

UNC New Hire Benefits Overview – Module 2 – 12/17/24

Slide 1 Navigating retirement options can make you feel lost in the woods, but the UNC System works with you so you won't feel left out in the dark. The UNC System offers a choice between two mandatory retirement programs, as well as several voluntary supplemental retirement plans.

Slide 2 Your participation in a retirement program is mandatory. You may choose between:

- The UNC Optional Retirement Program, a defined contribution plan, or
- The North Carolina Teachers' and State Employees' Retirement System, a defined benefit plan.

It's important to understand both options because once you choose your plan, it cannot be changed; it is irrevocable. Please notify the benefits office before making your retirement election if you transfer from another state agency or university, or if you have ever previously been employed by the State and/or the UNC System because this may impact your eligibility for those plans.

You must make your election within 30 days of your date of hire. Be sure to follow the instructions you are provided and enroll on a timely basis. If you delay any of your benefit elections, you may incur "retroactive" deductions to cover the cost of your elected benefit coverages.

And while we'll discuss both retirement plans, they are complex. So, we recommend that you get more information by using the resources mentioned in this video. It would also be wise to consult with a financial or tax advisor before selecting either plan.

Slide 3 The UNC Optional Retirement Program, or the ORP, is a defined contribution plan where you control your investments. You must contribute 6 percent of your pay on a pre-tax basis. The UNC System contributes 6.84 percent. Where this plan differs is you determine how your money is invested and the amount you receive is based on investment performance.

With this plan, your investment provider is TIAA.

Slide 4 The North Carolina Teachers' and State Employees' Retirement System, or TSERS, is a defined benefit plan in which the state controls the investments in this plan. Like the other retirement plan, you must contribute 6 percent of your pay on a pre-tax basis, and the UNC System also contributes to the plan on your behalf.

The benefit you receive is based on a formula which includes your age, final compensation and service.

Slide 5 Note: You will automatically be defaulted into TSERS if you do not select your mandatory retirement plan (ORP or TSERS) within 30 days of your hire date. Once enrolled, look for information from TSERS on how to designate your beneficiaries. It's important to make selecting a beneficiary a priority. Contributions will be deducted retroactive to your hire date.

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Slide 6 And finally, the UNC System provides supplemental retirement plans to complement the mandatory options. These plans allow you to put money away on a pre- and post-tax basis for your retirement in addition to the 6 percent that you contribute to the ORP or TSERS.

These plans also provide you with the flexibility to change the amount you contribute or stop participation at anytime. The supplemental retirement plans include:

- The UNC System 403(b) plan and the UNC System 457(b) Plan, both administered through TIAA and sponsored by the UNC System; and
- A 401(k) plan and a 457(b) Plan both administered through Empower and sponsored by the State of North Carolina.

You may elect to participate in the supplemental retirement plans at the same time; however, the IRS limits the amount you can contribute.

Slide 7 Need more information on retirement? We have plenty of resources to guide you in the right direction and you can find them all on Benefits Enrollment Central. We'll provide the URL for Benefits Enrollment Central at the end of this video but let's take a look at the resources first.

Slide 8 As you can see here, there are three retirement plan guides. The first helps you navigate your mandatory retirement plan decision, the second focuses on the supplemental retirement plans and the third provides information on investing in the retirement programs.

Slide 9 If you want more help, you can watch a brief video about your mandatory retirement options.

Slide 10 In addition to the resources already mentioned, you can take advantage of a Retirement Plan Transfer Guide, Retirement plan comparison calculator and the PIER, a quarterly retirement newsletter.

Slide 11 More retirement plan resources are available through TIAA, the UNC System's investment provider. For more than 100 years, TIAA has specialized in securing retirements for millions of nonprofit employees, just like you.

They can assist you in determining which mandatory and supplemental retirement plans best meet your retirement goals.

- Visit www.TIAA.org/schedulenow or call **800-732-8353** to talk to a TIAA financial consultant.
- You can also use the UNC Plan Compare Calculator at www.TIAA.org/uncplancompare to see how each plan might work for you.

And, be sure to watch the *WHY TIAA* video on Benefits Enrollment Central to learn more about TIAA and their history of helping people navigate the path to a stable financial future.

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Slide 12 And, keep in mind that all UNC System retirement program participants can take advantage of resources offered by CAPTRUST, the UNC System’s investment advisor.

CAPTRUST provides access to Retirement Counselors, webinars, education tools and resources and more – for both ORP and TSERS participants.

CAPTRUST can help you:

- Choose between enrolling in ORP or TSERS
- Select the retirement plan fund options best suited for you, and
- Plan for retirement.

To schedule an appointment with CAPTRUST, visit www.captrustadvice.com and click *Get Personalized Advice Here* or *Schedule an Appointment*. You can also call the CAPTRUST Advice Desk at **800-967-9948**.

Slide 13 For more information and links to enroll in retirement plans, visit Benefits Enrollment Central. The URL is shown here.

As a reminder, you’ll make your mandatory retirement decision on the UNC Empyrean or COMPASS platform, and enrollment in the supplemental retirement plans will be done via separate links and forms provided on Benefits Enrollment Central.

See *Module 1: Benefits Basics and How to Enroll* for details about enrolling.

Be sure to make your mandatory decision within 30 days of your hire date so that you can choose the plan that best suits your future financial goals and needs.