



2025-2026

**Member
Retirement
Planner**



Mark White, Executive Director

Congratulations!

On behalf of the Board of Trustees and the entire team at the Arkansas Teacher Retirement System (ATRS), I want to extend my heartfelt congratulations on reaching this monumental milestone in your career. Your years of dedicated service have shaped the lives of countless Arkansas students and strengthened our communities. It is our privilege to support you as you transition into this well-deserved next chapter. We are committed to ensuring your retirement is secure and rewarding, and we look forward to serving you with the same excellence you provided to our state's education system for so many years.

Included in our 2025-2026 Retirement Planner is information regarding July 1 retirement and entering the Teacher Deferred Retirement Option Plan (T-DROP). We highlighted a few topics for you, such as the termination separation period, Normal Retirement Age, your annuity options, Disability Retirement, beneficiary designation, and the expected 2026-2027 fiscal year contribution rates and multipliers. You can find additional retirement information by visiting our website at www.artsr.gov or reading our Member Handbook, which can be accessed at www.artsr.gov/publications. You can manage your upcoming benefits while staying connected with us through the ATRS Member Portal.

Our team of retirement counselors is here to help you along the way with any questions you may have. I appreciate your tireless dedication to our students, and I wish you a retirement filled with joy and new adventures!

Mark White
Executive Director, ATRS

Highlights

The freedom of retirement



July 1 Retirement Highlights:

We focus a lot on July 1 retirement since most members retire at the end of the fiscal year, which runs July 1 through June 30. ATRS begins accepting applications for July 1 retirement on March 1, 2026, and stops accepting them May 31, 2026. Applications submitted after May 31, 2026, result in you being an August 1 retiree or later. If you change your mind about being a July 1 retiree, you must change or cancel your effective retirement date before August 31, 2026. **It is your responsibility to ensure that your application is received by ATRS on time.**

Below are the requirements to be eligible to retire effective July 1, 2026:

- ✓ Vested with at least 5 years of service credit with ATRS, which may include reciprocal service credit
- ✓ Age 60 with at least 5 years of service credit OR at any age with at least 28 years of service credit
- ✓ Early retirement with a reduced benefit at any age with 25 - 27.75 years of service credit
- ✓ No underpayments or open purchase accounts; all must be paid in full
- ✓ Active member must complete and submit an [Application for Retirement Form #245](#) by May 31, 2026 to be a July 1, 2026 retiree

July 1 T-DROP Highlights:

Members with a minimum of 28 years of service credit can enter T-DROP only on July 1. ATRS begins accepting applications for July 1 T-DROP on March 1, 2026 and stops accepting them May 31, 2026. Applications submitted after May 31, 2026, will not be accepted, and you will have to wait until the next fiscal year to apply. If you change your mind about participating in T-DROP, you must cancel your Application to Participate in T-DROP by August 31, 2026. **It is your responsibility to ensure that your application is received by ATRS on time.**

Below are the requirements to be eligible to apply for T-DROP:

- ✓ At least 28 years of service credit with ATRS, which may include established reciprocal service credit
- ✓ Must be active in ATRS or state supported retirement system (reciprocal plan)
- ✓ No underpayments or open purchase accounts; all must be paid in full
- ✓ Applicant must complete and submit an [Application to Participate in T-DROP Form #221](#), with completed employer section for active ATRS employees, by May 31, 2026 to enter T-DROP on July 1, 2026

Breaking Down Retirement

It is easy to get caught up in the excitement of retirement season, which often stirs up questions about what you can and cannot do once you retire. We are providing information to help clarify things for you. *It is your responsibility to ensure that your application is received by ATRS on time.*

ATRS Overview

ATRS is a defined benefit plan that provides vested members with a lifetime retirement benefit. Once you are retired for one full fiscal year (July 1 to June 30), you are eligible for an annual 3% Cost of Living Adjustment (COLA). This occurs every July 1.

Qualifying for Retirement

If you accrue a full year of service credit (160 days or more) in a fiscal year, you will be a July 1 or later retiree except under two circumstances. One, if you are the Normal Retirement Age (see section on this page for additional information) and are **not** separating from service. Two, if you are not licensed or otherwise certified as a classroom teacher and you are not vacating a classroom.

Cancelling Retirement

You have **two full calendar months** to cancel your retirement. For July 1 retirees, the deadline for cancellation is August 31, 2026. After the two-month timeframe, your effective retirement date cannot be changed. If you elect to cancel your retirement within the two-month timeframe, you must repay any retirement benefits that have been received.

Changing Annuity Options

You have **one full calendar year** from your effective retirement date to change your annuity option. You may only change your annuity option once within the one-year time frame. You must complete and submit a Change of Annuity Option-Within One Year of Retirement Form #335 to ATRS for this to be done. You may have to repay ATRS some of the retirement benefits you received upon electing to change your annuity option.

Four Month Separation Period

July 1, 2026 retirees must terminate from their positions by June 30, 2026. Unless you are the Normal Retirement Age, you will have a mandatory four-month termination separation period from any ATRS covered employment beginning on your effective retirement date. You may work outside of ATRS covered employment. However, you cannot engage in any substitute, part-time, or full-time work, or be paid for any work or professional development training, by any ATRS covered employer for four months. We strongly encourage you to contact ATRS if you have questions regarding the termination separation period, or to obtain written clearance if you are considering working during your termination separation period.

Normal Retirement Age

Some July 1, 2026 retirees meet the Normal Retirement Age requirements. This means upon retirement you do NOT have to terminate and separate from your position. You are the Normal Retirement Age if you meet one or both of these conditions:

- You are at least 65 years old before your July 1, 2026, retirement; or
- You are at least 60 years old before your July 1, 2026, retirement and the sum of your age and your combined years of service in ATRS, T-DROP, and from established reciprocal service totals at least 98 (example: 60 years old + 38 years of service = 98)

We encourage you to contact ATRS if you have questions pertaining to the Normal Retirement Age rule.



The Many Rewards of T-DROP

T-DROP Overview

Instead of retiring, many members elect to participate in T-DROP. This allows you to continue working while growing your retirement savings. In lieu of retiring, you elect to “freeze” your would-be retirement, and a portion of your retirement benefit is deposited monthly into your T-DROP account where it earns interest. You can participate for 10 consecutive years while receiving monthly deposits and accruing interest on the balance yearly.

Applying for T-DROP

It is important to note that you must be active in ATRS, or another state supported retirement system, to be eligible to participate in T-DROP. The one-page Application to Participate in T-DROP Form #221 must be completed and submitted by May 31, 2026, to enter T-DROP. **It is your responsibility to ensure this application is submitted to ATRS on time.**

Qualifying for T-DROP

Active members with at least 30 years of service credit (ATRS, purchased, and established reciprocal service) are eligible for full participation. Members with at least 28 years of service credit are eligible for early participation with a reduction for early entry.

Calculating T-DROP

Your monthly deposit for T-DROP will be based on what your regular monthly benefit would be if you had actually retired, less 1% for each year of service credit. If you enter T-DROP early at 28 years, your monthly deposit is further reduced by an additional 6% for each year less than 30 years of service credit, or 12% at 28 years and 6% at 29 years.

Cancelling T-DROP

T-DROP members have two full calendar months, or through August 31, 2026, to cancel their T-DROP election. After August 31, 2026, you cannot withdraw your election to participate in T-DROP.

Continuing T-DROP

By participating in T-DROP, you will receive a 3% COLA each July 1, which is reflected on your benefit once you retire. You are allowed to change jobs while in T-DROP, with monthly deposits continuing, as long as you continue working for an ATRS covered employer or established reciprocal system employer.

If you do not retire and instead remain in T-DROP for more than 10 years, your monthly deposits will come to an end after 10 years. You will continue to receive annual interest on the T-DROP balance each June 30. Once you leave T-DROP, you may not participate again.

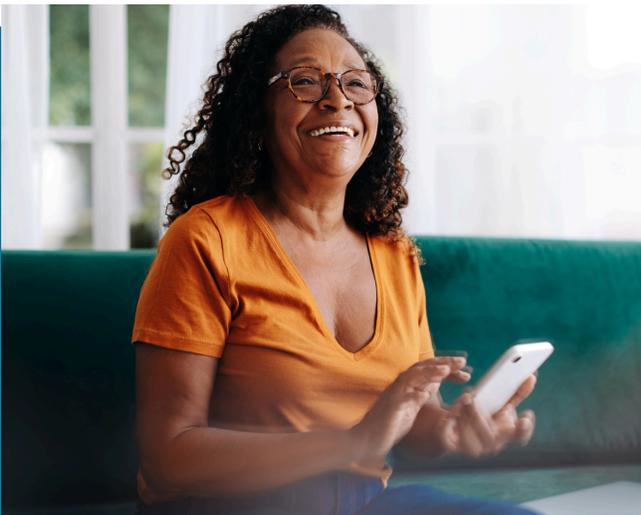
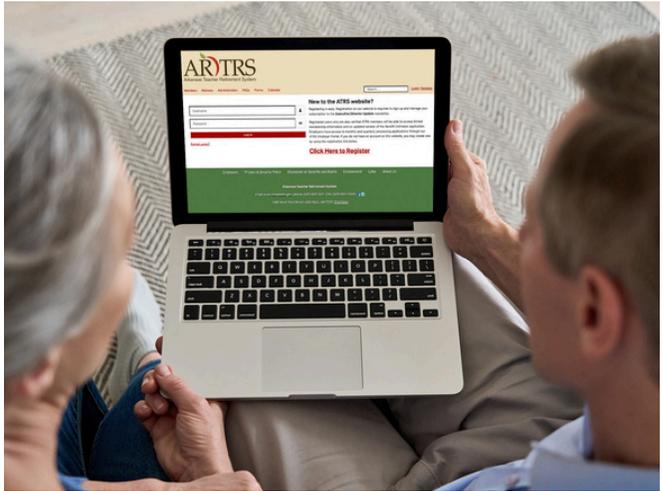


The beauty of retirement

Submitting an Application

Making it Easy

ATRS wants to make it easy for you to submit your retirement and T-DROP applications. You may apply online via your ATRS Member Portal account, where the process only takes minutes. Members may register for or access their ATRS Member portal account on the ATRS website at www.artrs.gov. This is the most efficient way to apply and ensure the deadline is met.



Retirement applications are available at www.artrs.gov and may be submitted via fax at **501-682-2359**, or emailed to info@artrs.gov. Hard-copy applications must be postmarked by **May 31, 2026**, and mailed to the following address:

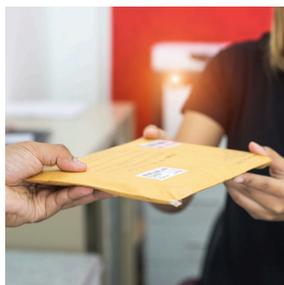
**Arkansas Teacher Retirement System
1400 West Third Street
Little Rock, AR 72201**



Changes to the Postmark Rules

Major changes stemming from the United States Postal Services (USPS), which were effective December 24, 2025, will significantly impact postmarking rules and mailing timelines. The implementation clarified that postmarks will now reflect the date mail is first processed at a regional facility, NOT when it is dropped off at a local office. This change means mail could be postmarked days after it was dropped off at your local office, creating the potential for missed deadlines. To ensure a specific date is noted on your retirement or T-DROP application, or any other document that is required to be submitted to ATRS by a specific deadline, you can request a free manual postmark at a retail counter or get proof via Certified Mail or a Certificate of Mailing.

Ways to get a guaranteed postmark to ensure your application or paperwork meets mailing deadlines:



Manual Postmark: Take your mail to a local USPS retail counter and ask for a free manual (hand-stamped) postmark on the current date.



Certificate of Mailing: A paid service (\$2.40) providing official proof the USPS accepted the item on a specific date.



Certified Mail: Offers proof of mailing and delivery confirmation for a fee.

You are strongly encouraged to submit your application and documents early to ensure deadlines are met, particularly in light of the USPS postmark rule changes.

ATRS is open for member visits 8:00 a.m. to 5:00 p.m., Monday through Friday. Appointments are not required to meet with a retirement counselor but are encouraged. To schedule a meeting to discuss retirement or T-DROP, email our info line at info@artts.gov. Zoom counseling sessions can also be scheduled. We have a fully staffed call center with retirement counselors who can assist with questions daily. Our retirement counselors can be reached at 501-682-1517.

ATRS Annuity Options

Upon retirement, you have four options for drawing your monthly retirement benefit: Straight Life Annuity (SLA), Option A, Option B, and Option C.

SLA

This is the highest-paying unreduced monthly benefit that you receive for your lifetime. Upon your passing, payments cease and any remaining account contributions are paid as a lump sum to your designated residual beneficiary.

- Maximum benefit payable for lifetime
- When you pass away, benefits stop
- Residual contributions payable to designated beneficiary, if applicable

Option A 100%

Option A (100%): This is a reduced monthly benefit that allows you to elect your spouse, incapacitated child, or both as your designated beneficiary. Upon your passing, 100% of the reduced annuity will be paid to your single beneficiary, or split 50% and 50% between your spouse AND incapacitated child.

- Reduced monthly benefit (approximately 18%) for lifetime
- Elect spouse, incapacitated child, or both to receive annuity upon your passing
- Designated beneficiary or beneficiaries will receive 100% of the annuity that you were drawing for their lifetime

Option B 50%

Option B (50%): This is a reduced monthly benefit that allows you to elect your spouse, incapacitated child, or both as your designated beneficiary. Upon your passing, 50% of the reduced annuity will be paid to your single beneficiary, or split 25% and 25% between your spouse AND incapacitated child.

- Reduced monthly benefit (approximately 10%) for lifetime
- Elect spouse, incapacitated child, or both to receive annuity upon your passing
- Designated beneficiary or beneficiaries will receive 50% of the annuity that you were drawing for their lifetime

Option C 120 payments

Option C (120 payments): This is a reduced monthly benefit that is guaranteed for 120 payments. You can designate any person or entity as your beneficiary. If you pass away before drawing the 120 payments, your designated beneficiary receives the remaining balance of the 120 payments. If you live past the 120 payments, you “pop up” to SLA on the 121st payment and draw that amount for the remainder of your lifetime.

- Reduced monthly benefit (approximately 4%) for guaranteed 120 (10 years) payments
- Elect any person or entity to draw remaining payments, if any available, upon your passing
- If you draw 120 payments, you “pop-up” to SLA on 121st payment

You may designate a spouse by selecting Option A or Option B, but you must be married for at least one year at the time of retirement to do so. ATRS requires a marriage license, along with the spouse’s birth certificate or another age verification document and Social Security card. You may also designate an incapacitated child by selecting Option A or Option B. ATRS requires paperwork showing that the child has been deemed physically or mentally incapacitated by a court of competent jurisdiction. Both a spouse and incapacitated child can be selected for Option A or Option B.

ATRS Disability

ATRS offers Disability Retirement for members who are not eligible for Age and Service Retirement (vested but are not age 60 and do not have 28 years of service credit). To qualify for Disability Retirement, you must have a total and permanent disability that prevents you from performing your current job duties. You must have been active in the current 2025-2026 fiscal year or previous 2024-2025 fiscal year with at least 40 days (0.25 year) of service credit to be eligible to apply. **The deadline to apply if you last worked and earned service credit in the 2024-2025 fiscal year is June 30, 2026.** You **DO NOT** need a Social Security Disability approval to start the ATRS Disability Retirement process. If you need to take advantage of our Disability Retirement or have further questions, please contact ATRS.

Beneficiary Designation Form

It is very important to have a current beneficiary form on file. By designating a beneficiary, you help ensure that your spouse, children, and other eligible loved ones are easily provided for after you pass away. Your designated beneficiaries are potentially eligible for two separate types of benefits from ATRS: residual contributions and the Lump Sum Death Benefit (LSDB).

Contributions are the funds a member pays into ATRS by being contributory. Residual contributions are remaining contributions that have not yet been paid out to a retiree. If you pass away before retiring, your residual contributions may be paid out to your eligible surviving spouse and children, or to your alternate designated beneficiary.

The LSDB is available to active members, T-DROP participants, and retirees that have at least 10 years of actual ATRS service credit. This is a non-taxable gift from the ATRS Board. Upon your passing, your beneficiary is eligible to receive a LSDB of up to \$10,000. The amount depends on how many noncontributory and contributory years of service credit you have.

Important Tips for Retirees

The cost of health care is a big concern in retirement. It is important that you understand your options and make plans for your health insurance **before** retiring. ATRS does not administer health insurance, so we cannot advise members on this issue. For information on retiree health insurance options that are available through the state, contact the state's **Employee Benefits Division (EBD)** by calling **501-682-9656** or **877-815-1017**, or go to <https://my.arbenefits.org/>. For general information on Medicare, go to <https://www.medicare.gov/>. For general information on drawing Social Security, go to <https://ssa.gov/retirement>.

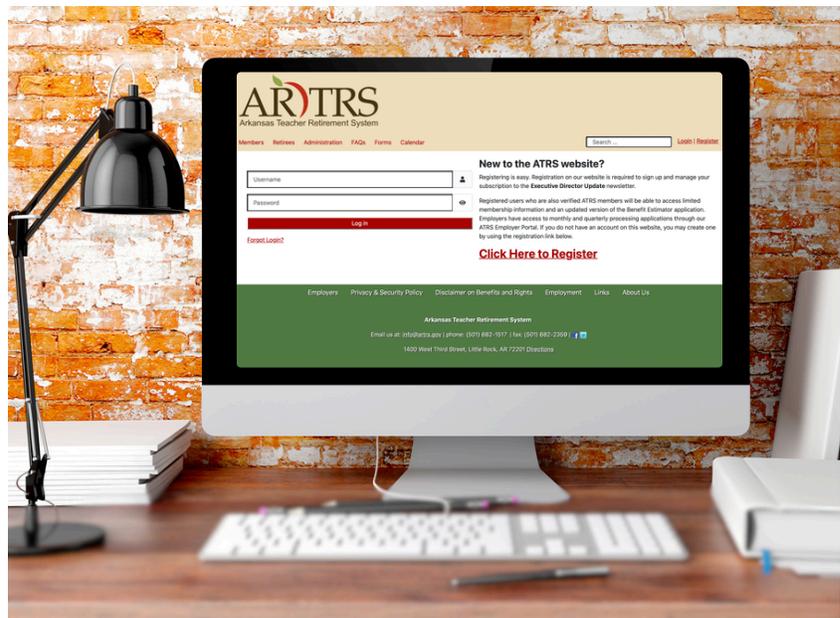


Stay connected with your colleagues and become an advocate for your retirement benefit by joining the Arkansas Retired Teachers Association (ARTA). Visit their website today at www.artanow.com to learn more about a membership.

ATRS Member Portal Account: Just a click away from being connected

Create Your Online Account

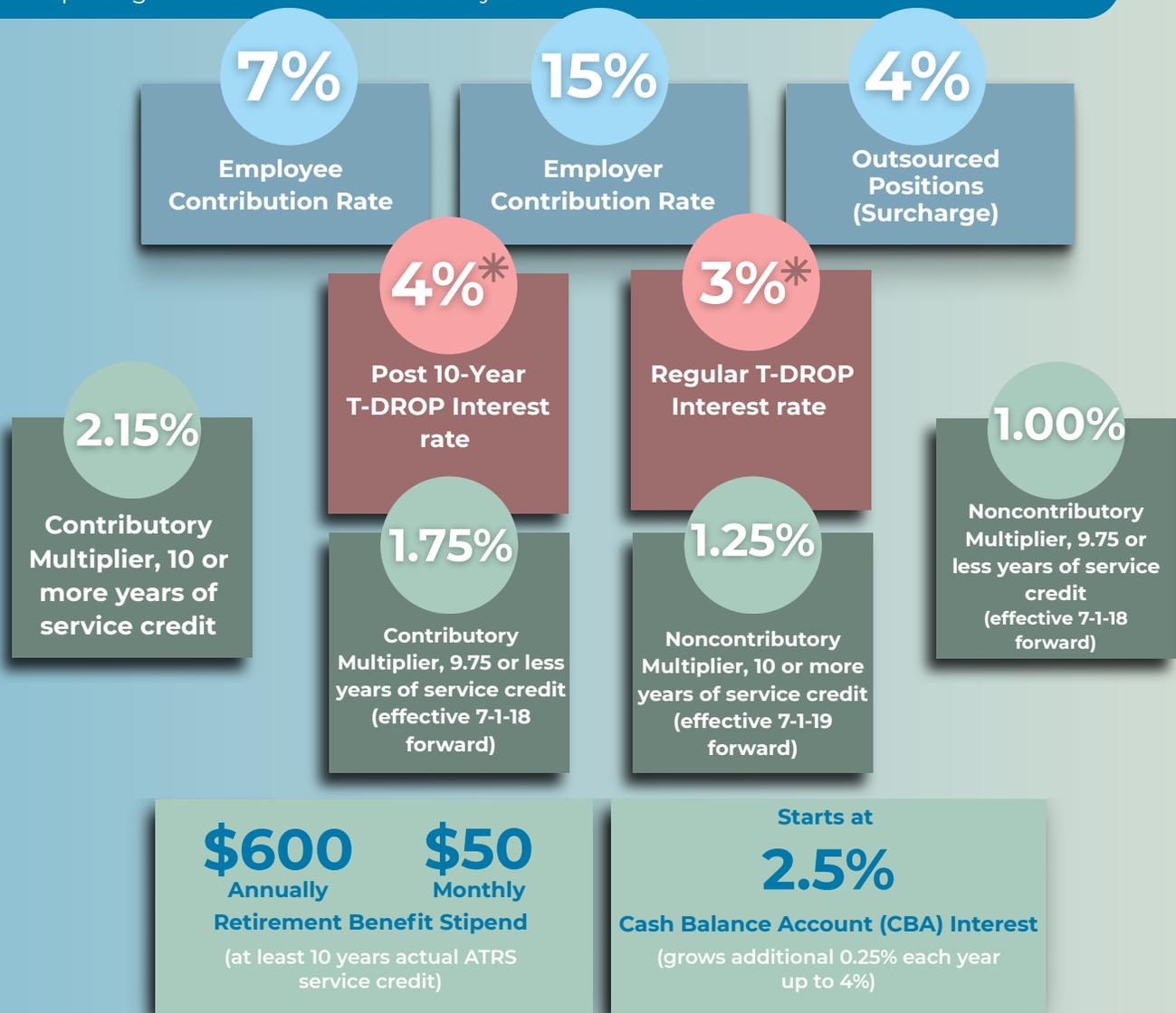
ATRS encourages all members, whether active or retired, to create an online ATRS Member Portal account. Click on this link for steps to create an ATRS Member Portal Account: [“How to create an ATRS Member Portal account”](#)



The ATRS Member Portal gives you the ability to stay connected to your account information at the touch of a button. If you are looking to retire with as little fuss as possible, you can apply for Age and Service Retirement or T-DROP via the portal. You can update your address, change your beneficiary, run a benefit estimate, view T-DROP and CBA balances, and view your most recent 1099R tax form. Enhancements will be coming soon to the portal, so do not miss this opportunity to stay connected and informed!

2026-2027 Contribution Rates and Multipliers

It is important to note employers contribute for ALL members: active, T-DROP, post 10-year T-DROP, and working retirees. Only active members who are eligible to earn service credit can contribute to ATRS. Members who are in T-DROP, post 10-year T-DROP, or are working retirees DO NOT contribute to the System since they are not eligible to earn service credit. Noncontributory members can elect to become contributory members by completing the Irrevocable Contributory Election Form #5.



* The Board of Trustees may authorize an increased incentive interest rate depending on the System's investment returns and actuarial condition.

Arkansas Teacher Retirement System (ATRS) Disclaimer:

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

For additional information about ATRS, please see our 2025-2026 Member Handbook [HERE](#).



Your retirement is within reach

AR TRS
Arkansas Teacher Retirement System