

Employer *Notice*

Update to PPE code of X to indicate Exemption/Excluded

Who should read this notice

Finance directors, payroll and human resources professionals of OPERS employers

Situation overview

OPERS is updating the meaning of the Pay Period End (PPE) code X to be used in cases where individuals continue to provide services to employers, but are not being reported to the retirement system because they are not paid earnable salary on which contributions are owed. Previously, the PPE code of X was used only in the case of a student exemption. OPERS forms and publications will be updated to indicate the change to the description of the PPE code of X to read: Exemption/Excluded.

Employers should not certify dates of termination on OPERS forms if the individual has not completely separated from public service. Individuals who continue to provide services in a capacity where they are not paid earnable salary have not separated from public service.

OPERS members are not eligible to receive a refund of contributions or commence a retirement benefit if the individual has not completely terminated all public service.

What employers need to do

Effective immediately, OPERS employers should:

Use a PPE code of X for those individuals who have not completely separated from public service, but are no longer being reported to the retirement system due to not having any earnable salary. This PPE code may be entered on the final report of retirement contributions for the individual or through PPE code Management on ECS.

Note: If you've previously added a PPE of Q for this scenario, you can update this code to an X by using PPE Code Management in ECS.

Additionally, when an individual does completely terminate service, ECS reporting employers may add an additional PPE code of Q with the date all public service terminated. For those individuals who have completely separated from employment, please continue to use the PPE code of Q.

(continued on page 2)



Update to PPE code of X *(continued)*

Why this is important

It is an employer's responsibility to report information to the retirement system properly, including maintaining a list of those individuals contributing and not contributing to the retirement system. When using a PPE code of Q, you are indicating that an individual has completely separated from public service. If the wrong code is used and the individual has not actually terminated all public service, certain processes at OPERS may be initiated in error. By using the PPE code of X, you are indicating that the employee is in a non-contributing status but is still employed or providing service to the employer. Also, employers should report these individuals annually on their non-contribution list.

Changes to the Employer Manual

The Employer Manual has been updated to include the information in 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.

