



Massachusetts Department of Higher Education

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Richard M. Freeland, *Commissioner*
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Massachusetts Board of Higher Education

Massachusetts Optional Retirement Program

Section 60 Notice of Eligibility – April, 2014

Dear ORP Participant:

I am very pleased to confirm your opportunity to transfer your Optional Retirement Program (ORP) participation to membership in the Massachusetts State Employees' Retirement System (MSERS). This one-time opportunity is provided under Section 60 of the state's 2011 Pension Reform Act. Your choice of plans will be irrevocable.

The Effective Date for Section 60 will be May 1, 2014.

Under the provisions of Section 60, those transferring their ORP participation to the MSERS must also purchase Qualifying Service under the MSERS. Qualifying service is comprised of service in the MSERS immediately prior to your ORP enrollment, and your time as a participant in the ORP.

Notice of Interest Form - Service and Cost Information

A Notice of Interest Form is included in this package. Return the Form by Monday, October 27, 2014, and the State Board of Retirement will provide the amount of Qualifying Service and the cost to purchase that service for you as part of the Section 60 procedure.

ORP Default

The absence of any response from you during the process of changing plans, or other failure to provide required information on a timely basis under the Section 60 process, will result in your forfeiture of this opportunity to change plans and you will remain in the ORP permanently.

Section 60 Process and Timelines

An outline of the "Section 60 Process" with related timelines for each step of the procedure is enclosed for your reference.

Disposition of ORP Assets – For Participants Choosing to Change Plans

The Department of Higher Education (DHE) must transfer that portion of your ORP account that is comprised of your required contributions and the net investment gain and interest thereon, to the State Board of Retirement to purchase your Qualifying Service.

Additionally, the DHE must transfer that portion of your ORP account that is comprised of the Commonwealth's Employer Contributions and the net investment gain and interest thereon, to the MSERS' Pension Reserve fund to help cover the state's cost to provide a pension for you.

Separately, you will have the opportunity to voluntarily direct the DHE to transfer amounts you transferred into the ORP from the MSERS, as well as any amounts you may have rolled into the ORP (from other retirement plans), to the Retirement Board in order to help purchase your Qualifying Service.

First Step: SUBMIT YOUR "NOTICE OF INTEREST" FORM

Complete and submit the "Notice of Interest" form enclosed in this package in order to obtain a statement of the Qualifying Service available to you, and the cost to purchase that service. Instructions about when and how to deliver your "Notice of Interest" to the DHE are included on the Form.

Additional Information – Section 60

Detailed information about the Section 60 process is available on the ORP web pages in a "Question & Answer" format. The URL for "Section 60 Pension Reform" is:

<http://www.mass.edu/foremployees/orp/section60.asp>

Questions

Should you have any questions about Section 60 after reviewing the enclosed documents and the information available on the ORP web pages, please direct your queries to the ORP email box: **ORP@bhe.mass.edu**

With the potential for a large response, I ask that you not call the Department's general telephone number with your questions. Please use the ORP email box noted above.

You should direct any questions you have about the features of your ORP account and your ORP investments to your Provider(s).

In closing, allow me to express my great appreciation for your patience with the overall Section 60 implementation. I am confident that you will find the Section 60 procedure provides opportunities for you to make a well-informed and sound decision about your future retirement plan coverage.

Sincerely,

A handwritten signature in black ink, appearing to read "SPN".

Sean P. Nelson
Deputy Commissioner for
Administration and Finance

Enclosures:

- Notice of Interest Form
- Section 60 Procedure & Timelines
- Section 60 Seminar Schedule
- Return Envelope