

INFORMATION FOR EMPLOYEES LEAVING THE UNIVERSITY

Retirement Options

Employees have the option of leaving their contributions in the retirement system and maintaining all of the creditable service they have as of the date of the last contribution. If you elect to leave your contribution in the retirement system and have made contributions for at least five years, you are entitled to retirement benefits at a later date. One advantage to retiring later from the Teachers' and State Employees Retirement System (TSERS) or the Optional Retirement Program (ORP) is that the State will continue to provide health insurance coverage for you at no cost.

TSERS Retirement Eligibility

Service Retirement (Unreduced Benefits)

- You reach age 65 and complete five years of creditable service, or
- You reach age 60 and complete 25 years of creditable service, or
- You complete 30 years of creditable service, at any age.

Early Retirement (Reduced Benefits)

- You reach age 50 and complete 20 years of creditable service, or
- You reach age 60 and complete five years of creditable service.

Employees also have the option of receiving a refund of their contributions to the retirement system. If you have at least five years as a contributing member, the accumulated interest will be added to the refund. If you have less than five years as a contributing member, the refund is for the contributions only. Tax withholding is mandatory unless the taxable portion of the refund is directly transferred to an IRA or another qualified retirement plan, which is another option available once you are no longer eligible to contribute.

State law does not permit the retirement system to make refunds earlier than 60 days after your application is received. TSERS refund applications are available at the Benefits Office or at <http://www.treasurer.state.nc.us/dsthome/RetirementSystems/ApplicationsandForms>. It is important to note that if contributions are refunded and you become eligible to contribute on a later date, you must contribute five years to the retirement system before buying back your prior state service.

If you transfer to an agency under the Local Government Employees' Retirement System, you can transfer your contributions and creditable service as long as you are an eligible member of the system to which you are transferring and have not received a refund of your contributions from the state retirement system. If you transfer to another state agency, your retirement account number will remain the same.

ORP Retirement Eligibility

If you terminate employment with less than five years of ORP participation, you will become 100% vested in the ORP employer contribution provided you meet all of the following requirements:

- your new employer is a higher education institution that sponsors a substantially similar or "like" retirement plan,
- the successor plan offers a "like retirement plan" that is underwritten by one of the four carriers currently underwriting the ORP benefit, and
- you begin participation in that successor plan as your "core retirement plan" within 12 months following your termination of employment with The University of North Carolina.

[Note. Whether or not, under the foregoing three requirements, you become vested in the University's prior employer contributions to your ORP account(s) does not affect vesting of retirement plan contributions for you by a subsequent employer under its own retirement plan.]

Please contact your current ORP vendor to discuss your options if you are no longer eligible to participate in this plan.

Other Benefits

Plan	Options	What to do?
Supplemental Retirement	Contribution no longer permitted.	Contact your 403(b), 401(k), or 457 vendors about options. http://www7.acs.ncsu.edu/benefits/retire/supplemental_retire.asp
NC Flex Programs (Spending Accts, Dental, Vision, Supplemental Medical, AD&D*)	Coverage terminates and COBRA applies. *AD&D cannot continue under COBRA but participants can port (continue coverage) to an individual policy within 31 days of coverage termination.	Vendors will send COBRA information. Call vendors for additional assistance. www.ncflex.org AON 1-800-726-3221; Dental 1-800-252-0972 Vision 1-800-507-3800 Supplemental Medical 1-877-378-1505 AD&D 1-800-257-0930
Voluntary Short-Term Disability	Can continue policy by direct pay to the vendor	Complete a Request for Service form or contact the vendor at 800-325-4368.
Voluntary Long-Term Disability (Liberty Mutual)	No conversion policy available for this plan.	No action required
Voluntary Long-Term Disability (The Standard)	Can convert policy with 31 days from termination date if insured under the plan for 12 consecutive months immediately prior to termination. (Not available if retired from NCSU or currently disabled)	Contact the vendor at 866-687-8580
Death Benefit (For participants of Teachers' and State Employees' Retirement System only)	No longer eligible. However, this benefit is still payable if you die within 180 days of the last day for which you were paid a salary as a full-time employee. (If you were a contributing member for at least one year and you have not withdrawn funds.)	No action required
Cancer Plan	Can convert policy with 31 days from termination date.	Contact the vendor at 1-800-521-3535
Supplemental Medical Plan	Can convert policy with 31 days from termination date.	Contact the vendor at 1-877-378-1505
Voluntary Life Insurance	May continue under portability options within 31 days.	Contact the vendor for assistance 800-523-2894.
Hyatt Legal	Can continue by direct pay to vendor.	1-800-821-6400
Automobile & Homeowners	Can continue by direct pay to the vendor.	Contact Providence Insurance Agency at 919-847-4909