



North Carolina Retirement Systems

Retirement Monitor – February 2, 2010

A monthly newsletter for public sector human resources and payroll specialists from the Retirement Systems Division of the North Carolina Department of State Treasurer.

In This Issue:

- Welcome Packets for Newly Hired Retirement System Members Go Electronic
- Reemployment Earnable Allowance Limits for 2010
- New ORBIT Tool to Help Employers Track Rehired Retirees
- Disability Training Session
- Retirement Planning Conferences Schedule
- Retirement Systems Contact Information

Welcome Packets for Newly Hired Retirement System Members Go Electronic

The N.C. Retirement Systems has modified the “Welcome” packet process for newly hired, first-time employees to provide a quicker and easier way for these new retirement system members to complete their retirement system beneficiary designations, and to learn about the retirement system to which they belong and the benefits available to them. Effective February 15, “Welcome” packets will only be available to new members electronically and will no longer be mailed.

How the New Process Works

- After the ORBIT payroll deadline, each employer should obtain a list of new employees by performing the following steps:
 1. Click on “Download Member ID” and select the option to “Retrieve Only New Members.” (Note: It is best to save the report to your work computer for future reference.)
 2. The employer should then communicate the Member Identification (ID) number to each newly hired employee, and instruct the employee to log on to ORBIT to activate his or her personal account and designate a beneficiary(ies).
- If the employer has not saved the report and wishes to retrieve the list of new employees, the employer must perform the following steps:
 1. Click on “Download Member ID” and select the option to “Retrieve Members By Date.” (Note: Once the employer runs the report, it is best to save the report to your work computer.)
 2. The employer should then communicate the Member ID number to each newly hired employee, and instruct the employee to log on to ORBIT to activate his or her personal account and designate a beneficiary(ies).
- When the member designates his or her beneficiary(ies), and enters an e-mail address in ORBIT, an e-mail notification will be sent to the member and will include a “Welcome” packet and an electronic acknowledgement letter listing a designated beneficiary(ies). There is no need to send a paper form to the Retirement Systems Division after designating beneficiaries online.
- If the member does not enter an e-mail address in ORBIT, he or she will not receive a confirmation notice. The information will be updated in the member’s personal ORBIT account.

- If the member chooses to complete the beneficiary designation process by completing a paper form – Form 2C - *Designating Beneficiary(ies) for Retirement System Contributions and the Death Benefit* or Form 276 – *Designating Beneficiary(ies) for the Separate Insurance Benefit Plan for Law Enforcement*, and mailing it to the Retirement System, shortly after receipt of the form(s), the Retirement System will mail an acknowledgement letter to the member.
- Employers may assist members who choose not to log on to ORBIT by providing a paper copy of the “Welcome” packet to new members. PDF copies of the “Welcome” packet information are available to employers in the “Employers” section of the Retirement Systems’ Web page at www.myncretirement.com. Just click on the “Welcome Packet” link for the appropriate retirement system and print the packet materials.

Welcome packet materials include:

- a letter from the Treasurer,
- a fact sheet about the retirement system to which the member belongs, and
- a fact sheet on the supplemental retirement plans.

Please remember, only a member with less than 10 years of service may designate or make changes to his or her beneficiaries in ORBIT. Employees with 10 years or more of service must use the Form 2C, available on the Retirement Systems’ Web page.

As always, we appreciate the important role of employers in helping employees by providing necessary information to the Retirement Systems Division.

Employers with questions about the “Welcome” packet or Beneficiary Designation process should contact the N.C. Retirement Systems’ Member Services unit at nc.retirement@nctreasurer.com or call (877) 807-3131 (for outside Raleigh area) and (919) 807-3131 (Raleigh area only).

Reemployment Earnable Allowance Limits For 2010

The Boards of Trustees of the Retirement Systems increased by 2.7% the amounts of compensation a reemployed retiree may earn from an employer participating in the same Retirement System under which the employee retired, effective January 1, 2010.

The increase in the national Consumer Price Index for the period from January 1, 2009 to January 1, 2010 was 2.7%. As provided under retirement law, the retirement benefit will be suspended for the remainder of 2010 if such retiree’s earnings during the 12-month period immediately following the effective date of retirement or during the calendar year 2010 exceed the greater of:

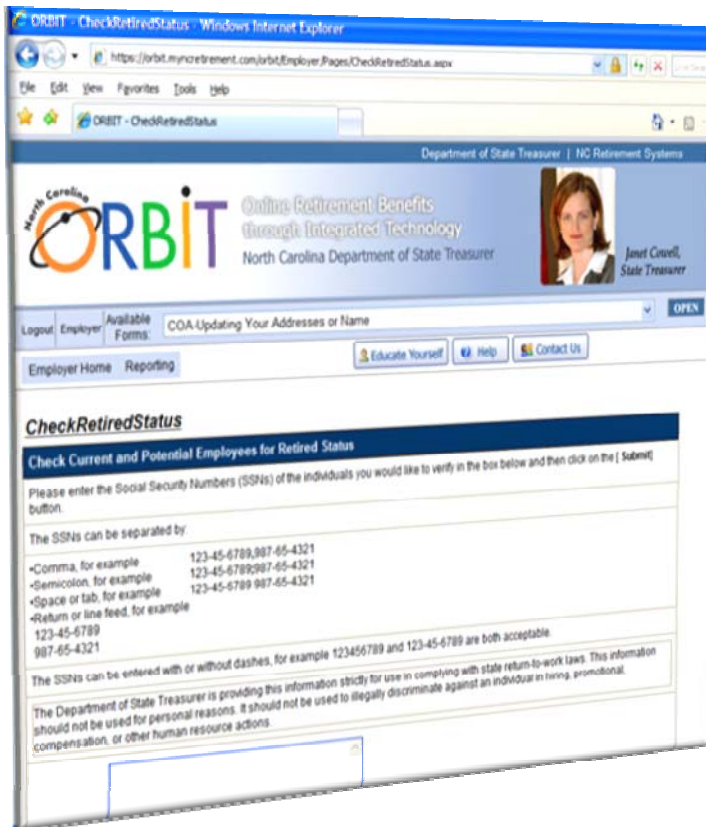
- 50% of the employee’s compensation during the 12 months of service before retirement, excluding any termination payments, as increased by 2.7%, or
- \$28,860.00.

We also remind you that coverage provided to retirees of the Teachers’ and State Employees’ Retirement System under the retiree group of the State Health Plan will be suspended at the same time a retirement benefit is suspended.

New ORBIT Tool to Help Employers Track Rehired Retirees

In the October 2009 issue of *Retirement Monitor*, we explained how the provisions of House Bill 642, effective July 1, 2009, require employers to report all rehired retirees to the Retirement System on a monthly basis. If the report is not received by the Retirement System within 90 days of the end of each month in which a beneficiary is reemployed, the Retirement System is required to assess a penalty of 10% of the compensation of the unreported reemployed retirees during the months the employer did not report the reemployed retirees, with a minimum penalty of \$25.00.

To assist employers in reporting all rehired retirees and therefore avoiding the penalties required under the provisions of House Bill 642, the Retirement System has launched a new tool via ORBIT Employer Self-Service to help employers track employees who are returning to work.



This user-friendly tool was designed to assist you in verifying which of your employees are retired and have returned to work, so you will know which rehired retirees to report to the Retirement System. To use this new tool, you should:

- Access the [ORBIT](#) Employer Self Service page and under “Reporting,” click on “Check Retired Status”
- On a monthly basis, upload a list of employee social security numbers
- Make adjustments, if needed, under the “Check Retired Status” heading

Your employee list will be run against the Retirement System retiree list to generate a report of members who are actively receiving a benefit from the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System. This rehired retiree list should be reported to the Retirement System via your monthly ORBIT payroll report.

The Retirement System appreciates your important role in helping us provide accurate information to active members and retirees.

Disability Training Session

The Retirement Systems Division's Educational Retirement Group will hold a TSERS disability training session on March 4, 2010. The session will be held from 8:30 a.m. to 4:30 p.m. at:

J Iverson Riddle Developmental Center
Conference Room Administration Building
300 Enola Rd
Morganton, NC

Since seating is limited, registration is required. Please register to secure your seat (reserved on a first come, first served basis) by sending an e-mail to:

Jeannie.Alston@nctreasurer.com.

2010 Retirement Planning Conferences Schedule

The Educational Retirement Group of the Retirement Systems Division with the Department of State Treasurer conducts retirement conferences for members of the Teachers' and State Employees' Retirement System and the Local Governmental Employees' Retirement System.

The conferences provide an orientation for new members, pre-retirement planning information for members closer to retirement and educational information for personnel officers and others who handle retirement matters. The sessions also offer information on the N.C. 401(k) and N.C. Deferred Compensation (457) plans. Registration is not required. Some locations may charge a parking fee.

For members unable to attend their local conferences who would still like to receive the information provided, the PowerPoint presentations shown at the conferences are available on the [Employers](#) and [Active Employees](#) sections of the Retirement Systems Web site under "Retirement Planning Resources."

There are two presentations: one for Teachers' and State Employees' Retirement System (TSERS) members and one for Local Governmental Employees' Retirement System (LGERs) members.

Below is the schedule of Retirement Planning Conferences. **TSERS sessions will begin at 9:30 a.m. and LGERs sessions will start at 1:30 p.m.** All of the 2010 dates are available on the Employer section of the Retirement Systems Web site at www.myncretirement.com. **We request that members who plan to attend a conference please check our Web site regularly or contact Member Services (telephone numbers below) for schedule updates.**

Member Services employees at the Retirement Systems Division are happy to help with questions. Please call 1-877-627-3287 (toll-free) or 919-807-3050 (Raleigh area only). Members may also schedule an appointment to meet with a counselor. We ask that members request and receive a retirement estimate before scheduling an appointment. Members should complete a [Form 309](#) to request an estimate.

February 3, 2010	New Hanover County Government Center Training Rooms A and B 230 Government Center Dr, Suite 135 Wilmington, NC
February 4, 2010	Moore County Agriculture Center 707 Pinehurst Ave Carthage, NC
February 10, 2010	A-B Technical Community College Ferguson Auditorium 340 Victoria Rd Asheville, NC
February 16, 2010	The Commons Commissioners Meeting Room 1000 North First St Albemarle, NC
February 17, 2010	Rockingham Community College Advanced Technologies Building Hwy 65W County Home Rd Wentworth, NC
March 3, 2010	Craven Community College Orringer Auditorium 800 College Ct New Bern, NC
March 10, 2010	Elizabeth City State University Kermit E White Graduate Center, Room 117

1704 Weeksville Rd
Elizabeth City, NC

March 16, 2010

Greensboro Coliseum Complex
Odeon Theatre
1921 W Lee St
Greensboro, NC

March 25, 2010

Richmond Community College
Cole Auditorium
1042 West Hamlet Ave
Hamlet, NC

March 31, 2010

Salisbury Civic Center
315 S Martin Luther King St
Salisbury, NC

Retirement Systems Contact Information

- Employers with ORBIT Payroll Reporting questions should call 1-877-NC-ORBIT (outside the Raleigh area) or 919-807-3055 (Raleigh area only). For all other questions, contact the NC Retirement Systems Division's Employer Education and Services Unit at EESU@nctreasurer.com or call toll-free 1-877-807-3131 Option 2 (outside Raleigh area) or 807-3131 Option 2 (Raleigh area only).
- Active Employees with questions or in need of information or forms should contact the Division's Member Services unit toll-free at 1-877-627-3287 (for outside Raleigh area) and (919) 807-3050 (Raleigh area only).
- Retirees with questions or in need of information or forms should contact the Division's Member Services unit toll-free at 1-877-733-4191 (for outside Raleigh area) and (919) 733-4191 (Raleigh area only).

Remember, to better serve our Spanish-speaking customers, the Retirement Systems' Call Center is staffed with a representative who can assist members with translating Retirement Systems' information and addressing their retirement-related questions.

The Retirement Systems Division manages retirement benefits for more than 820,000 working and retired N.C. public employees. The North Carolina Retirement Systems continue to rank within the top five systems nationally. With approximately \$60 billion in assets, the Systems comprise the 10th largest public pension plan in the United States.