



Retirement Monitor, March 20, 2009

A monthly newsletter for public sector human resources and payroll specialists from State Treasurer Janet Cowell and the Retirement Systems Division.

North Carolina Retirement Systems

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Employer ORBIT Out of Service on April 4

ORBIT Employer Self-Service will be unavailable on Saturday, April 4, due to routine maintenance. The site is expected to be operable on April 5. Thank you in advance for your understanding.

New and Improved Disability Forms Available on RSD Web site

To provide better customer service and improve turn-around time for processing disability forms, the Retirement Systems Division (RSD) made significant improvements to existing disability forms, and created a new Form 700 – *Employer Information Required for Member Disability Benefits*. The new forms are now on the Retirement Systems Web site. Some of the highlights of the new and enhanced forms include:

- 1) a checklist of forms required for a complete application package,
- 2) simplified questions,
- 3) elimination of duplicate questions, and
- 4) guides to assist with the completion of the forms.

The questions on the new forms will lead and simplify the disability process, and improve the turn-around-time for processing applications for members of the Teachers' and State Employees' Retirement System (TSERS) who apply for disability benefits under the Disability Income Plan of North Carolina. The Form 700 is an employer information continuation form, which will eliminate the need for RSD to request duplicate information from employers during various phases of the disability application process.

Using the previous forms, approximately 48 percent of the disability applications received by RSD have been inaccurate or incomplete. Inaccurate and incomplete forms cause processing delays for members and increase the overall time it takes for applicants to receive disability benefits. Thus, a special team of Retirement System employees across the organization, including the Disability Processing and Member Services sections, was created to address historical issues with the forms. The mission of the team was ***“To develop simpler, more user friendly forms and letters which will eliminate duplication, confusion and processing delays.”***

Feedback on the new and improved disability forms was provided by employers who participated in a focus group session. Those employers provided valuable feedback that helped RSD assess form content, format and complexity.

The new forms are now available under the “Application and Forms” section of the Retirement Systems Web site at www.myncretirement.com. Also available is a “[Disability Benefits](#)” Web page that was established to provide a guide to the process. The Web page includes a checklist for the process, training presentations and mocked up samples, and self-training tutorials as recommended by the Employer focus group. There also is a Frequently Asked Question section to address many of the questions RSD receives regarding the disability application process. The Disability Benefits Web page is accessible through the [employer](#) and [active member](#) sections of the Retirement Systems Web site.

The old forms will eventually be phased out, around the end of June. Completed forms already submitted will continue to be processed.

Please visit our Web site at www.myncretirement.com and feel free to contact us at nc.retirement@nctreasurer.com if you have any questions or concerns. Thanks for your cooperation!

Offering Incentives, Severance and Discontinued Service Retirements during Lean Times

During these lean times, you may be considering reductions in the workforce to reduce budgets. Before you make your final decisions regarding the status of your employees, please know that most decisions you make to offer incentives, severance packages, or discontinued service retirements may impact your employees' retirement benefits.

The Retirement System laws govern the types of compensation employers can include when reporting an employee's compensation to the Retirement System each month and when completing an employee's retirement paperwork. The guidance for compensation is found in both the Employer Manual and the North Carolina Retirement Systems Law Book under G. S. 135-1(7a) and 128-21(7a). These publications are located on the "Employers" page on our Web site at www.myncretirement.com. If after referring to these documents, you still have questions, please contact the **Retirement Systems Employer line at 807-3131 (Raleigh area only) or 877-807-3131 (toll-free)** and tell the call center agent that you wish to speak to someone about how an incentive, severance package, or discontinued service retirement will effect a specific member.

Highlights of the Retirement Systems laws governing compensation

Compensation should be reported to the Retirement System via ORBIT for:

- Salary and wages paid to a member for work performed as a part of their job. This would be before deductions to cafeteria plans, 401(k), 403(b), 414(h)(2), and 457 plans.
- Bonuses, provided they are based on performance or years of service, for a member.
- Lump sum vacation or annual leave payouts (provided they adhere to retirement statutes and are non-discriminatory).

Compensation should NOT be reported to the Retirement System via ORBIT for:

- Sign-on bonuses.
- Bonuses that are not based upon performance or longevity.
- Terminal payouts for unused sick leave.
- Travel, housing, moving, business or automotive allowances or reimbursement.
- Allowances or compensation paid to a member for the purpose of purchasing additional benefits such as medical insurance, disability insurance.
- Reimbursement of medical expenses or other personal expenses.
- Incentive payments for early retirement or contract buyouts or severance payments.
- Law enforcement officer special separation allowance.

New U.S. Postal Service Mailing Requirements

The Retirement Systems Division is now required to verify every address on all mailings due to new U.S. Postal Service address verification requirements. The Retirement Systems will mail the intended document to the new mailing address supplied by the Postal Service. Retirement System members are asked to verify their mailing address and correct spelling on file with the employer or through BEACON. Having the correct address in the system will help expedite distribution of important information, as well as the processing of retirements and disability claims. You can update your employees' addresses in your monthly reporting process on ORBIT. Please do not ask employees to call the Retirement Systems to correct their addresses, as this must come through the employer or BEACON (for state agencies).

Reminder: Benefit Recipients Direct Deposit Statements Available on ORBIT



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 your monthly statement through ORBIT, follow these instructions:

How to Access Your Benefit Statement

Access your benefit statement through ORBIT by visiting www.myncretirement.com and selecting the "ORBIT" button from the "Retirement" drop-down menu. You will be directed to the log-in page to register, or log-in if you've already registered. Once logged on to your personal ORBIT account, you may print out your statement.

Retirement Planning Conferences Schedule

We are proud to 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 website 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. Note: The presentations have been updated for 2009.

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.** For dates beyond what is listed below, please refer to the Employer section of the Retirement Systems website at www.myncretirement.com.

March 24, 2009

Forsyth Co Agriculture Building
Auditorium C
1450 Fairchild Rd
Winston Salem, NC

April 2, 2009 **Imaginon**
Joe & Joan Martin Center
300 E. Seventh St.
Charlotte, NC

April 15, 2009 **Southwestern Community College**
Myers Auditorium Room 148B
447 College Dr.
Sylva, NC

April 16, 2009 **Mountain Horticultural Crops
Research & Extension Center**
Conference Room
455 Research Dr
Mills River, NC

April 22, 2009 **UNC - Charlotte**
McKnight Auditorium/Bonnie Cone Center
9201 University City Blvd.
Charlotte, NC

April 28, 2009 **Greensboro Coliseum Complex**
Odeon Theatre
1921 W. Lee St
Greensboro, NC

May 5, 2009 **Salisbury Civic Center**
315 S. Martin Luther King St.
Salisbury, NC

May 6, 2009 **Beaufort Community College**
Auditorium Building 8
5337 Hwy 264 East
Washington, NC

May 12, 2009 **Randolph Community College**
R Alton Cox Learning Resources Center, Room 102
629 Industrial Park Ave.
Asheboro, NC

May 13, 2009 **Town Of Cary**
Council Chambers
316 N. Academy St
Cary, NC

May 20, 2009 **James Sprunt Community College**
Monk Auditorium/Hoffler Bldg.
265 James Sprunt Cr
Kenansville, NC

May 21, 2009 **Richmond Community College**
Cole Auditorium
1042 W. Hamlet Ave
Hamlet, 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.

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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.