



Legacy Retirement Plan Information for General State & Higher Education Employees hired before July 1, 2014

RetireReadyTN is the state's retirement program, combining the strengths of a defined benefit plan provided by the Tennessee Consolidated Retirement System (TCRS), a 401(k) plan offered by Empower Retirement, and retirement readiness education. We strive to empower public employees to take actionable steps toward preparing for the future.

Full-time state employees hired prior to July 1, 2014 are members of the Legacy Plan for State and Higher Education ("Legacy Plan") as a condition of employment.



About Tennessee Consolidated Retirement System (TCRS)

- TCRS provides a lifetime monthly benefit at retirement once eligibility has been met.
- General state employees become vested in TCRS upon completing at least 5 years of creditable service with a TCRS-covered employer.
- Vested members are eligible for an unreduced retirement benefit at age 60 or with 30 years of creditable service.
- Benefits are calculated based on the member's years of creditable service, average final compensation (AFC), age, and the benefit accrual factor. AFC is the average of the highest five consecutive years of compensation.

Benefit Calculation Example	
<i>Accrual Factor¹</i>	1.575%
<i>Average Final Compensation</i>	x \$30,000
<i>Years of Creditable Service</i>	x 30
<i>Annual Benefit²</i>	= \$14,175
	÷ 12
<i>Regular Monthly Benefit</i>	= \$1,181.25



About the 401(k)

- State employees participate in the State 401(k) plan on a voluntary basis and qualify for a dollar-for-dollar match up to \$50 each month.
- The amount a member has available in retirement is based on contributions, plus any accumulated earnings.

¹General State Employees receive a 5% Benefits Improvement Percentage (BIP), which raises the Accrual Factor from 1.5% to 1.575%. The BIP does not apply to members of the General Assembly, State Judges, and any superseded plans.

²The IRS limits the maximum amount of compensation that may be recognized for retirement purposes. Annual limits are published at irs.gov.



About the 401(k) *continued*

- Upon terminating employment or retiring, an employee may leave the account balance in the plan, roll it over to another qualified plan, or begin taking distributions.³
- Members select their investment options based on their individual goals, risk tolerance, and timeline.



Retirement Readiness Education

In addition to strong retirement plans, RetireReadyTN offers retirement readiness education and retirement counseling to all members. Members can meet with a local retirement plan advisor for assistance with retirement planning or to discuss any other financial planning needs. These services are provided to members at no additional fee.

To find your local representative and schedule a one-on-one or group meeting, please visit the “Resources” tab at RetireReadyTN.gov.



Designate a Beneficiary

One of the most important decisions a member can make is to designate a beneficiary(s). Designations for your TCRS benefit and the 401(k) account are made separately. In the event of a member’s death, survivor benefits may be available to designated beneficiaries. Situations such as marriage, divorce, remarriage, or death do not automatically change a designated beneficiary(s).

For more information on designating a beneficiary, visit RetireReadyTN.gov.

Contact Us

Call (800) 922-7772 Monday through Friday 8:00 a.m. to 7:00 p.m. CT

Visit www.RetireReadyTN.gov



@RetireReadyTN

For complete plan information, please refer to the Legacy Member Guide.

³If the member withdraws money from the 401(k) account balance prior to age 59 ½, they may be subject to an early distribution tax.