Note:

Ensure all ECS users with the reporting role have a valid e-mail address on record in their profile.

Address any pending large earnings inquiries today in advance of the changes. Keep in mind that responses to large earnings inquiries must be complete and accepted by OPERS to be resolved.

OPERS

1-888-400-0965

www.opers.org

Significant changes coming to the Large Earnings review process

Who should read this notice
Finance directors, human resources and payroll professionals

Situation overview
Beginning mid-March 2012, significant changes will be made to OPERS' review of large earnings. When employees have larger than normal earnings, OPERS requires an explanation for the increase in salary. This review is done to ensure that only salary that is "earnable salary" is reported and ultimately included in determining future retirement benefits.

The following changes will be made to the process:

➢ Sending an email notification of pending large earnings inquiries to anyone using ECS "Online Reporting,"
➢ Identifying potential large earnings on the basis of a daily wage rate,
➢ Allowing employers to allocate large earnings for as many as three different reasons,
➢ Requiring information up front for each specific reason to help minimize the need to reject employer responses, and
➢ Automating the processing of accepted large earnings responses requiring breakdowns or refunds of unauthorized contributions.

Unresolved large earnings inquiries will have an effect on an employee's ability to receive an OPERS Annual Statement with an account value, an estimate of future retirement benefits, or any type of retirement benefit or refund.

What employers need to do
Automated email alerts will provide notification of pending large earnings inquiries. Therefore, it is important that all ECS users have a valid e-mail address entered into their profile. Employers should also address any pending large earnings inquiries today, in advance of the changes. Keep in mind that, in order to be resolved, responses to large earnings inquiries must be complete and accepted by OPERS.

It is expected that the number of large earnings inquiries will increase due to the change in the method of using the daily wage rate. Large earnings inquiries can be reduced by using a *Report of Retirement Contributions - Supplemental* when appropriate, such as for disability pay, retroactive salary increases, settlement agreements, and OPERS approved annual conversion payments.

Training is available
Web seminars have been scheduled throughout the month of February to allow employers to learn about the new requirements and view the new screens in ECS. Please visit the *Web Seminars & Workshops* section of www.opers.org to register for this one-hour web demonstration.

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

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