



Online Retirement Benefits through Integrated Technology

ORBIT Update Agenda

Jan. 31, 2007

- *Moving to the Member ID*
- *Retirement Plan Codes*



Richard H. Moore
State Treasurer

“ORBIT represents our commitment to improving the quality of service available to our State’s active employees and retirees. As an employer, you are a critical part of the project’s success.”

Moving to the Member ID - A Single Unique Identification Number That Will Be Used to Identify A Member (Active or Retired)

With the increased demand for security and privacy centered around the use of Social Security Numbers (SSN), the Retirement Systems Division (RSD) is trying to stay ahead of the curve. Eventually, the SSN will no longer be used on correspondence or over the phone to identify a member.

With last January’s implementation of the ORBIT retiree self-service, retirees were introduced to the new concept of a Member ID. All forms and letters distributed to retirees today include a Member ID, as do retiree checks and electronic funds transfer stubs. The Member ID is helping the RSD gradually transition from the use of a SSN to another unique identifier for all members of our systems. New Member IDs will be assigned to active members with our ORBIT active member implementation at the end of 2007. The RSD will continue to use the SSN in conjunction with the Member ID until all active members have been notified of their new Member IDs during 2008.

Retirement Plan Codes

Currently, the Retirement Systems Division (RSD) administers multiple retirement systems and multiple classifications of members. Within a retirement system there are various sets of rules that pertain to different classifications of employees/members, including membership eligibility, contribution reporting guidelines and benefit calculation and payment rules. Historically RSD has managed these different sets of rules within each system by using different employer codes for the different classifications of employees/members. For example, the City of Raleigh has an employer code assigned for the reporting of salary and contribution information for General Employees and another code for the reporting of salary and contribution information for Law Enforcement Officers. (continued)

With the implementation of the ORBIT system, RSD will refine employer reporting requirements so that an employer may report more classifications of employees/members without adding additional employer codes. This will be accomplished by introducing the Retirement Plan Code concept. Each reporting employer will be assigned and will report under one employer code but will classify its employees with the appropriate Retirement Plan Code. Additionally, the Retirement Plan Code will drive the following business processes:

- Benefit Calculations
- Employer and Employee Contribution Rates
- Salary Limitations
- Service Accrual Rates
- Service and Retirement Eligibility
- Vesting Rules

For example, a Public school system that employs General Employees (STG), Law Enforcement Employees (STL), Retirees Exempt from the Earnings Limitation (STRE) and Retirees Subject to the Earnings Limitation (STRS) would report the following on a single monthly employer contribution report to RSD:

Employer Code: 3XXXX

Retirement Plan Codes: STG, STL, STRE, and STRS

Based on a member’s Retirement Plan Code, ORBIT will apply the appropriate rules to other retirement business processes. ORBIT’s Retirement Plan Codes are as follows:

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Retirement Plan Code	Description
STG	Teacher’s and State Employees’ General Class
STL	Teacher’s and State Employees’ Law Enforcement Class
STMAX	Teachers’ and State Employees’ earnings for employees that have exceeded the Internal Revenue Service limit for reportable earnings and contributions within a calendar year
STRS	Teachers’ and State Employees’ System retirees who are rehired and subject to an earnings limitation
STRE	Teachers’ and State Employees’ System retirees that are rehired and are exempt from an earnings limitation
STDIS	Teachers’ and State Employees’ employees on Short Term Disability
LOCG	Local Governmental Employees’ System General Class
LOCL	Local Governmental Employees’ System Law Enforcement Class
LOCF	Local Governmental Employees’ System Firemen Class
LOCMAX	Local Governmental Employees’ System earnings for employees that have exceeded the Internal Revenue Service limit for reportable earnings and contributions within a calendar year
LOCWP	Local Governmental Employees’ System probationary employees under an employer imposed waiting period
JUD1	Consolidated Judicial System—Justices of the Supreme Court and Judges of the Court of Appeals
JUD 2	Consolidated Judicial System—Judges of the Superior Court and Administrative Officer of the Courts
JUD 3	Consolidated Judicial System—Judges of the District Court, District Attorney, Clerk of Superior Court
LEGL	Legislative Retirement System Legislators
ORPG	Optional Retirement Program for applicable University and Community College personnel

Questions or Comments?

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