



Human Resources Payroll and Employee Benefits Office
Pearman Boulevard at Old Stadium Road
Box 345337
Clemson, SC 29634-5337
Phone (864) 656-4678

Retirement Plans Comparison

NOTE: You have 30 days from your date of hire to make an election. If you do not make an election, you will be defaulted into membership with the South Carolina Retirement System. Also, as a temporary employee, if you non-elect membership in SCRS or ORP, you may elect membership in the South Carolina Retirement System at any time, but you will not be eligible to participate in the Optional Retirement Program, if you later transfer into a permanent position at Clemson University.

This brochure was developed by Clemson University to assist faculty and staff in choosing the retirement plan in which they will participate. It describes features of the South Carolina Retirement System (SCRS) and the Optional Retirement Program (ORP) in a brief and easy to understand manner; therefore, we have covered only the major points of each program or plan. Every effort has been made to assure that the information provided is accurate; however, the South Carolina Retirement System and each ORP contract will govern in all matters.

Additional information is available on the SCRS website at www.retirement.sc.gov. There are various brochures available in the "Forms and Publications" section; the "Retirement Plans" section contains more detailed information about the retirement plans, investment information, and a Benefit Calculator, which allows you to compare potential retirement income under both plans. Information is also available through the Clemson University Human Resources webpage at www.clemson.edu/humanres, and booklets and/or brochures for participating ORP vendors may be obtained from the Office of Human Resources. For your convenience, a list of participating vendors, their addresses, and telephone numbers are provided below.

South Carolina Retirement System
P.O. Box 11960
Columbia, SC 29211-1960
803-737-6800
800-868-9002 (toll free in SC)

VALIC - ORP
Scott Clark, Financial Advisor
105 Eagle Creek Drive
Simpsonville, SC 29681
864-483-1512 (cell)
800-892-5558 Ext 88636 (national voice mail)

TIAA-CREF - ORP
Carl Goodwin, Senior Consulting Officer
Six Concourse Parkway, Suite 2600
Atlanta, GA 30328-6104
800-842-2003 X3524

HARTFORD - ORP
Jim Hill, Investment Representative
906 Tiger Blvd.
Clemson, SC 29631
864-654-5556
800-755-7649

METLIFE - ORP
Blake S. Campbell
ACI Financial
PO Box 658
Pendleton, SC 29670
864-654-3121
864-261-9674

	SOUTH CAROLINA RETIREMENT SYSTEM	OPTIONAL RETIREMENT PLANS
Eligibility (Enrollment forms required within 30 days of hire)	All faculty and staff	Effective 7/01/2003, all new hires, except students.
Type of Plan	<u>Defined Benefit Plan [401 (A)]:</u> Monthly retirement benefit at age 65 or 28 years service ¹ based on the formula: 1.82% of AFC ² X Service Credits divided by 12 = Monthly Benefit.	<u>Defined Contribution Plan 401(a):</u> Retirement benefits based on the amount of employee/employer contributions invested in the plan & investment earnings.
Employee Contributions	6.50% of member's earnings	6.50% of member's earnings
Employer Contributions^{3,4}	12.89% of member's earnings to SCRS ^{3,4}	5% to member's ORP account ⁴
Member Investment Control	Not applicable to a Defined Benefit Plan. ³	Multiple investment options available, depending on the ORP plan selected.
Portability⁵	<u>At hire:</u> Credit may be purchased with SCRS for eligible service in other states ⁵ or for military, federal, non-member service, etc. <u>At separation:</u> Contributions may be rolled-over as IRS code allows. Eligibility to establish SCRS service with other retirement systems depends on the provisions of that system.	<u>At hire:</u> Employees may continue participation in available plans in which they participated through other employers. <u>At separation:</u> Participation may be continued with a new employer if the plan is available or the funds may be rolled-over, withdrawn or left in the plan to continue earning interest until retirement. For information on withdrawals and roll-over options see individual plans.
Eligibility Requirements for Full Retirement Benefits	Age 65 or 28 years service	See individual plan materials.
Eligibility Requirements for Early Retirement Benefits	Age 60 with 5 years service or age 55 with 25 years service ¹	See individual plan materials.
Pre-Retirement Death Benefits	With less than 12 months membership, the beneficiary receives a refund of employee contributions and interest. After 12 months or if death is job related, the beneficiary also receives an amount equal to member's annual budgeted salary. With 15 years service, the beneficiary may choose a lifetime annuity instead of the refund of contributions.	Account cash value and a Group Life benefit is available after 12 months or if death is job related, which pays the beneficiary an amount equal to member's annual budgeted salary.
Retiree Survivor Options	Several options available at retirement, which will provide an income to beneficiary at the retiree's death. The retiree's monthly benefit is reduced based on the survivor's option chosen and the life expectancy of the beneficiary.	Survivor benefits based on the cash value of the account. See individual plan materials for survivor option.
Disability Retirement (under age 65)	Eligible after 5 years of earned service credit, or regardless of service if disability is job related. Benefits similar to regular retirement as if member were age 65.	Retirement benefits based on the cash value of the account.
Vesting/Early Withdrawal Options	At separation, employee contributions plus interest may be withdrawn. Members who have at least 5 years earned service credit may leave contributions with the System and apply for a monthly benefit at age 60 or at age 55 with 25 years service. ¹	Immediate vesting of employee and employer contributions. See individual plan materials for roll-over and withdrawal options. Also see Portability.
Retiree's Health Insurance	Members of both retirement plans may enroll if eligibility requirements are met.	

¹For early retirement, the member must be at least age 55 and have 25 years of service; benefits would be reduced by 4% for each year under 28 years, **OR** early retirement at age 60 with at least 5 years service, benefits are reduced by 5% for each year the member is under age 65.

²AFC (Average Final Compensation) equals annual average of member's earnings for the 12 highest consecutive calendar quarters.

³The SCRS benefit is based on a formula and not on the amount contributed. Thus, the amount of contributions and interest credited to a member's account is relevant only when the money is withdrawn at separation from employment, or when paid to beneficiaries at member's death.

⁴Employer pays 12.89% of employee's earnings: 5.00% is paid to SCRS or is deposited into employee's ORP account (members of SCRS must retire to recover employer contributions); 4.24% is paid to SCRS for unfunded liability; 3.50% is paid to SCRS for health and dental insurance for retirees covered by the State Health and Dental Plans; and 0.15% is paid to SCRS for Group Life Insurance Premium.

⁵Portability refers to the options to buy-in, transfer, or roll-over funds from other plans at employment, or to other plans at separation from employment.