

FYI

A newsletter for
Retirement Systems employers

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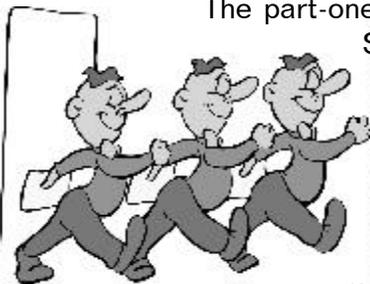
Fall into Ready...Set...Go

The South Carolina Retirement Systems has scheduled **Ready...Set...Go** seminars this fall in response to significant legislative changes passed during the 2000 session of the South Carolina General Assembly. Eligible retirees will have an opportunity to attend a **Ready...Set...Go** meeting in Columbia, Greenville, Charleston, Conway, or Lancaster.



We have sent more than 20,000 registration forms to employers for distribution to employees eligible to retire. The Columbia **Ready...Set...Go** sessions will be one-part; however the regional **Ready...Set...Go** sessions to be held in Greenville, Charleston, Conway, and Lancaster, will be two-part, one part of which will be devoted to completing the forms necessary to file for retirement. Part two of the **Ready...Set...Go** seminar will eliminate the need for members outside of the Columbia area to come to Columbia to complete their paperwork.

Part one of the program is an intensive one-day seminar focusing on retirement that features information from the South Carolina Retirement Systems, the Social Security Administration, the South Carolina Deferred Compensation program, and the Office of Insurance Services. **Ready...Set...Go** Part One is designed to help members make more informed decisions concerning their retirement.



The part-one seminars will be conducted in September 2000 and, as always, seating will be very limited. Part two of the **Ready...Set...Go** seminar will be held in October 2000 and November 2000.

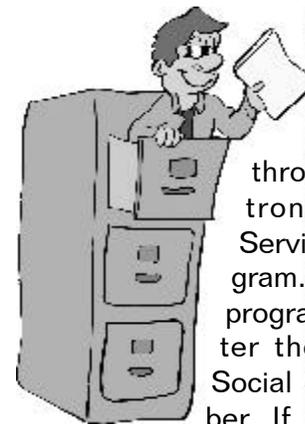
Please be reminded that the regularly scheduled **Ready...Set...Go** seminar will be held in January 2001 to accommodate employees retiring in calendar year 2001 who could not attend one of the September seminars.

Vesting changes

Effective January 1, 2001, a member of the South Carolina Retirement System (SCRS) and the Police Officers Retirement System (PORS) must have five years of **earned** service to be vested and be eligible to receive a service or disability retirement benefit. Prior to January 1, 2001, a member is vested with a combination of earned and purchased service.

Tip of the quarter

If you think an employee may have an existing Retirement Systems account and, as a result, may not be eligible to opt



out of membership, you can get verification through the Electronic Employer Services (EES) program. With the EES program, simply enter the employee's Social Security number. If the employee has an existing Retirement Systems account, the account information will appear on the screen. The EES program can also help you determine if the employee is retired so you can collect the employer contributions for retiree wage collection. If you would like access to the EES program, contact the Retirement Systems at 1-800-868-9002 or 1-803-737-6800 for more information.

28-year retirement for SCRS members

Effective January 1, 2001, members of the South Carolina Retirement System (SCRS) will be eligible to retire without a penalty with 28 years of service (five of which must be earned service) instead of the current 30 years of service. The retirement benefit will be calculated on the SCRS member's actual years of service.

A retiree with 28 years of service may expect replacement income of 51.0 percent; however, if the same retiree has 30 years of service, he or she may expect replacement income of 54.6 percent.

Installment service purchase program interest rate changes

Effective July 1, 2000, the interest rate for the installment service purchase program is 11 percent. This rate is calculated at prime plus two percent. All installment service purchases made after July 1, 2000, will be at 11 percent interest.

Employer training

The recent employer training sessions provided a great deal of information to the employer representatives who attended. An employer representative from Myrtle Beach won the long-distance award when he attended Session Three in Greenville. He told us he knew it would be worth the drive to come and learn about his responsibilities as an employer and about some of the retirement benefits changes!

Forms completion

The Retirement Systems is receiving a large number of incorrectly completed enrollment and beneficiary forms. Please review these forms carefully to ensure that they have been completed in their entirety and that the information provided is accurate. Forms with a notary section must contain all of the requested information. As a result of errors or omissions, many of the thousands of forms the Retirement Systems receives each month have to be rejected and resubmitted by members or employers.

When submitting an employee's enrollment form, always attach a copy of his or her Social Security card. Make sure the name on the card matches your payroll records. If you are not sure whether a card has already been submitted, send it again. Sending an employee's Social Security card will ensure that the employee will have correct information in their account.



Regional employer legislative update meetings held across state

Not since 1987 have so many legislative changes that affect the Retirement Systems occurred in one legislative session. In response to the numerous changes, the first-ever regional employer meetings were held in July 2000 to let employer representatives know how the changes would impact employers and members. Because of the concentration of state government offices in the Columbia area, two meetings were held at the South Carolina Department of Health and Environmental Control's Peoples Auditorium.

Regional meetings were conducted at Greenville Technical College, Coastal Carolina University, The Citadel, Lander University, and USC-Lancaster. Many of these locations have hosted meetings for the Field Services department in the past and we would like to take a moment to publicly acknowledge all the hard work these employers do to assist us in meeting your needs. THANK YOU!!

Enclosed with this issue of FYI is a set of legislative changes comparison charts distributed at the employer legislative update meetings. Please feel free to copy and make these available to your employees. They are a brief but effective side-by-side comparison of the current SCRS retirement benefits and the changes that take effect January 1, 2001.

Also, new applications and employer certification forms that feature the January 1, 2001, revised retirement plan options, information about post-retirement payment plan change limitations, and the new Teacher and Employee Retention Incentive (TERI) program election option have been mailed to all employers. We hope this information helps you communicate the pending benefits changes to your employees.

We will notify you when House bill 3649, which contains many of the retirement benefit changes, becomes law.

FYI is published periodically by the South Carolina Retirement Systems, a division of the South Carolina State Budget and Control Board, PO Box 11960, Columbia, SC 29211-1960.

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