North Carolina Retirement Systems

***Retirement Monitor*, May 1, 2009**
A monthly newsletter for public sector human resources and payroll specialists from Retirement Systems, a division of the North Carolina Department of State Treasurer.

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2008 Annual Benefits Statement

The 2008 Annual Benefits Statement will be available in members' personal ORBIT accounts on May 10, 2009, one month before being mailed to members' home addresses.

The order of the mailing will be:

- State agencies,
- Local agencies, and
- Educational institutions (K-12, community colleges and universities).

The statement reflects the information we have for years of service and contributions to the Retirement System as of December 31, 2008. It also summarizes beneficiary designation and supplemental retirement income savings, and projects the retirement benefit at the first eligible date for unreduced retirement. All of the information is pulled together to provide the member with a gap analysis – a projection of what the member has available toward retirement versus what the member may need in retirement.

The mailing of the statements will begin mid-June 2009, and will take approximately four weeks to complete. Statements returned by the U.S. Postal Service will be sent to employers for distribution.

This is the first time the entire Annual Statement is being made available in ORBIT. From ORBIT a member may download the statement onto his or her personal computer or print it out. Beginning in 2010, the statement will only be made available in ORBIT and will not be mailed. However, reminders will be sent about the availability of the statement in ORBIT.

To access the 2008 Annual Benefits Statement through ORBIT, the member should visit www.myncretirement.com and select the "ORBIT" button from the "Retirement" drop-down menu. The member will be directed to the log-in page to register, or log-in if already registered. Once logged on to his or her personal ORBIT account, the member may print out his or her statement.

Best Practices: Reporting Valid Data

Beginning in June for the May ORBIT report, please be sure to capture and report a valid termination reason (per ORBIT file format guidelines). If a termination date is reported, include an employment date or date of hire, and an address for the member. Otherwise your agency's monthly ORBIT report will be rejected. Please ensure that all applicable fields are completed and compatible in your ORBIT report in order to avoid delays in processing and to avoid incorrect or missing retirement service credits for your employees. We appreciate your role in providing accurate information to the Retirement System.

Best Practices: Reporting Overpayments and Underpayments

In order to provide consistent guidelines based on retirement law and policies, the following changes will be implemented beginning August 1, 2009, for your agency's July ORBIT report:

Recovery of overpayments reported via ORBIT for active employees, retired members and refunded members should be handled as follows:

- If a negative prior period adjustment is reported via ORBIT and the time period in question has crossed calendar years, the ORBIT record for this adjustment will be deleted and an invoice will be generated.
- If the member has retired and your agency is attempting to recover an overpayment from the prior calendar year, your agency should send us a letter on agency letterhead advising what transpired. We will issue a supplemental benefit payment to the retiree; your agency will not be allowed to recover any portion of its employer contributions that were reported in error.
- If the member has received a refund and your agency attempts to recover an overpayment, the record will be deleted and an invoice will be generated.
- If the member is still an active employee and your agency attempts to recover contributions that cross calendar years, only the member will be eligible to recover his or her contributions via a special type of refund that we refer to as a pink sheet refund. Your agency will not be able to recover its employer contributions.

Underpayments for active employees, retired members, and refunded members should be handled as follows:

- If your agency is attempting to remit additional funds to the Retirement System that were omitted from an earlier ORBIT report for active members, within 90 days the contributions can be reported as a positive prior period adjustment. The pay periods should match the period(s) of time that were underreported.
- If you have an active employee who was underreported and the period since the omission has been more than 90 days, the member may request a cost calculation for purchasing this service by completing a Form 466, *Purchasing Retirement Credit for Unreported Service Omitted Through Error*. This salary should not be reported via ORBIT.
- If a member has retired and your agency underreported the member's salary and contributions, your agency may report the underpayment via ORBIT within a period of 90 days as a positive prior period adjustment.
- If the period of omission for a retired member is more than 90 days, the member may request a cost calculation for purchasing this service by completing a Form 466.
- If a member has received a refund and your agency reports a positive prior period adjustment via ORBIT within 90 days from omission, the member will receive a supplemental refund.
- If 90 days has passed and the member has received a refund, the record cannot be processed in ORBIT and, whenever possible, should not be reported in ORBIT. If the record is reported in ORBIT, we will delete it and an invoice will be generated.
- *The only exception to this policy will be ABC Bonuses for school systems. We will accept a positive prior period adjustment for the ABC Bonus up to 14 months after the member last actively contributed to the Retirement System.*

The Retirement System appreciates your assistance in helping us provide quality service and accurate information to employers, active members, and retirees.

Reminder: Benefit Recipients Direct Deposit Statements Available on ORBIT

North Carolina ORBIT Online Retirement Benefits through Integrated Technology
Retirement Systems Division

The Retirement Systems is implementing a change that will enhance retirees' personal security, reduce the use of paper and save money for your retirement system.

Effective April 2009, "deposit notification" statements for benefit recipients – retirees, beneficiaries and disability recipients – will only be available through the ORBIT system. Statements will no longer be mailed. Currently statements are mailed just a few times a year when there is a change in members' deductions, or gross or net benefit amounts.

Accessing statements through ORBIT is a cost-saving measure that supports North Carolina's Project Green initiative, and also enhances members' personal security by eliminating mailings with social security or member identification numbers. ORBIT is a secure website that provides you with access to your personal retirement account 24 hours a day.

Should this change in process present a hardship for benefit recipients because they do not have access to a computer or the Internet, members should contact Member Services at 1-877-733-4191 (toll-free) or 919-733-4191 (Raleigh area only) to opt-out of electronic statements.

To access his or her monthly statement through ORBIT, the member should follow these instructions:

How to Access a Direct Deposit Benefit Statement
To access his or her monthly direct deposit statement through ORBIT, the member should visit www.myncretirement.com and select the "ORBIT" button from the "Retirement" drop-down menu. The member will be directed to the log-in page to register, or log-in if already registered. Once logged on to his or her personal ORBIT account, the member may print out his or her statement.

Retirement Planning Conferences Schedule

UPDATE: We are unable to provide retirement planning conferences outside of the Raleigh area for the remainder of the fiscal year due to budget restrictions. We hope to provide conferences next fiscal year, beginning July 1.

All conferences scheduled until June 30, 2009, have been cancelled except for the conference in Cary on May 13, and the conference in Clayton on June 3.

We partner with Prudential Retirement to provide information on the N.C. 401(k) and N.C. Deferred Compensation (457) plans at conferences across the state that are geared toward all members of the Local Governmental Employees' Retirement System and the Teachers' and State 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. Registration is not required. Some locations may charge a parking fee.

For members unable to attend their local conferences and 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 2009 dates are available on the Employer section of the Retirement Systems Web site at www.myncretirement.com.

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.

May 13, 2009	**Town Of Cary** Council Chambers 316 N Academy St Cary, NC
June 3, 2009	**The Clayton Center** Council Chambers 111 East Second St Clayton, NC

July 8, 2009	**Town of Lake Lure** Lake Lure Municipal Center/Community Hall Room 2948 Memorial Hwy Lake Lure, NC
July 9, 2009	**Cleveland Community College** Mildred H. Keeter Auditorium 137 S Post Rd Shelby, NC
July 14, 2009	**Craven Community College** Orringer Auditorium 800 College Ct New Bern, NC
July 22, 2009	**Southeastern Community College** T Building Room 101 4564 Chadbourn Hwy Whiteville, NC

Retirement Systems Contact Information

- Employers with questions or in need of information should contact the NC Retirement Systems Division's Employer Education and Services Unit at EESU@nctreasurer.com or call (877) 807-3131 Option 2 (for outside Raleigh area) and 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 at 1-877-627-3287 and (919) 807-3050 (Raleigh area only).

- Retirees with questions or in need of information or forms should contact the Division's Members Services unit at 1-877-733-4191 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 are among an elite group of public pension plans that remain fully-funded and financially sound. With approximately $60 billion in assets, the Systems comprise the 9th largest public pension plan in the United States.