RETIREMENT ENROLLMENT TOOLKIT

AUDIENCE:

All new Faculty and Staff; Regular and Temporary who are eligible to participate in a retirement program.

OVERVIEW:

This process applies to eligible employees who need to information on the two retirement programs in order to complete their retirement enrollment election with the Office of Human Resources.

PROCESS STEPS:

1. Determine Eligibility:

   a. All employees in a Regular full time/part time position. **Enrollment is mandatory.**
   b. All employees in a Time Limited, Grant or Temporary position (Students are excluded). Enrollment is optional if no funds are on account with the South Carolina Retirement System.

2. Retirement Plan Choices:

   a. South Carolina Retirement Plan (SCRS) (a 401a) is the State Defined Benefit (Pension) plan administered by the South Carolina Public Employee Benefit Authority (PEBA).
b. Optional Retirement Plan (ORP) is a Defined Contribution (401a) plan used in lieu of SCRS membership.

3. Timeline to enroll and participate:

   a. New hired/rehired employees have 30 days from their hire/rehire date to select a retirement plan. Participation for a Regular employee or a Temporary employee with funds on account with SCRS is mandatory.
   b. Temporary employees who have no retirement funds on account with the SCRS program may elect not to participate in a retirement program within 30 days of their hire date.
   c. Employees who fail in make their retirement election before the 30 day deadline will be defaulted into the South Carolina Retirement Plan (SCRS).

4. Required Document(s):

   a. To enroll in the South Carolina Retirement Plan (SCRS) employees need to complete the following forms and return them to the Office of Human Resources within the 30 days of their hire/rehire date;
      i. Enrollment Form 1100.xdp
      ii. Active Member Beneficiary Form 1102.xdp (requires a notary signature)
         1. Must name a beneficiary for both Sections II-A and III. The beneficiary can be the same person for each section.
         2. For Section II-B an employee may name a contingent beneficiary for their retirement only. These contingent beneficiaries have no rights to a retirement payment, unless all primary beneficiaries have died.
b. To enroll in the Optional Retirement Plan (ORP) employees need to complete the following forms and return them to the Office of Human Resources within the 30 days of their hire/rehire date;
   i. Enrollment Form 1100.xdp
   ii. State ORP Active Incidental Death Benefit Form 1106 (requires a notary signature)
   iii. The Application appropriate to the ORP Vendor. These applications can be obtained from the Office of Human Resources or an employee can obtain the application directly from the Vendor. To contact the Vendors directly go to the Retirement Plan Comparison link at the bottom of this Toolkit for contact names, phone numbers are addresses.

c. To choose Non-eletion of Membership (waive participation) in a retirement program an eligible employee (temporary employees with no retirement funds on account with SCRS) need to complete the following form and return it to the Office of Human Resources within the 30 days of their hire/rehire date;
   i. Election of Non-Membership Form 1104

5. Contribution Rate for the SCRS Plan:

   a. Employees will contribute a tax-deferred contribution of their gross salary into their SCRS retirement account. This contribution rate cannot be increased or decreased except by legislative order.
   b. Employees will earn interest compounded annually on their balance as of the previous June 30. Inactive accounts do not accrue interest.
   c. Employer contributions are paid into the State Trust Fund and these funds are non-refundable.
d. With the SCRS plan the State Retirement System assumes all risks for investments options.

6. Contribution Rate for the ORP Plan:

   a. Employees will contribute a tax-deferred contribution of their gross salary into their ORP account with their selected vendor. This contribution rate cannot be increased or decreased except by legislative order.

   b. The employer contribution is paid to the employee’s selected ORP and is invested along with the employee’s contribution.

   c. With the ORP plan the employee assumes all risks for their investment options.

RELEVANT POLICIES:

 Retirement Plan Comparison

RELATED DOCUMENTS:
 Select Your Retirement Plan
 SCRS Member Handbook

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