



THE UNIVERSITY
of NORTH CAROLINA
at CHAPEL HILL

OFFICE OF
HUMAN RESOURCES

BENEFIT PROGRAM
ADMINISTRATION DEPARTMENT
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<http://hr.unc.edu>

To: UNC-Chapel Hill Employee

From: Benefits Administration
Office of Human Resources, UNC - Chapel Hill

Subject: Leaving University Employment

When your employment ends at UNC-Chapel Hill, your eligibility for benefits will also change, as described in the attached materials. Please take the time to examine this important information.

If you have questions about your benefits after reviewing this material, please contact your Benefit Specialist at 919-962-3071.

Leaving UNC-Chapel Hill: Important Information About Pay and Benefits

Final Paycheck and Other Information

Your final check will NOT be directly deposited into your bank account; instead, it will be delivered directly to your department. Contact your HR Facilitator to make arrangements to receive your check. *(To find out who your department's HR Facilitator is or to locate their contact information, go to <http://hr.unc.edu/departments/hrfinfo/hrf-lists>.)*

- **Tax Withholding Statement (W-2):** The University will send your "Tax Withholding Statement" (Form W-2) to your home address in January of the year following your termination of employment. Contact Payroll Services at 962-0046 if you have any questions, or if you need to request a duplicate Form W-2.
- **Forwarding Address:** You should instruct your HR Facilitator in regards to the handling of your final paycheck and a forwarding address if appropriate. If you plan to relocate, you should notify the University of your new mailing address by changing your home address in the UNC online directory prior to leaving the University. This will assure timely delivery of your W-2 form.
- **Vacation Leave Payout:** EPA Non-Faculty* and SPA employees leaving state service are paid in a lump sum for unused accumulated vacation leave not to exceed 240 hours. Any deficit is deducted on an hour-for-hour basis. Vacation pay is included in the final University paycheck. Contact your HR Facilitator to determine your current leave status. EPA Faculty do not receive a payout of vacation leave.

*For EPA non-faculty employees who have been employed a total of 24 months or less by one or more State or local governmental agencies, vacation leave payout is equal to one day for each month worked, less the number of days of annual leave taken during the employment period. For EPA non-faculty employees employed for more than 24 months by one or more State or local governmental agencies, the employee may elect to take all or part of unused annual leave prior to discontinuation of employment up to 30 days, or the employee may elect to be paid in a lump sum for any accrued annual leave that is unused as of the date of discontinuation up to the maximum of 30 days.

- **Bonus Leave Payout:** EPA Non-Faculty and SPA employees who have accrued bonus leave and are leaving state service are paid in a lump sum for unused accumulated bonus leave. Bonus leave pay is included in the final University paycheck. Contact your HR Facilitator to determine your current leave status. EPA Faculty do not receive a payout of bonus leave.

- **Sick Leave:** Unused accumulated sick leave is not paid upon departure. Unused accumulated sick leave is reinstated if you return to state employment as a permanent employee regularly scheduled to work 20 hours or more per week within five years of termination of employment.
- **Prorated Longevity Pay:** If you are an SPA employee and are eligible for longevity pay, then you will receive a prorated amount based on the date of your departure from the University. This check is delivered directly to your department; contact your HR Facilitator for details.
- **Payment for Parking Permit:** If you have a payroll deduction for a University parking permit, you should return the permit to your Department Parking Coordinator or directly to the Department of Public Safety. Failure to return the permit will result in a lump-sum deduction for the remaining balance from your final paycheck.
- **Email Account Forwarding:** If you have an Onyen and email account at the University, they will continue to be active for 60 days following your date of departure. To forward your email to a personal email address, contact the IT Resource Center at 962-HELP. You can also use the vacation service to notify people of your new email address for 60 days following your departure.
- **UNC OneCard:** Upon departure from the University, return your card to either the UNC OneCard Office or your department's HR Facilitator. Your card number will be deactivated.
- **Gym and Pool Privileges:** After you leave the University, you are no longer eligible to participate in gym or pool activities.
- **Unemployment Insurance:** To apply for Unemployment Insurance benefits, visit the Employment Security Commission web site at <http://www.ncesc.com/> or call 919-733-7883. To locate the nearest ESC office, go to <http://www.ncesc.com/locator/locatormain.asp>.

Health Insurance

State Health Plan Coverage:

- Premiums are paid one month in advance for coverage (i.e. premiums paid in the month of January provide coverage through the end of February). Your coverage will end the month following the last month the “full” premium was paid.
 - If your employment separation date is on or after the 15th of the month, health benefits will be effective through the last day of the following month. For example, with a separation date of January 17th, health plan coverage is effective through the month of February.
 - If your employment separation occurs between the 1st and 14th of the month, health plan coverage is effective through the last day of the month of termination. For example, an employee who terminates employment on January 5th may have health plan coverage through the remainder of January.
 - To determine the date your coverage will end, please contact your Benefit Specialist.
- You and your covered dependents can elect to continue your health insurance coverage through COBRA for up to 18 months immediately following the termination of your coverage. Spouses and dependent children can elect to continue their coverage even if the employee does not.
- Continuation of coverage will terminate if you or your dependents obtain coverage under another group health plan. If the other group health plan has a pre-existing condition limitation, and you have 12 or fewer months of coverage before enrolling in the other plan, you can continue coverage until this pre-existing condition limitation is met.
- You will be responsible for paying the full cost of the monthly premium, plus a 2% administrative fee. Premiums are due one month in advance of coverage and are paid directly to Blue Cross Blue Shield.
- If you retire or terminate your employment and you have five years of State Membership Service in the Teachers’ and State Employees Retirement System (TSERS) or are vested in Optional Retirement Program (ORP), you are eligible to continue to receive retiree health insurance through the State Health Plan as long as you are receiving a monthly retirement benefit from either TSERS or the ORP. **If you withdraw all your contributions in your account you will not be eligible for retiree health insurance.** Coverage will begin one month after the start of your monthly annuity benefit. The State will pay the total cost of your health insurance premiums if you were employed prior to Oct. 1, 2006. If you were hired on or after Oct. 1, 2006, and have 20 or more years of ORP participation, the State will pay 100 percent of your contribution under the State Health Plan. If you have 10 but less than 20 years of ORP participation, the State will pay 50 percent of your contribution. If you have less than 10 years of ORP participation, you must pay the full cost of coverage but you are still eligible to receive health insurance. You can also purchase dependent coverage through the State Health Plan.

How to continue your coverage:

You will receive information on your COBRA coverage options and costs directly from Blue Cross Blue Shield. You will receive that information within 30 days of the date your coverage ends.

You should complete an address change form, available at www.shpnc.org, if you are relocating, so Blue Cross Blue Shield can contact you at your new address.

To contact the State Health Plan, call 1-888-234-2416.

Dental Insurance

Assurant Dental (Fortis) Coverage:

- Premiums are paid one month in advance for coverage (i.e. premiums paid in the month of January provide coverage through the end of February). Your coverage will end the month following the last month the “full” premium was paid.
 - If your employment separation date is on or after the 15th of the month, health benefits will be effective through the last day of the following month. For example, with a separation date of January 17th, dental plan coverage is effective through the month of February.
 - If your employment separation occurs between the 1st and 14th of the month, dental plan coverage is effective through the last day of the month of termination. For example, an employee who terminates employment on January 5th may have dental plan coverage through the remainder of January.
 - To determine the date your coverage will end, please contact your Benefit Specialist.
- You and your covered dependents can elect to continue your dental insurance coverage through COBRA for up to 18 months immediately following the termination of your coverage. Spouses and dependent children can elect to continue their coverage even if the employee does not.
- You will be responsible for paying the full cost of the monthly premium, plus a 2% administrative fee. Premiums are due one month in advance of coverage and are paid directly to Assurant Dental.

How to continue your coverage:

You will receive information on your COBRA coverage options and costs directly from Assurant Dental. You will receive that information within 30 days of the date your coverage ends.

To contact Assurant Dental, call 1-800-757-9796.

United Concordia (NC Flex Dental Plan):

- Employees will be covered through the end of the month in which they leave the University. If you have additional questions about your coverage, contact your Benefit Specialists.
- You can elect to continue coverage for up to 18 months immediately following the end of your coverage.

How to continue your coverage:

You will receive information on your COBRA coverage options and costs directly from United Concordia. You will receive that information within 30 days of the date your coverage ends.

Vision Insurance

Superior Vision (NCFlex) Coverage:

- Employees will be covered through the end of the month in which they leave the University. If you have additional questions about your coverage, contact your HR Generalist.
- You can elect to continue coverage for up to 18 months immediately following the termination of your coverage.

How to continue your coverage:

You will receive information on your COBRA coverage options and costs directly from Superior Vision. You will receive that information within 30 days of the date your coverage ends.

Group Life Insurance

MetLife Coverage:

- Your group life coverage will continue through the end of the month in which you leave the University.
- You can elect to continue your MetLife Group Term Life Insurance policy by applying for coverage through a separately rated portability program within 31 days of the date of your departure from the University.
- You can also convert your coverage to a whole life policy.

How to continue your coverage:

Contact MetLife directly at 1-877-275-6387 for information on conversion.

ING Life (NCFlex) Coverage:

- Employees will be covered through the end of the month in which they leave the University. If you have additional questions about your coverage, contact your Benefit Specialist.

- You can elect to continue your ING Group Term Life Insurance policy by applying for coverage through a separately rated portability program within 30 days of the date of your departure from the University.
- You can also convert your coverage to a whole life policy within 30 days of the date of your departure from the University.
- Premium rates for portable term life insurance are generally less expensive than conversion rates.

How to continue your coverage:

Complete the Term Life Continuation Form at www.ncflex.org and send it to Benefits Administration within 30 days of your departure date.

Cancer Insurance

American Heritage Life (NCFlex) Coverage:

- Employees will be covered through the end of the month in which they leave the University. If you have additional questions about your coverage, contact your Benefit Specialist.
- You or your covered dependents can convert your cancer insurance coverage to an individual policy within 30 days of your departure date.

How to continue your coverage:

Complete the Cancer Conversion Form available at www.ncflex.org and send it to Benefits Administration within 30 days of your departure date.

Accidental Death & Dismemberment Insurance

Reliance Standard Coverage:

- Employees will be covered through the end of the month in which they leave the University. If you have additional questions about your coverage, contact your Benefit Specialist.
- You can elect to convert to individual coverage within 30 days from your last day of employment with the University.

How to continue your coverage:

Contact Benefits Administration for a conversion form. This form must be certified by the University prior to being sent to Reliance.

UNUM (NCFlex) Coverage:

- Employees will be covered through the end of the month in which they leave the University. If you have additional questions about your coverage, contact your Benefit Specialist.
- You can elect to convert to individual coverage within 30 days from your last day of employment with the University.

How to continue your coverage:

Complete the AD&D Portability Form available at www.ncflex.org and send it to Benefits Administration within 30 days of your departure date.

Supplemental Disability Insurance

The Standard Coverage:

- Your coverage will end upon your departure from the University.
- You can elect to convert to individual coverage if you are currently enrolled in the plan and you have had at least 12 months of continuous coverage under the plan.
- You can elect to convert to individual coverage within 30 days from your last day of employment with the University.

How to continue your coverage:

Complete a conversion form available from the Benefits Administration Office within 30 days of your departure date.

Liberty Mutual Coverage:

- Your coverage will end upon your departure from the University.

Flexible Spending Accounts

If you are enrolled in either the Health Care or Dependent Day Care flexible spending accounts:

- You can file for claims for eligible services incurred prior to your departure from the University. **Services incurred after your departure will not be covered.**
- Your claims must be submitted by the same date as active employees, which is March 31 of the year after your expenses were incurred.
- Any unused money in your account is forfeited and remains with the State.
- An 18-month continuation plan through COBRA is offered *for the health care spending account only*. This continuation plan is an after-tax plan. Services received after your departure date cannot be claimed unless you elect continued coverage through COBRA.

How to continue your coverage for the Health Care Flexible Spending Account:

Aon Consulting will send the continuation information to your home address.

If you do not receive this information within 30 days of your departure date, contact Aon Consulting at 877-371-2926.

Long-Term Care Insurance

Prudential Long Term Care Coverage:

- Your coverage will continue through the end of the month in which you leave the University.

- You can elect to convert to individual coverage within 30 days from your last day of employment with the University.

Actions required:

Contact Prudential Long Term Care at 800-284-9648 (group name is stateplan; password is stateplanltc) or e-mail LTC4me@prudential.com regarding continuation options.

Auto and Homeowners' Insurance

If you have coverage for auto or homeowners' insurance through the University:

- You can elect to continue coverage upon leaving University employment by paying the remaining amount due for the policy year.

How to continue your coverage:

Contact General Casualty Insurance Company at 866-260-7512 regarding continuation options. Identify yourself as a member of the UNC program.

Tuition Waiver Program

If an employee's work schedule changes to less than 30 hours per week during the period of attendance, or if the employee separates from permanent employment during the period of attendance, the employee will be billed for all or part of the tuition for the entire semester even if s/he officially withdraws from the course, as provided in the policies and procedures established by the Cashier's Office of the enrolling institution.

If you have any questions please call the University Cashier's Office at 962-1368.

State Employees' Credit Union

If you are a member of the State Employees' Credit Union, you can continue your membership by maintaining a balance of \$25 in your share account.

If you have a loan with the Credit Union and have a payroll deduction for the loan payment, contact the Credit Union (www.ncsecu.org/) for information on payment options.

Mandatory Retirement

Teachers' and State Employee's Retirement System (TSERS)

Important facts for TSERS members:

- Contributing participation in the Teachers' and State Employees' Retirement System (TSERS) ceases upon your departure from state employment. You will, however, retain your account as long as you do not withdraw your contributions.

- If you have 60 or more months of creditable service in TSERS, you are “vested,” which means you become eligible for a retirement benefit when you reach the qualifying age **if you do not withdraw your contributions**.
- If you do not withdraw your accumulated contributions from TSERS and you return to state employment as a permanent employee regularly scheduled to work 30 hours or more each week, your TSERS account will be reactivated and you will continue to add to the creditable service you had previously accumulated.
- If you withdraw or roll over your accumulated contributions from TSERS, you **forfeit** all rights to any benefits provided by TSERS.
- If you withdraw your contributions, but return to state employment as a permanent employee regularly scheduled to work 30 hours or more per week, your TSERS account will be that of a new employee. However, you can buy back retirement credit after you have become vested (60 months of contributions).
- You are eligible to receive fully paid retiree health insurance through the State Health Plan if you were hired by the State prior to Oct. 1, 2006, and have completed 60 months of contributory service, or if you were hired by the State on or after Oct. 1, 2006, and have completed 20 years of contributory service. **You must leave your contributions in your TSERS account to be eligible for retiree health insurance.** Contact your Benefit Specialist for additional information on your eligibility.
- You may wish to seek financial advice concerning the effects – including tax consequences – if you decide to withdraw your TSERS contributions. If you were vested in TSERS on or before August 12, 1989, your TSERS retirement benefits, no matter what amount, are exempt from State income tax. **If you withdraw your TSERS contributions, you will forfeit your right to this exemption.**

Actions required:

If you decide to maintain your TSERS account following your departure from the University, you do not need to take any action.

If you wish to receive a refund of your TSERS contributions or roll over your account, complete the Withdrawing Your Retirement Service Credit and Contributions Form (Form 5) available from the TSERS website at www.nctreasurer.com.

You should read carefully the important information on Form 5 regarding the taxability of the refund before deciding how to receive your contributions.

Complete Form 5 in black ink and have it **notarized**. If you are requesting a refund or rollover and terminated prior to October 1, 2007, you will need to send the form to Benefits Administration for completion of the Employer Certification section. Otherwise, the form can be sent directly to TSERS at the address on the bottom of the form. State law provides that your refund cannot be paid any earlier than 60 days after your final paycheck.

If you leave state employment with less than five years of creditable service, interest on contributions will not be paid after July 1, 1981, unless termination is involuntary. If you terminate employment with more than five years of creditable service, 4 percent interest

is paid on contributions. This interest is compounded annually and is credited at the end of each calendar year.

Active Employees can call TSERS at (919) 807-3050. Retirees can contact TSERS at (919) 733-4191, or visit <http://www.treasurer.state.nc.us/dsthome/RetirementSystems> for more information on account balances and refunds.

Optional Retirement Program (ORP) for EPA Employees

Important facts for members who enrolled in the ORP:

- Your contributing participation in the Optional Retirement Program (ORP) ends upon your departure from University employment. You will, however, retain your account as long as you do not withdraw your contributions.
- If you have completed five years of participation in the ORP, you are “vested” in the University’s contributions
- You are eligible to receive fully paid retiree health insurance through the State Health Plan if you were hired by the State prior to Oct. 1, 2006, and have completed 60 months of contributory service, or if you were hired by the State on or after Oct. 1, 2006, and have completed 20 years of contributory service. **You must leave your contributions in your ORP account to be eligible for retiree health insurance.** Contact your Benefit Specialist for additional information on your eligibility.
- If you withdraw or roll over your accumulated contributions from the ORP, you **forfeit** all rights to any benefits provided by ORP.
- If you were enrolled in the ORP on or before August 12, 1989, your ORP retirement benefits, no matter what amount, are exempt from State income tax. **If you withdraw or roll over your ORP contributions, you will forfeit your right to this exemption.**
- If you are leaving UNC-Chapel Hill with less than five years of participation in the ORP but are beginning a new job with another educational institution, and you plan to continue to participate in a substantially similar retirement program at your new employer with one of the four ORP vendors (AIG Retirement, Fidelity, Lincoln National or TIAA-CREF), then UNC-Chapel Hill’s contribution to your ORP will be vested as long as you begin your new job within one year from your termination date.
- If you have not completed five years of ORP participation and will not continue participation in a similar plan at another educational institution, State law requires that your ORP be repurchased. Your contributions can be refunded to you, you can keep them in your account with your ORP vendor, or you can directly roll over the taxable portion of your contributions to an Individual Retirement Account (IRA) or other employer plan. **You may wish to seek financial advice concerning the effects – including tax consequences – if you decide to withdraw your ORP contributions.** The employer contributions made to your account will be refunded to the University.

Actions required:

Complete the ‘**Acknowledgement for Disposition of Account Contributions**’ form (ORP-3 Form) available at <http://www.northcarolina.edu/content.php/hr/FormsPage.htm>. Keep a copy for your records and return the original to the Benefit Administration Office within 30 days of your departure date. If you do not complete this form, you will experience delays when you attempt to access funds in your ORP accounts.

If you are making any changes to your vendor account (closing the account, rollover of contributions, etc.), contact your ORP vendor directly.

For more information on the ORP, visit <http://www.northcarolina.edu/content.php/hr/benefits/retirement/orp/orp.htm>.

Supplemental Retirement Programs [403(b), 457(b), or 401(k)]

If you are contributing to any of the Supplemental Retirement plans:

- Contributing participation ceases upon your departure from the University.

Actions required:

No action need be taken if you wish to leave existing assets in your account. Contact the vendor(s) directly for information about the status of your account, including receiving annuity payments, requesting a distribution of assets, or transferring/rolling over your account assets. You will need to notify the vendor directly if you have an address change.

Benefits Administration Contact Information

Phone Number: 919-962-3071

Email: benefits@unc.edu

Address: University of North Carolina at Chapel Hill
104 Airport Drive
Chapel Hill NC 27599-1045