

EMPLOYER Notice

Ohio Public Employees Retirement System • 277 East Town Street • Columbus, Ohio 43215

Service purchase by payroll deduction soon available via ECS

Who should read this notice

Those responsible for reporting payroll deductions for retirement service purchases

Situation Overview

As announced in the *Service Purchase Reporting Kit*, employers will soon have the ability to process service purchases by payroll deduction electronically, via ECS. The rollout of this availability is expected to be in November (exact date to be announced).

Soon, you'll be able to create a service purchase file that can be built from the data in your payroll system and transmitted via ECS directly to OPERS. ECS will also provide the capability to use the Data Entry method to complete an online *Service Purchase by Payroll Deduction (SPPD)* report. Reporting service purchases by payroll deduction via ECS will save you time, however you may need to work with your IT department or contracted vendor if you intend on submitting a file to OPERS.

What you need to do

Attached please find the file specifications required for you to submit your service purchases by payroll deduction via a file on ECS. You'll need to:

- Review the information immediately to determine if the File Transfer or Data Entry method is best for you.
- If using the File Transfer method, contact your IT department or vendor to start programming.
- Review the restrictions on service purchases by payroll deductions as listed on page 5.14 of the *Employer Manual*.

Here are important tips for success going forward:

- **One report per month**
Employers can submit only one *Service Purchase by Payroll Deduction (SPPD)* report each month. Therefore, an employee who is paid twice each month and who has service purchases deducted on both payrolls must be listed on your SPPD electronic report only once. *The SPPD report must show the cumulative monthly total. Do not list the employee twice—listing the person twice will result in a blocked file.*

Note: If an employee(s) is erroneously omitted from a report, an additional SPPD report may be submitted. Reports received after the due date will be subject to penalties.

Note:

More information will follow to give employers the exact availability date.



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(More information on back)

- **Report order is critical**
As always, accuracy and timeliness are important. The service purchase deduction data submitted to OPERS will be checked against your regular *Report of Retirement Contributions* information—specifically the Pay Period End (PPE) codes.

The service purchase deduction data will be verified by the data submitted on your regular *Report of Retirement Contributions* to determine changes in status for your employees. Therefore, you'll need to *successfully* submit your regular *Report of Retirement Contributions* prior to submitting your *Service Purchase by Payroll Deduction* report. Deviating from this order could result in your employee's service purchase deduction being flagged as inaccurate and potentially refunded to you.

- **Dates to know for ECS-reporting employers**
During the first quarter of 2008, all ECS-reporting employers will be required to submit *Service Purchase by Payroll Deduction* report via ECS. This requirement is effective with your March 2008 *Service Purchase by Payroll Deduction* report, due April 30, 2008.

Why this is important

Electronic reporting of service purchase deductions provides you and your employees with enhanced security and reviews for accuracy—ultimately saving you time. This information is being provided to you now to allow time for preparations prior to the upcoming mandate of service purchase reporting via ECS.

Who to contact for more information

After you review this *Employer Notice*, contact your Employer Outreach representative with questions or to request a brochure at 1-888-400-0965 or via the Internet at employeroutreach@opers.org.

This Employer Notice is written in plain language for use by public employers who are subject to coverage under the Ohio Public Employees Retirement System. It is not intended as a substitute for the federal or state law, namely the Ohio Revised Code, the Ohio Administrative Code, or the Internal Revenue Code, nor will its interpretation prevail should a conflict arise between it and the Ohio Revised Code, Ohio Administrative Code, or Internal Revenue Code. Rules governing the retirement system are subject to change periodically either by statute of the Ohio General Assembly, regulation of the Ohio Public Employees Retirement Board, or regulation of the Internal Revenue Code. If you have questions about this material, please contact our office or seek legal advice from your attorney.



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Service Purchase Payroll Deduction File Specification

1. Employee Information Record Format

1.1 All data should be left justified.

1.2 All trailing spaces in fields of Data Type Alpha should be blank.

1.3 Record specification:

From Position	To Position	Data Type	Position Count	Required "R" / Optional "O"	Field Name	Description
1	9	Num	9	R	Employee Social Security Number	No embedded dashes
10	44	Alpha	35	R	Employee Name	Omit space and apostrophe in last name. Sequence of name will be: last name, first name, middle name or initial. A comma may be inserted between last name and first name. For example, the name John J. Mc Neal Jr. can appear as: MCNEAL JOHN J JR or MCNEAL, JOHN J JR or MCNEAL, JOHN J, JR
45	50	Num	6	R	OPERS Employer Code	Format = XXXXYY, where: XXXX = four digit OPERS Employer Code YY = two digit OPERS suffix code
51	56	Alpha	6	R	Zero Filled	Reserved for future expansion. Fill with all zeros.
57	63	Num	7	R	Deductions for period	Dollars and cents, seven characters with leading zeros and no decimals. Ex: Contributions \$106.39 would appear as 0010639
64	64	Alpha	1	R	Deduction End Code	Allowed Values Are: K – Terminate Deduction, Employee Request, Z – Final Deduction, G – Insufficient Net Pay for Withholding
65	100		36		Blank	Reserved for future expansion.

2. Employer Summary Record Format

2.1 All data should be left justified.

2.2 Record specification:

From Position	To Position	Data Type	Position Count	Required "R" / Optional "O"	Field Name	Description
1	1	Alpha	1	R	Record Type	Populate with "T"
2	7	Num	6	R	OPERS Employer Code	Format = XXXXYY, where: XXXX = four Digit OPERS employer code YY = two digit OPERS suffix code
8	15	Num	8	R	Reporting Period End Date	Format = MMDDCCYY, where: MM = 2 position month DD = 2 position day CCYY = 4 position year
16	100		85		Unused	Reserved for future expansion