



Appalachian State University

East Carolina University

Elizabeth City State University

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North Carolina Agricultural and
Technical State University

North Carolina Central University

North Carolina State University

North Carolina School of
Journalism and Mass Communication

University of North Carolina
at Asheville

University of North Carolina
at Chapel Hill

University of North Carolina
at Charlotte

University of North Carolina
at Greensboro

University of North Carolina
at Pembroke

University of North Carolina
Wilmington

University of North Carolina
School of the Arts

Western Carolina University

Winston-Salem State University

Woods

– University of North Carolina
Health Care

– University of North Carolina
Press

At the University of North Carolina*

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Eligibility

Permanent (non-temporary) employees working 30 or more hours per week are eligible for the ORP and/or TSERS.

Both the ORP and TSERS are designed to provide retirement income along with Social Security benefits. Although you and the UNC System share the cost of each plan, each plan works differently.

You have 30 days from your date of hire/appointment to make your retirement plan decision. Be sure to review your retirement plan information thoroughly so that you are comfortable with your choice. **Keep in mind, once made, your election cannot be changed.**

If you do not make an election, you automatically will be enrolled in TSERS.

TSERS is a *defined benefit plan*. The benefit you receive at retirement is based on a predetermined formula. This formula considers your years and months of creditable service (any period during which you contribute to TSERS, provided you do not withdraw your contributions), your age and your average final compensation (the average of your salary during your four highest consecutive paid years). The amount of the guaranteed benefit you will receive at retirement is not directly determined by the investment experience of the plan assets or the amount of contributions. Under TSERS, the State controls the investments and assumes all of the investment risks. The plan funds are invested by professional money managers selected by TSERS.

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Each plan includes both employee and employer contribution rates as determined by the North Carolina General Assembly.

Your contribution rate is 6% of your eligible pay, regardless of whether you enroll in the ORP or TSERS.

The ORP employer contribution rate is 6.84%. The TSERS employer contribution rate changes annually. To review the current rate, visit <https://myapps.northcarolina.edu/hr/benefits-leave/retirement/>.

Your contributions are made on a pre-tax basis. This means the UNC System will deduct your contributions from your pay before calculating federal and state income tax withholdings. The result? You lower your current taxable income and pay less in federal (and sometimes state) taxes.

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The ORP is a *defined contribution plan*. The value of your benefit is not based on a predetermined formula. Contributions to your account are made by you and the UNC System. The contributions are invested and the returns are credited to your account. The value of your account is based on the amount of contributions made to your account and the performance of the investment funds you select. Your accumulated balance provides monthly income during your retirement. Again, you control your investment choices and distribution methods.





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You must complete five years of membership service (five years of contributing to TSERS) to be fully vested in your retirement benefits.

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Your TSERS membership is transferable. Participating employers include: the 17 institutions within the UNC System and the agencies and departments of the State of North Carolina, and public schools and community colleges within the state.

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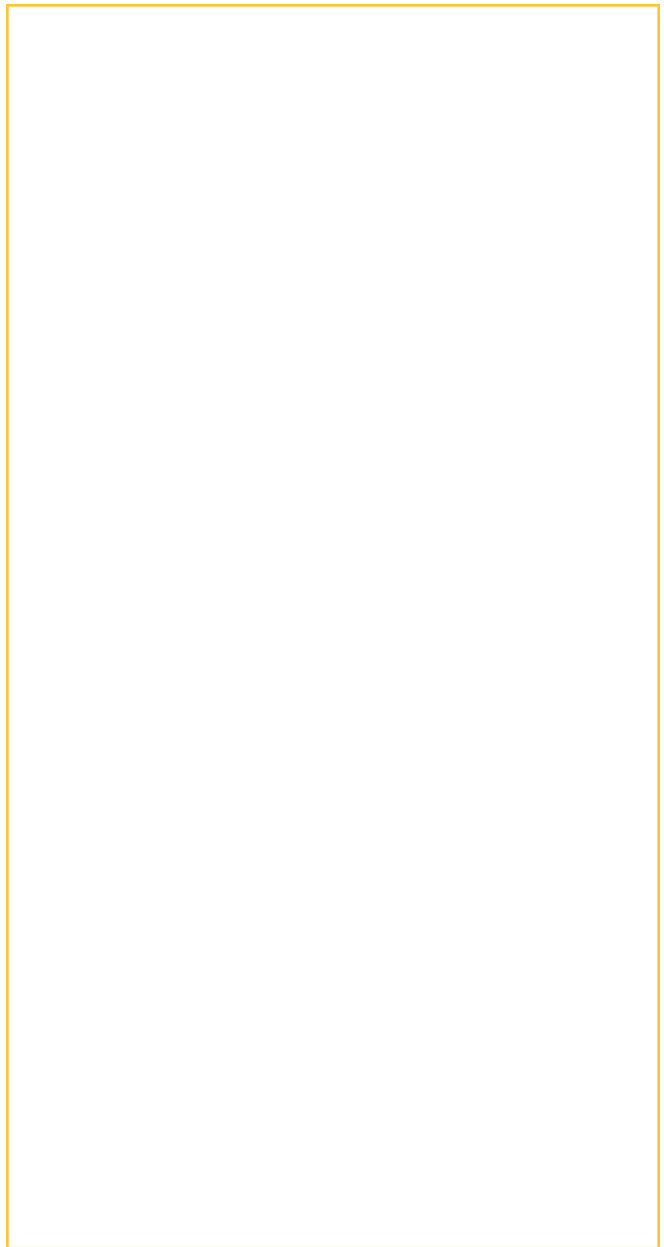
Under TSERS, you are eligible to retire with an unreduced retirement benefit once you:

- Reach age 65 and complete five years of membership service,
- Reach age 60 and complete 25 years of creditable service, or
- Have at least 30 years of creditable service, regardless of age.

It is also possible to retire earlier and receive a reduced benefit once you:

- Reach age 50 and complete 20 years of creditable service, or
- Reach age 60 and complete five years of membership service.

Your TSERS monthly retirement benefit is determined according to a retirement formula and is payable to you for your lifetime. There are multiple payment options including options for monthly payments to a survivor in the event of your death. There also is the potential for periodic cost-of-living increases in your retirement benefit, as approved by the North Carolina General Assembly.





Both of these retirement programs offer a valuable retirement savings opportunity, but they differ on several key points. Which one is right for you depends on many factors, such as your time horizon, your savings goals, your financial strategy and even your personal investment style. Review the chart below for a side-by-side comparison of these two programs, as well as some tips on which program might work best for you.

	ORP	TSERS
Type of Plan	Defined contribution plan	Defined benefit plan
Who Oversees the Plan	UNC Board of Governors	TSERS Board of Trustees
Who Controls the Investments	You control and monitor your investments and make all investment decisions.	TSERS controls and monitors the investments and makes investment decisions.
How the Benefit Is Determined	Retirement benefit is based on contributions made to the plan, investment performance and the payment option chosen.	Retirement benefit is based on your years of creditable service, salary, actuarial formula and the payment option chosen, including credit for any unused sick leave (if applicable).
Sick Leave	Sick leave does not count toward ORP participation service. Any unused sick leave that you accumulate as a participant of the ORP is lost at retirement or termination of employment.	If you retire with unused accumulated sick leave, you receive an additional one month of creditable TSERS service for every 20 days of sick leave you have accumulated but not used by the time you retire. You also receive one more month of credited service for any amount of unused sick leave that is less than 20 days but at least one hour.
Vesting	Vested immediately in the value of your employee contribution, vested in the value of the UNC System contribution after five years of participation. If you leave UNC System employment before completing five years of participation, but within 12 months of your separation from the UNC System, you continue participation in a core retirement plan at another institution, as outlined in the Plan document, we may vest you in the value of the UNC System contribution.	Vested after five years of membership service. If you leave State employment before five years, you may request a refund of your contributions or leave your contributions in TSERS in anticipation of a return to State service in the future.
Vesting Reciprocity	Total membership service under TSERS (prior to ORP participation) and participation in the ORP may be counted toward the ORP vesting requirement of five years of service.	ORP service credit may be added to your TSERS service credit for the purpose of determining your eligibility for a reduced or unreduced TSERS benefit if you were first hired prior to January 1, 2021.
Portability	Portable nationwide.	Not portable nationwide.
Payment Options	Several payment options are available at retirement.	Several payment options are available at retirement.

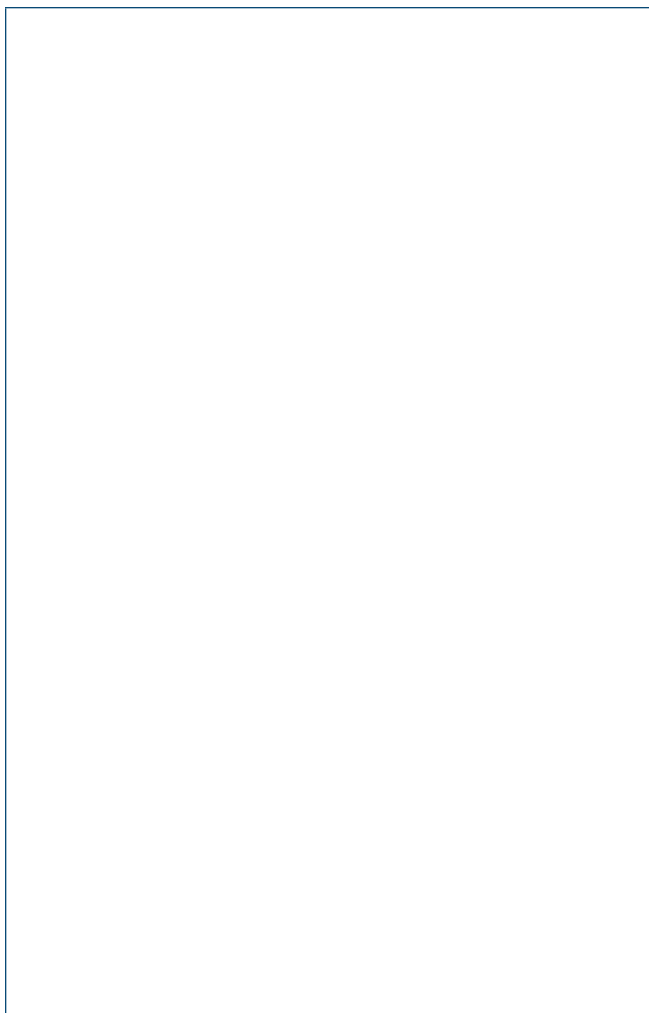
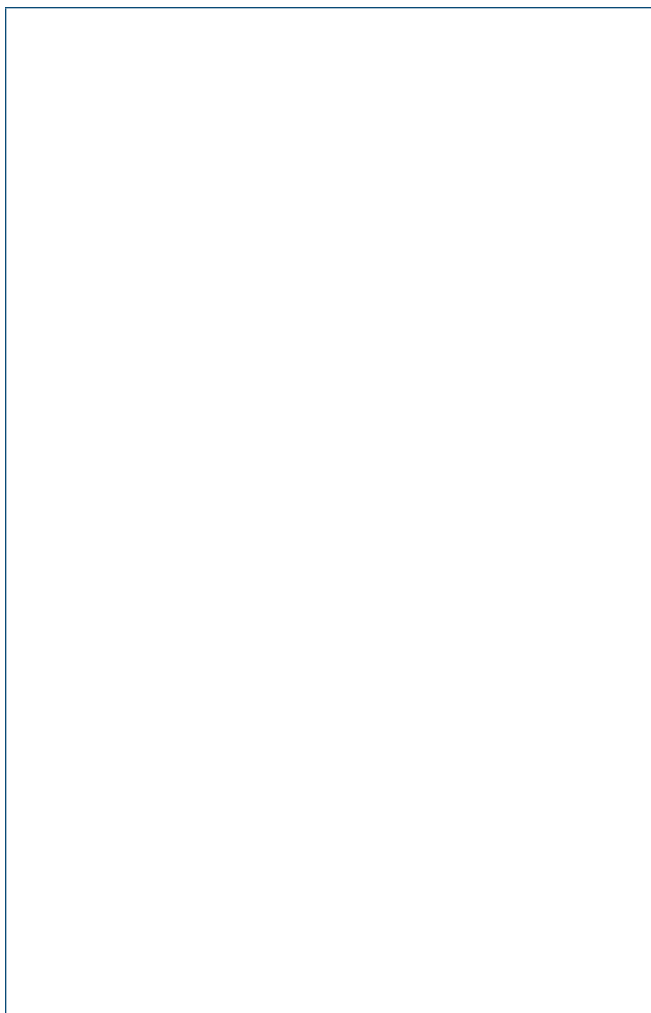


EXAMPLE 2			
Name	Joe UNC	Current Salary	\$75,000
Current Age	40	Rate of Return (Pre-Retirement)	5.00%
Current Years of Service	0	Salary Increase Rate	1.00%
Age When Benefits Begin	65		

Future

Now that you've learned the basics about your retirement program options at the UNC System, you're almost ready to make your decision. We recommend you review the detailed information about both the ORP and TSERS available online at <https://myapps.northcarolina.edu/hr/benefits/leave/retirement/> and then follow the steps below to make your choice.

Don't forget, your mandatory retirement election is made electronically in the UNC (Empyrean) Enrollment Platform. Once you make your retirement choice, it cannot be changed.





Got questions? Review the list of resources below and find the right contact information to help you with your questions.

If you need to ...	Contact ...	At ...
<p>Access information about choosing between the ORP and TSERS:</p> <ul style="list-style-type: none"> Your Retirement, Your Choice Video The Retirement Plan Comparison Tool 	The UNC System Website	https://myapps.northcarolina.edu/hr/benefits-leave/retirement/
<p>Access additional information about the ORP</p>	Your institution's Human Resources/Benefits Office	
<p>Access additional information about TSERS</p>	North Carolina Retirement System	877-627-3287 mync retirement.com
<p>Review detailed information about the ORP investment carrier and/or investment options, or for information about your investment accounts</p>	TIAA	800-842-2252 www.TIAA.org/unc
<p>Access financial advisers that can provide you:</p> <ul style="list-style-type: none"> Information about choosing between the ORP and TSERS Detailed information about the ORP investment options Specific personal advice on the right investment options to choose Retirement planning 	CAPTRUST	800-967-9948 www.captrustadvice.com

