



Terminating Public Employment

The 11-member OPERS Board of Trustees is responsible for the administration and management of OPERS. Seven of the 11 members are elected by the groups that they represent (i.e., college and university non-teaching employees, state, county, municipal, and miscellaneous employees, and retirees); the Director of the Department of Administrative Services for the State of Ohio is a statutory member, and three members are investment experts appointed by the Governor, the Treasurer of State, and jointly by the Speaker of the Ohio House of Representatives and the President of the Ohio Senate.

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 address on file. If OPERS is not made aware of address changes, we cannot guarantee that you will receive important information pertaining to your OPERS account.

This booklet is written in plain language for use by members of 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. OPERS is not required to provide health care coverage to retirees or their dependents and will only do so at the discretion of the Board of Trustees.

Terminating Public Employment

As a member of the Ohio Public Employees Retirement System (OPERS), you have options when it comes to terminating OPERS-covered employment. Regardless of the OPERS retirement plan in which you participate, you may leave your account on deposit with OPERS or take a lump-sum refund upon leaving an OPERS-covered position.

Leaving Your Account on Deposit

When you terminate OPERS-covered employment, you may leave your account on deposit with OPERS until you choose to take a refund of your account, receive a retirement benefit, attain the required minimum distribution age or until your death. If you leave your account on deposit and return to OPERS-covered employment, you will resume participating in the last retirement plan in which you had contributions on deposit. If you leave your account on deposit, be sure to keep your personal information current with OPERS. You can go to opers.org and register to use My Account, a

Each option will have an impact on your status with OPERS.

Beginning January 1, 2022, the Combined Plan will no longer be a plan selection option for new hires. Newly-hired members will only have the option to select from two of the OPERS retirement plans—the Traditional Pension Plan or the Member-Directed Plan.

personal online account, to update your contact information and view your account online.

If you leave your account on deposit after terminating OPERS-covered employment, you may have the opportunity to receive certain benefits upon reaching the eligible age criteria. Under the Traditional Pension and Combined plans, these benefits may be impacted by your years of service credit. In addition, your employee contributions continue to earn interest or earnings depending on the retirement plan in which your contributions are on deposit.



If you leave your account on deposit, be sure to keep your personal information current with OPERS.

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Leaving Your Account on Deposit Continued

Leaving Your Account on Deposit Under the Traditional Pension or Combined Plans

- With at least five years of contributing service in the plan, you have earned a reduced retirement benefit for each retirement group.* If you are in Group A and B, you may apply to receive a reduced retirement benefit at age 60. If you are in Group C, you may apply to receive a reduced retirement benefit at age 62.
- With 18 months of contributing service credit in the plan and with three of those months occurring within the two-and-a-half years immediately before death, your qualified survivors may qualify for survivor benefits. Please refer to the *Survivor Benefits* leaflet available on opers.org for more information.
- With at least five years of contributing service in the plan, if you become permanently disabled within two years of termination of plan participation, you may file for disability benefits. Disability coverage only extends to illnesses and injuries that occur before you terminate your contributing service, as well as illnesses and injuries that result from your contributing service, but do not become evident for up to two years after you terminate contributing service. To learn more, please refer to the *Disability Benefits* leaflet available at opers.org.
- Under the defined benefit component of the Combined Plan, you continue to earn interest on amounts paid to purchase service credit.
- Under the Traditional Pension Plan, you continue to earn interest on your employee contributions and amounts paid to purchase service credit. The interest granted each year is the interest rate in effect at that time. The rate is set annually by the OPERS Board of Trustees.
- OPERS offers the OPERS health care program for eligible benefit recipients. Please see the *OPERS Health Care Program Guide* or opers.org/health-care for details.

***To find your retirement group, please refer to your annual statement or log into your online account.**

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Leaving Your Account on Deposit Continued

Leaving Your Account on Deposit Under the Member-Directed or Combined Plans

You can continue to direct your individual defined contribution account in the OPERS Investment Options you select.

- Your individual account continues to be subject to investment gains or losses. (**See Important Information About Your Investment Account on page 6.)
- As a Member-Directed or Combined plan participant, you are charged a monthly administrative fee of \$6, regardless of the account balance. This fee is subject to change. The OPERS Board of Trustees will review the fee annually and make adjustments in future years as necessary. This fee will first be deducted from your investment account beginning with member contributions. If those amounts are depleted, the fee will be deducted from employer contributions (Member-Directed Plan only) and then voluntary contributions and roll over deposits.

As a Member-Directed or Combined plan participant, you are charged a monthly administrative fee of \$6, regardless of the account balance.

- At retirement, you may select from the following payment options for your individual account:
 - Annuitize 100 percent of your account to receive a monthly benefit
 - Annuitize a partial amount and elect to have the remaining account balance rolled over to another company, or sent to you directly with taxes withheld
 - Have your entire account balance rolled over to another company, or sent to you directly with taxes withheld



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Refunding Your Account

Certain elements of the refund process are unique to the Traditional Pension, Member-Directed, and Combined plans. However, some requirements apply to all three plans for a refund to be issued:

- Two months must pass from the date you terminated OPERS-covered employment as certified by your employer.
- You may not return to OPERS-covered employment during those two months or before your refund is issued. If you return to OPERS-covered employment before the refund is issued, you are not eligible to receive a refund.
- If you are eligible to retire and are legally married at the time you request a refund, spousal consent is required. OPERS will provide you with a spousal consent form.

By completing the Retirement Plan Refund Application, you will receive your payment based on the instructions you provide. To apply for a refund, access your online account at opers.org.

Refund eligibility may be impacted if you are a member of another Ohio retirement system. If you are a member of State Teachers Retirement System of Ohio (STRS), School Employees Retirement System (SERS), Ohio Police and Fire Pension Fund (OP&F), State Highway Patrol Retirement System (SHP) or Cincinnati Retirement System (CRS), you are not eligible to receive your OPERS refund if you are currently employed under the same public employer who was your last public employer under OPERS.

The Traditional Pension Plan

If you are participating in the Traditional Pension Plan, you may receive your employee contributions, interest on those contributions and, if you have five or more years of qualified service credit, an additional amount that is determined based upon your years of service credit.

For at least five years of qualified service credit, the additional amount is 33 percent of your eligible contributions. If you have at least 10 years of qualified service credit, the additional amount is 67 percent of your eligible contributions.

Eligible contributions are the contributions you made to the plan and any amounts you paid to purchase certain types of service credit, plus applicable interest.

Years of Qualified Service Credit	Refund Percentage
Less than 5	0%
More than 5 less than 10	33%
More than 10	67%

Note: The types of service credit that do qualify in determining eligibility for an additional amount at the time of refund include: regular contributing service, redeposited service, and interrupted military service. The types of service credit that do not qualify in determining eligibility for an additional amount at the time of refund include: time receiving an Ohio Bureau of Workers' Compensation claim; free military service time; purchases of unreported, school board, Early Retirement Incentive Plan, denied salary, out-of-state, federal, Ohio municipal retirement system, leave of absence, military, optional, elective service, 35 percent elective service, exempt; transferred service from the School Employees Retirement System and State Teachers Retirement System, purchased/transferred service from State Highway Patrol Retirement System, Ohio Police and Fire Pension Fund service, or the Cincinnati Retirement System; purchased plan change service; and Traditional Pension Plan service transferred to the Member-Directed or Combined plan.

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Refunding Your Account Continued

The Member-Directed Plan

As a participant in the Member-Directed Plan, you may receive your employee contributions and any corresponding investment earnings or losses. Please note that account balances fluctuate daily. (**See Important Information About Your Investment Account on page 6.) You may also receive a portion of your employer contributions, plus any investment gains or losses, depending on the number of years you have attained in the plan (*see chart at right*). Your non-vested employer contributions are forfeited upon an account refund.

Attained Years of Participation	Percentage Vested in Employer Contributions
Less than 1 year	0%
1 Year	20%
2 Years	40%
3 Years	60%
4 Years	80%
5 Years	100%

Retiree Medical Account (RMA)

If you are a Member-Directed Plan participant, you are also eligible to use the vested funds in your Retiree Medical Account for qualified health care expenses after you receive a distribution of the funds in your investment account. The amount in your RMA that you are entitled to use is based on

your years of participation in the Member-Directed Plan and your date of hire or plan change effective date (*see charts below*). For more information about the RMA, please refer to the *Retiree Medical Account for Member-Directed Plan Participants* fact sheet at opers.org.

Hired prior to July 1, 2015

Attained Years of Participation	Percentage Vested in Retiree Medical Account
Less than 1 year	0%
1 Year	20%
2 Years	40%
3 Years	60%
4 Years	80%
5 Years	100%

Hired on or after July 1, 2015 Plan changes* effective on or after Aug. 1, 2015

Attained Years of Participation	Percentage Vested in Retiree Medical Account
0-5 Years	0%
6 Years	10%
7 Years	20%
8 Years	30%
9 Years	40%
10 Years	50%
11 Years	60%
12 Years	70%
13 Years	80%
14 Years	90%
15 Years	100%

*to the Member-Directed Plan

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Refunding Your Account Continued

The Combined Plan

If you are participating in the Combined Plan, you may receive a refund from both the defined benefit and defined contribution portions of the plan. If you receive a refund on or after January 1, 2022, and subsequently return to OPERS-covered employment, the Combined Plan will no longer be a plan selection option (See the *Returning to Public Employment After Refunding* section within this leaflet.)

The refund of the defined contribution portion includes your employee contributions and any investment earnings or losses on those contributions. Please note that account balances fluctuate daily. (**See Important Information About Your Investment Account below.) If you have five or more years of qualified service credit in the defined benefit portion, you may receive an additional amount that is based upon your years of qualified service credit. If you have at least five years of qualified service credit, the additional amount is 33 percent of your eligible contributions. If you have at least 10 years of

qualified service credit, the additional amount is 67 percent of your eligible contributions. Eligible contributions are the contributions you made to the plan (not including any gains or losses on those contributions) and any amounts you paid to purchase certain types of service credit, plus applicable interest.

Years of Qualified Service Credit	Refund Percentage
Less than 5	0%
More than 5 less than 10	33%
More than 10	67%

Tax Consequences

All or a portion of the refund may be eligible for a rollover into an individual retirement account (IRA) or a qualified retirement plan. When you apply for a refund online, you'll also have access to a *Special Tax Notice Regarding OPERS Payments*. If you have any questions regarding the taxability of your refund, please contact OPERS or consult your financial advisor.

**IMPORTANT INFORMATION ABOUT YOUR INVESTMENT ACCOUNT (MEMBER DIRECTED AND COMBINED PLAN PARTICIPANTS):

- Your individual account balance will remain invested and subject to market fluctuations until the date your funds are liquidated ("sold") from your investment options to process your retirement/refund distribution. Please note, your account balance will not be fixed or "frozen" as of a certain date.
- OPERS cannot guarantee a date by which your investment account balance will be liquidated. We will work with our third-party administrator for the Member-Directed/Defined Contribution portion of the Combined Plan and follow our standard procedures to process your retirement/refund distribution. Unforeseen circumstances can occur that cause delays in processing.
- As a reminder, your account balance remains subject to daily gains and losses associated with the specific investment options you have chosen until your balance is liquidated. If you would like to make a change to your investment options between now and the time your account balance is liquidated, please visit opers.org and log into your online account or call OPERS to manage your defined contribution account.

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Impact of Court Orders on Refunds

With certain exceptions, OPERS accounts are not subject to garnishment, assignment, attachment, bankruptcy, or any other legal process. Generally, a refund is similarly protected except under the following circumstances:

- Federal tax levies;
- Certain court-ordered restitution withholding;
- Court-ordered child support withholding;
- Court-ordered spousal support withholding; and
- A division of property order as specified by Ohio domestic relations law (Ohio Revised Code Sections 3105.08 through 3105.90).

In the event OPERS receives one of these orders and a refund is due, the appropriate amount will be withheld and sent to the agency responsible for

collection or, in the case of a division of property order, the alternate payee under the order. OPERS has more detailed information available regarding division of property and withholding orders. Visit [opers.org](https://www.opers.org) and select Legal under the About OPERS tab.

Returning to Public Employment After Refunding

If you later return to OPERS-covered employment after taking a refund from all OPERS retirement plans, you may be eligible to make a new retirement plan selection. Beginning January 1, 2022, the Combined Plan will no longer be a plan selection option. Please refer to the *Service Credit and Contributing Months* booklet for more detailed information concerning refunded contributions.



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