

University System of Georgia Benefits



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Board of Regents of the University System of Georgia Optional Retirement Plan (ORP)

(FAQs) Frequently Asked Questions

Q: Who is eligible to participant in the ORP defined contribution plan?

A: All exempt, benefits eligible employees are eligible to participate in the plan. Eligible employees must within 60 days of employment make an irrevocable election to participate in ORP.

Q: As an eligible employee, what happens if I do not make my election within 60 days?

A: All eligible employees will automatically default into the Teachers Retirement System Plan.

Q: Is there a minimum contribution amount for deductions?

A: Currently, the mandatory employee contribution rate is 6% and 9.24% for employer contributions.

Q: Am I allowed to decrease or increase the mandatory employee contribution?

A: No, participants are not allowed to decrease or increase the mandatory employee contribution. However, participants have the option of participating in one or both of the supplemental retirement plans (403(b) & 457(b)).

Q: What happens if I leave USG? Will I still receive the proceeds contributed into the plan?

Yes, as a participant in the ORP Plan, you become 100% vested in both employee and employer contributions. If you take physical receipt of your proceeds as a result of a distribution prior to Retirement you must rollover the assets into a qualified plan (either your new employer if they accept rollover contributions or an IRA) within 60 calendar days in order to avoid a tax penalty.

Q: Who did I contact to withdraw my assets from the ORP Plan?

A: If you have separated from service and wish to withdraw your assets from the plan, you will need to contact your local HR department at the Institution where you were employed in order to sign off on the distribution request from your retirement plan vendor.

Q: When will my payroll deductions begin after I enroll?

A: Your deductions should begin as soon as administratively possible, subject to payroll deadlines. If you enroll on the first of the month, your deductions should begin that month.

Q: What happens to my account balance if I die?

A: Upon death, a participant's account balance will go to his/her beneficiaries.

Q: When can I begin to take distributions from my account without penalty?

A: A participant must be at least age 55 or older and separated from service in order to begin taking distributions from their account.

Q: When am I required to begin Mandatory distributions?

A: A participant must begin taking Mandatory Required Minimum Distributions by April 1 following the calendar in which you attain age 70 1/2, providing that you are no longer employed with USG.

Q: When will I have to pay taxes?

A: Federal and State income taxes must be paid on any withdrawal from the plan. Withdrawals could occur due to termination of employment, death and or Retirement.

Q: Are Loans Allowed?

A: No. Loans are not allowed on the Plan.

Q: Does the plan accept roll-over contributions?

A: No, the plan does not accept rollover contributions from any source, including other qualified plans, 403(b) plans, 457 plans or IRA's.

Q: Are distributions allowed for unforeseen emergencies or hardships?

A: No, distributions are not allowed for hardships or unforeseen emergencies.