

Changes to Administrative Rules extensive

Who should read this notice

Finance directors, chief administrative officers, human resources and benefits professionals

Situation overview

Recent legislative actions have resulted in extensive changes to the OPERS Administrative Rules. In its June meeting, the OPERS Board of Trustees approved changes to more than 39 Administrative Rules.

Some of the changes detail how OPERS interacts with retirees and beneficiaries, providing specific information and clarification on member accounts, rights or payments. In short, the rules provide for how OPERS interacts with its members.

Some of the rule changes have a direct impact on employer responsibilities or operations. Therefore, Employer Services has created this overview of the employer-specific changes. Cited below are the rules that have an impact on how employers do business.

Effective July 7, 2013:

- **Bureau of Workers' Compensation service credit:** Details eligibility to purchase this type of service credit and the cost shared by member and employer to obtain service credit (Rules 145-2-03 and 145-3-24).
- **Membership determination:** Outlines the first level of review in the membership determination process (Rule 145-1-10). Please see separate *Employer Notice: Additional legislative changes regarding membership determination requests* with detailed information.
- **Payroll deductions:** Rule explains how, and under what circumstances, a public employee may initiate a payroll deduction. Employers should note that the eligibility, cost and paperwork are completed between the employee and OPERS first. After this information is completed, the employer is notified that payroll deductions must begin within a 60-day window (Rule 145-1-38).

Effective Jan. 1, 2014:

- **Contribution reporting:** Specifies how service credit is granted based on pay period end dates during a month and reporting frequencies (Rules 145-1-26 and 145-1-28(A) (4)).
- **Privatization:** Clarifies public employer pension responsibilities for public employees whose functions have been privatized (Rules 145-1-27(E) and 145-1-28 (F)).

Note:

Employers should be familiar with all Administrative Rules so that operations and procedures are compliant.

Employer Web seminars have been updated to reflect rule changes.



- **Review of earnable and not-earnable salary definitions:** Rule further defines what employee earnings are pensionable and what earnings are not pensionable (Rule 145-1-26).

Action requested

The information contained here is a high-level overview to keep employers informed of changes to Administrative Rules that affect how employers conduct their business or how employers must interact with OPERS. Employers are encouraged to be knowledgeable about *all aspects* of each Administrative Rule change.

Those who want to read the primary documentation for all Administrative Rule changes will find exact information about all Administrative Rules on the Register of Ohio website, <http://www.registerofohio.state.oh.us/>.

Why this is important

Employer Services works to keep all employers compliant with pension mandates.

More information available

All rules having a direct impact on employer operations will have a more detailed *Employer Notice* to more fully explain employer responsibilities.

As always, if you have questions, contact OPERS at 888-400-0965, option #3 for your dedicated compliance specialist, 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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