my Option C beneficiary and we later divorce?

A: If your former spouse is your only Option C beneficiary, you may designate another Option C beneficiary or elect to cancel your Option C annuity and receive a straight life annuity instead.

If your former spouse is not your only Option C beneficiary and it has been more than one (1) year since you retired, you cannot change your Option C annuity election, but you may designate another beneficiary to replace your former spouse.

SURVIVOR BENEFITS

Q: Who can receive survivor benefits from ATRS?

A: An eligible surviving spouse and the eligible surviving children of an active member, T-DROP participant, or return to work retiree may receive survivor benefits from the System. See Appendix E for Survivor Benefit Eligibility Checklists.

Q: Do I have to designate my spouse or children as a beneficiary in order for them to receive survivor benefits?

A: No, you do not have to designate your eligible spouse or children as a beneficiary in order for them to receive survivor benefits.

Q: How do I know if my spouse is eligible for survivor benefits?

A: If you qualify as a member whose survivors may receive survivor benefits, your spouse will be eligible for survivor benefits if:

- You and your spouse were married for at least two (2) years immediately before you passed away; and
- There is not a residue balance that may be paid to a residue beneficiary other than your spouse.

If there is a residue balance that may be paid to a residue beneficiary other than your spouse, your spouse will only be able to receive a survivor annuity if the other residue beneficiary waives their right to receive the residue.

Q: When can my eligible spouse begin receiving survivor benefits if I was eligible to retire from ATRS when I passed away?

A: If you qualify as a member whose eligible survivors may receive survivor benefits, your eligible spouse may begin receiving benefits immediately.

Benefit payments to your spouse would begin the month following your death if your spouse submits an application for survivor benefits and any necessary documents to ATRS within six (6) full calendar months of your death.

If the application and necessary documentation are not submitted by the deadline, your spouse may begin receiving benefit payments the month after submitting their survivor application and necessary documents to ATRS.

Q: When can my eligible spouse begin receiving survivor benefits if I was not yet eligible retire from ATRS when I passed away?

A: If you qualify as a member whose eligible survivors may receive survivor benefits, your eligible spouse may begin receiving benefits the month following when you would have been eligible to retire from ATRS had you survived.

Benefit payments to your spouse may begin the month following when you would have been eligible to retire if your spouse submits an application for survivor benefits and any necessary documents to ATRS within six (6) full calendar months of your death.

If the application and necessary documentation are not submitted by the deadline, your spouse may begin receiving benefit payments the month after submitting their survivor application and necessary documents to ATRS.

Q: Can my eligible spouse receive a lump-sum payment of my residue if they do not want to receive a monthly survivor annuity?

A: Yes, your eligible spouse may choose to receive a lump-sum payment of your residue instead of receiving a monthly annuity if you did not designate any other residue beneficiaries and your spouse waives their right to the monthly annuity in writing.

Q: How do I know if my child is eligible for survivor benefits?

A: If you qualify as a member whose survivors may receive survivor benefits, your child is eligible for survivor benefits if your child:

- Is a minor;
- Has been found physically or mentally incapacitated by court; or
- Qualifies as a dependent child as explained below.

Your child will not be eligible for survivor benefits if you designated your child as your option beneficiary and your child can receive an annuity based on their designation as your option beneficiary.

Q: When will my child qualify as a dependent child?

A: Your child qualifies as a dependent child if your child:

- Is under eighteen (18) years of age; or
- Is eighteen (18) years or older, but not older than twenty-two (22) years of age and stays continuously enrolled as a full-time student in an accredited secondary school, college, university, or vocational-technical school.

Q: When can my eligible child begin receiving survivor benefits?

A: If you qualify as a member whose survivors may receive survivor benefits, after you pass away, your child can begin receiving benefits the month after your death if your child submits a survivor application and necessary documents to ATRS within six (6) full calendar months of your death.

If the application and necessary documentation is not submitted by the deadline, your child will begin receiving benefit payments the month after they submit a survivor application and necessary documents to ATRS.

Q: Will my dependent child still receive a monthly benefit payment if they defer their enrollment in an accredited college, university, or vocational-technical school?

A: Yes, if your dependent child defers their enrollment, they will continue to receive a monthly benefit payment if they are under twenty-two (22) years of age and submit proof of their deferred enrollment to ATRS in the manner required by ATRS.

Q: Will my dependent child still receive a monthly benefit payment if they are unwell and unable to attend school as a full-time student?

A: Yes, your dependent child will continue receiving monthly benefit payments if a doctor certifies that they are temporarily physically or mentally incapacitated and unable to attend school full-time for the current semester or term due to the incapacitation.

Q: Will my dependent child still receive a monthly benefit if they are called to active military duty or training?

A: No, your dependent child will not continue to receive a monthly benefit while they are participating in active military duty or training. Monthly benefit payments to your dependent child will be suspended while they are participating in active military duty or training and will resume if:

- Your dependent child is not older than twenty-two (22) years old; and
- Enrolls as a full-time student in an accredited college, university, or vocational-school immediately after returning from active military duty or training, and submits proof of their enrollment to ATRS.

T-DROP AND DESIGNATED BENEFICIARIES

Q: What will happen to my T-DROP deposit account balance if I pass away before retiring?

A: If you pass away before retiring, your T-DROP deposit account balance will become your residue. Please refer to Beneficiary Designations Generally on page 26 and Death of Designated Beneficiary on page 29 for more information on how your residue will be paid.

Q: Can my spouse choose to receive an Option A annuity if I was a T-DROP participant and passed away before retiring?

A: Yes, your spouse may choose to receive an Option A annuity instead of a lump-sum payment of your T-DROP deposit account balance if you did not designate other residue beneficiaries. If you designated other residue beneficiaries, your spouse may choose to receive an Option A annuity only if all the other residue beneficiaries waive their right to receive their share of your residue.

Q: What will happen to my T-DROP deposit account balance if I pass away after retiring and chose to transfer my T-DROP deposit account balance to a CBA?

A: If you pass away after retiring and you chose to transfer your T-DROP deposit account balance to a CBA, your CBA account balance will become residue. Please see Beneficiary Designations Generally on page 26 and Death of Designated Beneficiary on page 29 for more information on how your residue will be paid.

Q: What will happen to my T-DROP deposit account balance if I pass away after retiring and chose to annuitize my T-DROP deposit account balance?

A: If you pass away after retiring and you chose to annuitize your T-DROP deposit account balance, a monthly benefit will be paid to your designated option beneficiaries. Please refer to Option Beneficiaries on page 28 for more information on how a monthly benefit will be paid to your designated option beneficiaries.

If you did not designate any option beneficiaries, your remaining T-DROP deposit account balance will become residue. Please refer to Beneficiary Designations Generally on page 26 and Death of Designated Beneficiary on page 29 for more information on how your residue will be paid.

Q: Can my spouse choose to receive a lump-sum payment of my T-DROP deposit account balance after I pass away if I annuitized my T-DROP deposit account balance and designated my spouse as an option beneficiary?

A: Yes, your spouse may choose to receive a lump-sum payment of your T-DROP deposit account balance instead of annuity if you did not designate any other option beneficiaries and the spouse waives their right to receive an annuity in writing.

DISPUTE RESOLUTIONS

While ATRS strives daily to ensure that its members are satisfied, it is understood that sometimes a dispute between the member and the System will arise. You are strongly encouraged to contact ATRS if you encounter an ATRS-related issue that you need help resolving.

If a dispute cannot be resolved informally, ATRS has two (2) formal dispute resolution processes available to you. These are the staff determination letter and appeals process and the manifest injustice process. Please contact ATRS if you have questions about the staff determination letter and appeals process or the manifest injustice process.

LEGAL DISCLAIMER

This handbook is meant to serve as a general guide to the Arkansas Teacher Retirement System (ATRS or System) and the various benefits available to ATRS members.

This handbook does not and is not intended to constitute legal advice, and does not and is not intended to create an attorney-client relationship.

This handbook does not and is not intended to replace Arkansas Law, the ATRS rules, or the System's policies. These laws, rules, and policies are subject to change periodically through legislation enacted by the Arkansas General Assembly or changes adopted by the Board of Trustees of the Arkansas Teacher Retirement System.

If there is a conflict between the information contained in this handbook and Arkansas Law, ATRS rules, or ATRS policies, the Arkansas Law, ATRS rules, and ATRS policies will control. If you have any questions about the information in this handbook, please contact ATRS for clarification.

Information in this handbook is current as of December 1, 2024, and is subject to change.

APPENDICES

APPENDIX A – SERVICE CREDIT CALCULATION

SERVICE CREDIT – BEFORE JULY 1, 2011

Days Worked (July 1 – June 30)	Service Credit Earned
0-29	None
30-59	1/4 Year
60-89	1/2 Year
90-119	3/4 Year
120 +	1 Year

SERVICE CREDIT – AFTER JULY 1, 2011

Days Worked (July 1 – June 30)	Service Credit Earned
1-39	None
40-79	1/4 Year
80-119	1/2 Year
120-159	3/4 Year
160 +	1 Year

APPENDIX B – PURCHASABLE SERVICE CREDIT

Domestic Federal	This is service rendered as a teacher or administrator in any school or similar institution located on a military base or installation that is administered by the Department of Defense. A member may purchase up to ten (10) years.
Federal Retirement	This is service rendered in a federal government retirement system so long as no benefit is payable from the federal retirement system in which he or she had previously been a member. A member may purchase up to ten (10) years.
Military	This is service rendered as active duty in the Armed Forces of the United States or in one of the reserve components of the United States Armed Forces. A member may purchase up to five (5) years. There is Free Military Service Credit for members who entered the Armed Forces between July 1, 1937, and June 30, 1973, or during a period that a federal military draft is in effect.
National Guard	This is service rendered in one of the reserve components of the United States Armed Forces. A member may purchase up to five (5) years.
Noncontributory to Contributory	This is ATRS credited noncontributory service that a member converts to contributory service.
Out-of-State	This is service rendered in any state except Arkansas that would have been covered by ATRS. A member may purchase up to fifteen (15) years so long as no other system would pay a benefit to the member other than Social Security.
Overseas / Peace Corp / VISTA	This is service rendered in an American-type school sponsored and approved by either the United States Department of State or the Department of Defense or service rendered in the Peace Corps or AmeriCorps VISTA (Volunteers in Service to America). A member may purchase up to ten (10) years.
Private School / Head Start	This is service rendered in a private school or agency that would have been covered by ATRS. A member may purchase up to fifteen (15) years of Certified Private School Service or five (5) years of Noncertified Private School Service so long as no other system would pay a benefit to the member other than Social Security.
Repay Refund	This is the restoration of service credit earned in ATRS that was forfeited by the member when they received a refund of their contributions or a payment under the CASH program.
Sabbatical	This is service for a leave of absence taken by a public-school teacher or administrator to obtain an advanced degree at an institution of higher learning or to fulfill the requirements of a scholarship or grant on or after June 28, 1985.
Gap Year	This is service for a leave of absence in which a classroom teacher leaves active employment for a period of time and then returns back to employment. A member may purchase up to five (5) years.

APPENDIX C – CASH BALANCE ACCOUNT INTEREST RATES

T-DROP Cash Balance Account Program Years of Participation	Interest Rate
First fiscal year of participation	Two and one-half percent (2.5%)
Two (2) fiscal years of participation	Two and seventy-five hundredths percent (2.75%)
Three (3) fiscal years of participation	Three percent (3.00%)
Four (4) fiscal years of participation	Three and twenty-five hundredths percent (3.25%)
Five (5) fiscal years of participation	Three and one-half percent (3.50%)
Six (6) or more fiscal years of participation	Four percent (4.00%)

APPENDIX D – RETIREMENT FILING DATES AND CHECKLISTS

EXAMPLES OF RETIREMENT FILING DATES			
Effective Date of Retirement	Retirement Application Must be Filed In:	Last Date of Employment	First Retirement Check
January 1	September, October or November	December 31	End of January
February 1	October, November or December	January 31	End of February
March 1	November, December or January	Feb 28/29 (Leap year)	End of March
April 1	December, January or February	March 31	End of April
May 1	January, February or March	April 30	End of May
June 1	February, March or April	May 31	End of June
July 1	March, April or May	June 30	End of July
August 1	April, May or June	July 31	End of August
September 1	May, June or July	August 31	End of September
October 1	June, July or August	September 30	End of October
November 1	July, August or September	October 31	End of November
December 1	August, September or October	November 30	End of December

PRE-RETIREMENT CHECKLIST

Twelve Months Prior to Retirement

- Get a Benefit Estimate to get a general idea of your retirement annuity.
- Review your Annuity Options (Straight Life or Option A, B, or C).
- Inquire about the possibility of purchasing additional service credit.
- Prepare to complete payment on any pending service credit purchase account.
- Contact your insurance (medical and life) provider to verify your post-retirement eligibility and rates. Remember that ATRS does not administer your health or life insurance.
- Understand your tax status after retirement.
- Review and understand ATRS's Termination Separation Policy.
- Make certain any reciprocity service credit is established.
- If you have reciprocal service credit with another system, contact that system regarding their retirement requirements, deadlines, etc.
- Contact ATRS at (501) 682-1517 or info@artrs.gov with any questions.

ATRS will accept your retirement application no earlier than four (4) months prior to your effective date of benefits and no later than one (1) month prior to your effective date of benefits. REMEMBER, your effective date is **not** the date you stopped working – it is always the first day of the month in which you are to receive your first annuity payment. If you change your mind, you simply need to submit a request in writing to ATRS to withdraw your retirement application any time prior to the effective date and your application will be withdrawn.

Six to Nine Months Prior to Retirement

- Prepare a post-retirement budget to determine if your standard of living can be maintained, considering emergency expenses, insurance rates, financial obligations, and future large purchases (car, appliances, home renovations, etc.).
- If part of your post-retirement budget includes returning to work after retirement, please make certain to review ATRS's Termination Separation Period Policy regarding employment with an ATRS covered employer.
- Contact ATRS to request a current estimate of your benefits based on current laws, rules, and information specific to your account (selected annuity option, purchased service, etc.).
- Request an Application for Retirement Annuity from ATRS. Contact ATRS at (501) 682-1517 or info@artrs.gov or download the application packet from our website.
- Visit with an ATRS Retirement Counselor for information specific to your account, in person, or by phone. Walk-ins are welcome.

Three Months Prior to Retirement

If you haven't already done so, request an Application for Retirement Annuity packet from ATRS at (501) 682-1517 or info@artrs.gov. See the checklist for required documents on Page 2 of "Appendix A" to make sure you have everything you need.

PLEASE NOTE: ATRS must receive your application one calendar month prior to the effective retirement date. For example, a July 1 retiree's application must be received by ATRS on or before May 31, so please allow ample time to complete and gather all required documents. It is the member's responsibility to send in the application to ATRS on time. Your school business or payroll office is not responsible for sending your application to ATRS.

One Month Prior To Retirement

- You should have already submitted your Retirement Application by now!
- Complete any outstanding paperwork and submit ASAP.
- Unless you have reached Normal Retirement Age prior to your retirement effective date, you must terminate employment with an ATRS-covered employer prior to your retirement date and, in most cases, that retirement date is July 1. NOTE: Your retirement effective date is not the date you stop working. It is always the 1st day of your first month of retirement.

Retirement

- If you are considering returning to employment with an ATRS-covered employer after retirement, make certain you comply with the ATRS Termination Separation Policy. You are strongly encouraged to contact ATRS at (501) 682-1517 or info@artrs.gov to make certain you are not violating the ATRS Termination Separation Policy.
- If you have changes in your personal status (address, bank, tax status, change in beneficiary due to death or divorce) please contact ATRS to request the appropriate forms to update your records or visit our Forms page on the ATRS website to download any forms you might need.

RETIREMENT APPLICATION CHECKLIST

- Retirement Application
 - Annuity Option Selection
 - Proof of Marriage (if option beneficiary is your spouse)
 - Certificate of Service and Final Salary for Retirement (**Employer must complete**)
 - Birth Certificate – member's and option beneficiary(s)
 - Social Security – member's and option beneficiary(s)
 - Taxpayer Identification Number (TIN) if applicable
 - Termination Separation Acknowledgment
 - Direct Deposit Form
 - Tax Election Form
 - Beneficiary Forms (Lump-Sum Death Benefit and Disposition of Residue)
-

Please note, it is the responsibility of the member to **submit** all forms to ATRS at least one (1) calendar month prior to the effective retirement date. While most paperwork must be filled out by the member, some may be required to be completed by the employer. Therefore, it is the **member's responsibility** to make sure all forms are completed and then submitted. Please do not rely on your employer, or any other third party, to submit your application by the deadline.

Any applications received after the filing deadline will not be effective until the first day of the next effective month. For example, if a member wants to retire effective July 1st, they must submit their application by May 31st. If ATRS receives the application on June 1st, the effective retirement date will not be until August 1st.

APPENDIX E – SURVIVOR BENEFIT ELIGIBILITY CHECKLISTS

CHECKLIST FOR A SPOUSE

- Member must have been married to qualifying member for at least two (2) years immediately before the qualifying member's death.
- Proof of the qualifying member's date of death from a death certificate or other authenticating documents.
- Proof of the surviving spouse's taxpayer identification number from a Social Security card or other authenticating documents.
- Proof of the surviving spouse's date of birth from a birth certificate or other authenticating documents.
- Proof of the marriage between the member and surviving spouse from a marriage license or equivalent, marriage license recording document, or other legally acceptable proof of the existence of the marriage.

ADDITIONAL REQUIREMENTS FOR IMMEDIATE ANNUITY

1. Qualifying member accumulated at least twenty-five (25) years of credited service and was eligible for voluntary or early voluntary retirement annuity; **or**
2. Qualifying member reached sixty (60) years of age and was eligible to receive a deferred retirement annuity.

CHECKLIST FOR A DEPENDENT CHILD

- The dependent child must:
 1. Be younger than eighteen (18) years of age; **or**
 2. Have been adjudged physically or mentally incapacitated by a court of competent jurisdiction; **or**
 3. Be between eighteen (18) and twenty-three (23) years of age and continuously enrolled as a full-time student at an accredited secondary school, college, or university. To be considered a full-time student, the dependent child must:
 - i. Take twelve (12) semester hours or eight (8) trimester hours in college;
 - ii. Take four (4) hours per day in a secondary or postsecondary school; or
 - iii. Engage full-time in a curriculum or field of study based upon verifiable indices from an accredited institution.
- Proof of the member's taxpayer identification number from a Social Security card or other authenticating documents.
- Proof of Guardianship – adequate proof of the existence of a guardianship due to the incapacity of the member's dependent child that preexists the member's official retirement date. Authenticating documents may include the order appointing guardianship of the person, letters of guardianship, or other adequate proof of the existence of the guardianship.
- Proof of the qualifying member's date of death from a death certificate or other authenticating documents.
- Proof that the dependent child is a child of the qualifying member from the dependent child's birth certificate or another legally-acceptable document.
- Proof of the dependent child's birthdate from a birth certificate or other authenticating documents.
- If applicable, a file-marked court order finding the dependent child physically or mentally incapacitated.
- If applicable, proof of enrollment as a full-time student from an accredited secondary school, college, or university.

ADDITIONAL REQUIREMENT FOR DEPENDENT CHILD UNDER THE AGE OF EIGHTEEN (18)

1. A deposit account that conforms with the Arkansas Uniform Transfers to Minors Act, Arkansas Coe § 9-26-201 et seq.; or
2. A court order appointing a guardian for the dependent child.

APPENDIX F – OPTION BENEFICIARY ELIGIBILITY CHECKLISTS

CHECKLIST FOR A SPOUSE

- Determine your effective retirement date (e.g., July 1).
- Have you and your spouse been married **at least** one (1) year preceding the date of your first annuity payment?
 - a. If yes, proceed to next step.
 - b. If no, you may designate a spouse as an option beneficiary within six (6) months of the one-year anniversary of your marriage by filing a written nomination on an approved ATRS form.
- Proof of the member's birthdate from a birth certificate or other authenticating documents.
- Proof of the member's taxpayer identification number from a Social Security card or other authenticating documents.
- Proof of the spouse's birthdate from a birth certificate or other authenticating documents.
- Proof of the spouse's taxpayer identification number from a Social Security card or other authenticating documents.
- Proof of the marriage between the member and spouse from a marriage license or equivalent, marriage license recording document, or other legally acceptable proof of the existence of the marriage.

CHECKLIST FOR A DEPENDENT CHILD

- Proof of the member's birthdate from a birth certificate or other authenticating documents.
- Proof of the member's taxpayer identification number from a Social Security card or other authenticating documents.
- Proof of Guardianship – adequate proof of the existence of a guardianship due to the incapacity of the member's dependent child that preexists the member's official retirement date. Authenticating documents may include the order appointing guardianship of the person, letters of guardianship, or other adequate proof of the existence of the guardianship.
- Proof of the dependent child's birthdate from a birth certificate or other authenticating documents.
- Proof of the dependent child's taxpayer identification number from a Social Security card or other authenticating documents.