

# OPERS EMPLOYER Notice

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

For many initiatives, employers will have the opportunity to offer input:

- Via the voluntary *Bounceback* focus groups slated for the end of training sessions throughout the year.
- Via written surveys, or
- Simply by contacting your Employer Outreach representative at 1-888-400-0965.

#### Why this is important

Each of these projects is either mandated by law or represents a technology improvement that will significantly enhance services to members, retirees and employers. This document has been prepared to help you with planning and forecasting these projects as, together, we implement these changes.

#### Who to contact for more information

After you review this *Employer Notice*, contact your Employer Outreach representative with questions at 1-888-400-0965 or via the Internet at [employeroutreach@opers.org](mailto: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.*

## 2007 Projects To Enhance Retirement Reporting

#### Who should read this notice

Any individual who manages or performs retirement reporting activities

#### Situation Overview

Legislation passed in 2006 and forthcoming technology enhancements will require a number of changes in how OPERS and employers interact on a day-to-day basis. These changes have been designed to help employers accurately report retirement information for their employees.

For some changes, legislation mandates the required timeframe. For other changes, Employer Reporting is working to introduce technology in coordination with evolving retirement reporting requirements to streamline processes while maintaining positive customer satisfaction. As we anticipate and plan for 2007, the multiple initiatives will require a strong partnership between employers and OPERS. Some of the anticipated changes will be cause for celebration; some will be less popular. We recognize that all changes—popular or not-so-popular—will require process changes for you and your staff.

Change takes time and strong communications; our goal is to provide you with both. We realize the pace of change set forth for 2007 is aggressive and we know many of you work with multiple systems. While we can't always control the pace, our goal is to communicate with you in advance so you are best prepared to implement the necessary changes.

#### What you need to do

This is the first of many change-management communications. We encourage you to review this *Special Edition Employer Notice* in its entirety so that you can anticipate and plan for these changes.

It's important to remember these initiatives are a mix of what is currently anticipated as well as what is required for the coming 18 months. Pending legislation and emerging priorities may delay, eliminate or add projects to this roster.

This document is for planning purposes only and indicates those changes impacting all public employers. Changes affecting only specific employer groups may not be included. You will receive more specific information as each project rolls out. The dates listed represent when employers will be impacted by the projects.



## RETIREMENT Board

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**James R. Tilling**  
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**Chris DeRose**  
Executive Director



## PROJECT OVERVIEW

### 1 Changes to Employer Liability Penalty Structure

Recent legislation has changed the penalty structure for employer liabilities (however, the penalties and responsibilities for employers to report and remit employee deductions and reports has not changed).

### 2 Employer Call Tracking Upgrade

Although the implementation of this project will be transparent to employers, this upgraded system will help Employer Reporting access information quicker, providing for a more efficient customer-service interaction.

### 3 ECS Online Personal History Record

Piloted with college and university-specific ARP forms, the Personal History Record – (PHR) is slated to be the first generally available form that will be available online. On a rolling basis, additional forms will be available online.

### 4 ARP Mitigating Contribution Rate (colleges and universities only)

As was established at its inception, some of the costs to administer the alternative retirement plan will be covered by collection of a mitigating rate, anticipated to strengthen the funded status of the pension system.

### 5 Pick-up Resolution Revisions

To keep employers compliant with a recent Internal Revenue Service (IRS) ruling, OPERS must receive, review and approve specific written documentation about each employer's pick-up plan, if offered. This project will be implemented on a rolling basis but all affected employer entities will be reviewed by the IRS ruling due date of January 1, 2009.

Townships	August 1, 2007
Villages	October 1, 2007
Libraries, universities, hospitals,	February 1, 2008
Transit authorities, housing authorities	February 1, 2008
Cities and counties	March 1, 2008
All others	May 1, 2008

### 6 ECS Service Purchase Payroll Deductions

Anticipated to be an important enhancement for affected employees, this change will simplify service purchase reporting for employers. ECS users will be required to handle this change electronically.

### 7 Accelerated Employer Liability Schedule

More than 80% of all employers already remit their retirement contribution liability monthly. Recent legislation enacted will require all employers to remit contributions on a monthly schedule. The monthly, rather than quarterly, requirement was determined to be necessary as a result offering three retirement plans.

### 8 Electronic Communications (EDEC)

Piloted in 2006, this project is popular with employers because communications are quickly and easily disseminated and accessed throughout the organization.

### 9 Employer Contact Program

This is a rolling program that will require minimal employer involvement, but ongoing maintenance. The OPERS employer contact database must be updated to ensure correct distribution and security of sensitive information.

### 10 Additional Annuity Program Payroll Deductions

Again, a positive for employees who are actively planning for retirement. Recent legislation permits the use of payroll deductions for deposits to the Additional Annuity program. This may add reporting complexity for employers.

# Change-Management Information for Employers

## Employer-Impact Projects Target Implementation Dates

(18-month calendar)

