

MANDATORY PROGRAMS

Teacher Retirement System of Texas (TRS)	Optional Retirement Program (ORP)
<ul style="list-style-type: none"> • Eligible employees automatically enrolled • Defined benefit plan based on actuarial formula • Benefit calculated by your average top salary* x years of service x 2.3% • Participant contributions are 8.25% • Contributions are pre-tax; taxable at the time of withdrawal • U.S. Internal Revenue Code, Section 401(a) qualified plan • Vested after 5 years, with a lifetime annuity option • TRS manages investments • Disability benefits provided • Does not offer in-service loans or special withdrawals 	<ul style="list-style-type: none"> • Available to certain titles/positions in lieu of TRS • 403(b) defined contribution plan • Participant contributes 6.65% of eligible salary • TTUHSC contributes 6.8% of eligible salary • Contributions are pre-tax; taxable at the time of withdrawal • Vested after one year and one day • Participant manages their own investments • Account growth based on performance of selected investments • No disability benefits • Does not offer in-service loans or special withdrawals

*Average salary years based on TRS tier

VOLUNTARY (SUPPLEMENTAL) RETIREMENT PROGRAMS

	Tax Deferred Account 403(b)		TexaSaver 457	
	Traditional 403(b)	Roth 403(b)	Traditional 457	Roth 457
Eligibility	All Faculty and Staff**	All Faculty and Staff**	Benefits-eligible Faculty and Staff	Benefits-eligible Faculty and Staff
Employee contribution	Pre-tax contributions	After-tax contributions	Pre-tax contributions	After-tax contributions
Taxable at withdrawal	Yes	Tax-free when withdrawn as a "qualified" distribution	Yes	Tax free when withdrawn as a "qualified" distribution
Employer contribution	N/A	N/A	N/A	N/A
Contribution limits	\$24,500 combined limit for Traditional and Roth		\$24,500 combined limit for Traditional and Roth	
Over age 50 catch-up contribution	\$8,000 combined limit for Traditional or Roth (increases maximum to \$32,500 for 2026)		\$8,000 combined limit for Traditional or Roth (increases maximum to \$32,500 for 2026)	
15-year catch-up contribution	\$3,000 combined limit for Traditional or Roth (\$15,000 lifetime maximum)		N/A	
Three years prior to retirement catch-up (special catch-up)	N/A	N/A	\$24,500 combined limit for Traditional or Roth (increases maximum to \$49,000 for 2026)	
Higher catch-up (Ages 60 - 63)	N/A	N/A	\$11,250 combined limit for Traditional or Roth (increases maximum to \$35,750 for 2026)	
Distributions allowable	Age 59 1/2 or separation of employment	Age 59 1/2 or separation of employment	Age 70 1/2 or separation of employment	Age 70 1/2 or separation of employment
Special withdrawals	Hardship/Disability	Hardship/Disability	Unforeseen emergency	Unforeseen emergency
Distribution tax and penalties	Distributions made prior to age 59 1/2 will be subject to income tax and a possible 10% penalty	Distributions made prior to age 59 1/2 will be subject to income tax and a possible 10% penalty	Distributions made prior to age 59 1/2 will be subject to income tax and a possible 10% penalty	Distributions made prior to age 59 1/2 will be subject to income tax and a possible 10% penalty
Loan option	Yes	Yes	Yes	Yes

**Excluding part-time student employees

Starting Jan. 1, 2026, employees aged 50 or older who earn more than \$150,000 in FICA wages in 2025 will be limited to using a Roth (403(b) or 457) for their catch-up contributions. Regular contributions, up to the annual plan limits defined by the IRS, can still be made on either a pre-tax or after-tax basis.

In addition to the retirement plans listed above, TTUHSC and its employees participate in Social Security as specified by the federal government.