ARP mitigating contribution rate unchanged for 2013

Who should read this notice
University and college finance directors and payroll professionals

Situation overview
Effective August 2007, a mitigating contribution was required for college and university employees participating in an Alternative Retirement Plan (ARP). This mitigating contribution rate will remain at the current level of 0.77% for 2013. Remember, the mitigating contribution rate is a portion of the total employer contribution rate. Full time eligible employees may be in either the law or non-law division.

What employers need to do
Employers are asked to:

- Inform employees that there will be no change in the mitigating rate at this time for 2013.
- Review ARP processes and procedures to ensure the mitigating contribution rate of 0.77% is being deducted from the employer contributions for ARP employees.

A few reminders about mitigating contributions:

- The mitigating contribution rate applies only to contributions effective with the ARP election, not to any OPERS balances transferred to an ARP vendor.
- Service purchase by payroll deduction agreements must terminate when an employee becomes an ARP participant.
- Refunds of mitigating contributions submitted in error will appear as a credit on your ARP Employer Account Summary; they will not be refunded in the form of a check.

Why this is important
OPERS recognizes the best choice of a retirement plan varies by individual and, as such, there are important factors to consider when making a plan selection. Employees should consider the most current information available to make the best choice for their individual situation.

Changes to the Employer Manual
No revisions to the Employer Manual have been made as a result of this Employer Notice.

Whom to contact for more information
After reviewing this Employer Notice, contact Employer Outreach with questions at 888-400-0965, or by e-mail at employeroutreach@opers.org.
For a current listing of OPERS Board members, please visit www.opers.org

It is your responsibility to be certain that OPERS has your current physical and e-mail address on file. If OPERS is not made aware of address changes, we cannot guarantee that you will receive important information pertaining to OPERS public employers. 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.