



BOARD OF REGENTS OF
THE UNIVERSITY SYSTEM OF GEORGIA

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November 12, 2008

MEMORANDUM

TO: Chief Business Officers, University System of Georgia
FROM: Wayne Guthrie, Vice Chancellor for Human Resources *WG*
SUBJECT: *TRS/ORP Employer and Employee Contribution Rates for 2009*

Teachers Retirement System

As you are aware, the Teachers Retirement System (TRS) determines employee and employer contribution rates one year prior to their effective date. The TRS, a defined benefit plan, operates on a fiscal year cycle (July 1 – June 30). Please note that there is a change in both the employee and employer contribution rates for Fiscal Year 2010. The TRS *employer* contribution rate will increase from 9.28% to 9.74%, while the *employee* contribution rate will increase from 5% to 5.25%. These new rates will become effective July 1, 2009.

FISCAL YEAR 2010 – TRS Contribution Rates

Employer Contribution Rate	9.74%
Employee Contribution Rate	5.25%

Optional Retirement Plan

On May 12, 2008, Governor Perdue signed House Bill 815 into law. The new law expanded the definition of employees who may choose to join the ORP from faculty and principle administrators to all exempt employees, as defined by the Fair Labor Standards Act. Based on this new eligibility criterion, exempt employees hired after June 30, 2008, will have the opportunity to elect to participate in the Optional Retirement Plan. In addition, this law permits the Board of Regents to set the employer contribution rate for the Optional Retirement Plan.

At its November 10, 2008 meeting, the Board of Regents of the University System of Georgia approved a new employer contribution rate. The ORP *employer* contribution rate will increase from 8.15% to 9.24%. The 2009 ORP *employee* contribution rate will remain at 5%. The Optional Retirement Plan is a defined contribution plan that operates on a calendar year cycle, so the new rate will become effective January 1, 2009.

EFFECTIVE JANUARY 1, 2009 – ORP Contribution Rates

Employer Contribution Rate	9.24%
Employee Contribution Rate	5.00%

Please share this information as appropriate. Thank you for your assistance.

cc: Mr. Erroll B. Davis, Jr., Chancellor
Mr. Rob Watts
Mr. Tom Daniel
University System of Georgia Chief Human Resources Officers

Dr. Susan Herbst
Ms. Usha Ramachandran
Ms. Dorothy Roberts
Mr. Jeffrey Ezell, Executive Director, TRS