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3307-3-01

Employer duties.

Each employer shall timely contribute, deduct, make payments and report in compliance with the provisions of Chapter 3307. of the Revised Code and the ~~administrative~~Administrative Code and shall provide the ~~state teachers~~ retirement system with the information it requires to carry out its duties.

Effective:

Five Year Review (FYR) Dates: 2/16/2018

Certification

Date

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3307-3-02

Employer reporting.

- (A) Each employer shall annually ~~by~~ on or before the ~~second~~ first Friday of August submit a report for the preceding school year certifying service credit, contributions on earned compensation and such other information as the retirement system may specify for each teacher employed during the twelve-month period ending on the preceding thirtieth of June.
- (1) Such annual report shall be in the form and format specified by the retirement system; and
 - (2) Such annual report shall include each teacher employed in a position covered by the retirement system during that twelve-month period ~~without regard to whether the teacher participates in the STRS defined benefit plan or the STRS defined contribution plan.~~
- (B) Each employer shall no later than five business days after any pay date report contributions on compensation paid or earned based on payroll records for each teacher employed during the payroll period in a position covered by the retirement system ~~and without regard to whether the teacher participates in the STRS defined benefit plan or the STRS defined contribution plan.~~ Such payroll report:
- (1) Shall be in the form and format specified by the retirement system; and
 - (2) Shall include contributions on compensation paid or earned during the payroll period and such other information as may be specified by the retirement system.
- (C) Each employer shall notify the retirement system no later than the tenth day after an employee's first date on the payroll in a position covered by the retirement system of the employee's first date of employment. Notice shall be given in the manner and format specified by the retirement system and shall include the employee's name, address, social security number, birth date and gender and such other information as the retirement system may specify.
- (D) Each employer shall notify the retirement system no later than the tenth day after an individual who is retired under an Ohio public retirement system or alternative retirement plan under Chapter 3305. of the Revised Code of the date that the individual first renders service as a reemployed retirant in a position covered by the retirement system. Notice shall be given in the manner and format specified by the retirement system and shall include the employee's name, address, social security number, birth date and gender and such other information as the retirement system may specify.

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07/18/2003, 07/24/2008, 06/02/2013

3307-3-03

Contributions.

- (A) Member contributions made pursuant to section 3307.26 of the Revised Code shall be due with the payroll report specified by paragraph (B) of rule 3307-3-02 of the Administrative Code, but shall in no case be paid by an employer later than the fifth business day after a pay date.
- (B) Any employer contributions not made by deduction from foundation funds as specified by section 3307.31 of the Revised Code shall be due with the payroll report specified by rule 3307-3-02 of the Administrative Code, but shall in no case be paid by an employer later than the fifth business day after a pay date.

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3307-3-04

Back posting.

~~An employer may in writing request that the certification made by its prior annual reports be amended, provided:~~

~~(A) An employer may in writing request that the certification made by its prior annual reports be amended, provided:~~

~~(A)(1) Its request explains the reasons for its omission or error.~~

~~(B)(2) It is in the form and format specified by the retirement system.~~

~~(B)~~(B) Member and employer contributions paid and reported after the close of the fiscal year in which compensation was earned will be accepted only upon payment of interest compounded annually at the actuarially assumed rate, beginning with the first month after the end of the fiscal year in which the compensation was earned and through the month payment is made to the retirement system. Interest for a full month shall be paid for any portion of a month.

~~(D)~~(C) Except as provided in paragraph ~~(E)~~(D) of this rule, the retirement system will return unauthorized or improperly made member and employer contributions to the employer.

~~(E)~~(D) If an employer has requested a membership determination from the retirement system and the retirement system determines membership is not required, any member and employer contributions already made on compensation earned during the current fiscal year will be returned to the party that remitted the payment of contributions.

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3307-3-05 **Employer penalties and interest.**

(A)

~~(1) Annual reports submitted later than the date specified by paragraph (A) of rule 3307-3-02 of the Administrative Code shall be subject to a penalty of one hundred dollars per day, up to a maximum of one thousand dollars.~~

~~(2) Such penalty may, at the sole discretion of the state teachers retirement system, be waived if before the original due date the retirement system approved an employer's request to submit its report by a date mutually agreed upon at the time of the request, but in no case later than five days after the report was due.~~

~~(3) If a report is received after the date mutually agreed upon under this division, the penalty will be assessed beginning with the original date the report was due.~~

(A) Annual reports submitted later than the date specified by paragraph (A) of rule 3307-3-02 of the Administrative Code shall be subject to a penalty of five hundred dollars per day, up to a maximum of two thousand dollars. Such penalty may, at the sole discretion of the retirement system, be waived if before the original due date the retirement system approved an employer's request to submit its report by a date mutually agreed upon at the time of the request, but in no case later than five days after the report was due. If a report is received after the date mutually agreed upon under this paragraph, the penalty will be assessed beginning with the original date the report was due.

(B) Payroll reports submitted later than the dates specified by paragraph (B) of rule 3307-3-02 of the Administrative Code may be subject to a penalty of up to five hundred dollars per day, up to a maximum of two thousand dollars.

(C) Member and employer contribution payments shall be due with each payroll report and late payments may, at the sole discretion of the state teachers retirement system, be subject to interest as specified by paragraph (E) of this rule.

(D) Employers shall calculate, report and certify contributions, credit and compensation in accordance with the applicable provisions of the statutes and rules. An employer may, at the sole discretion of the state teachers retirement system, be required to repay the retirement system for any amounts paid by the retirement system as the result of employer errors in reporting or certifying information to the retirement system.

(E) Interest may, at the sole discretion of the state teachers retirement system, be charged to an employer for past due payments of member and employer contributions, ~~early retirement incentive payments~~ or other employer obligations, as follows:

- (1) Interest will be compounded beginning with the month payment is due through the month of payment; and
- (2) Interest will be compounded at the actuarially assumed rate; and
- (3) Interest will be compounded for a full month for any portion of a month.

(F) New hire or reemployed retiree notifications submitted later than the dates specified by paragraphs (C) and (D) of rule 3307-3-02 of the Administrative Code may be subject to a penalty of up to five dollars per day per individual, up to a maximum of one hundred dollars.

~~(F)~~(G) Penalties and interest shall be due as incurred and may be netted from future foundation payments under section 3307.31 of the Revised Code.

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3307-4-01

Membership and contribution.

- (A) Membership in the state teachers retirement system may be denied to the following categories of teachers employed on a temporary basis:
- (1) Visiting faculty members appointed to an academic chair in Ohio, provided;
 - (a) The appointment will not exceed two years;
 - (b) The faculty member will terminate employment upon completion of the appointment;
 - (c) The faculty member will remain the employee of a school, college or university other than an Ohio public employer.
- (B) ~~The right to make contributions will be denied upon the application of a~~ member employed on a part-time basis as a student employee by a school, college or university in which he or she is regularly attending classes may make application to be exempt from contributions to the retirement system, provided that:
- (1) Application for exemption from contribution is made within thirty days of such employment or enrollment as a student on a form provided by the ~~state teachers~~ retirement system;
 - (2) ~~An~~ The exemption from contribution will remain ~~remains~~ in effect until employment as a student employee of that employer is terminated or contributions are made upon compensation paid by that employer, whichever occurs earlier;
 - (3) A member on leave of absence from a teaching position covered by the ~~state teachers~~ retirement system shall be ineligible for exemption from contribution;
 - (4) Membership shall be maintained throughout any period of exemption from contribution and such exemption shall not constitute termination of covered employment within the meaning of section 3307.56 of the Revised Code.
- (C) Requests for denial of membership or contribution pursuant to this rule shall be made jointly by the teacher and employer involved. Failure to comply with any of the conditions specified in paragraph (A) or paragraph (B) of this rule shall void any denial of membership or contribution previously granted and contributions will thereupon be due beginning with the initial date of appointment.
- (D) No service credit will be awarded for any period for which a person is exempted from contribution. A person shall be forever barred from claiming credit for any such period, except as provided by section 3307.73 of the Revised Code.

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11/05/1992, 07/01/2001 (Emer.), 09/17/2001,
07/24/2008, 06/02/2013

3307-5-01

Alternative retirement plans.

- (A) Each institution of higher education with an academic employee eligible to elect an alternative retirement plan under division (B) of section 3305.05 of the Revised Code shall give notice of the hiring to the ~~state teachers~~ retirement system.
- (1) Notice shall be given when the institution enters into a contractual relationship with the employee, but in no case later than ten days after the employee's first day on the institution's payroll.
 - (2) Notice shall be given when an employee changes to a classification ~~which~~^{that} qualifies the employee to elect an alternative retirement plan, but in no case later than ten days after the effective date of the employee's new classification.
 - (3) Notice shall be given when an employee participating in an alternative retirement plan who is employed in a position covered by the public employees retirement system or school employees retirement system becomes employed in a position covered by this retirement system and continues participation in the alternative retirement system, but in no case later than ten days after the effective date of the first date of employment in a position covered by this system.
 - (4) Notice shall be given in the manner and form prescribed by the ~~state teachers~~ retirement system, and shall set forth the employee's name, address, social security number, date of birth, gender and any other information required by the ~~state teachers~~ retirement system.
- (B) Employer contributions required by division (D) of section 3305.06 of the Revised Code shall be remitted monthly no later than the fifteenth day of the month following the month during which the compensation is paid.
- (C) Employers shall submit a monthly report for contributions required under division (D) of section 3305.06 of the Revised Code in a manner and form prescribed by the ~~state teachers~~ retirement system for all employees in positions covered by this retirement system who have elected an alternative retirement plan under Chapter 3305. of the Revised Code.
- (D) The institution shall file a certified copy of any election made by an employee with the retirement system no later than ten days after it is filed with the institution by the electing employee. Elections shall be made on forms provided by the ~~state teachers~~ retirement system and completed by the institution and employee to provide all information requested by the ~~state teachers~~ retirement system, including the employee's name, address, social security number, alternative retirement plan selected, payroll and contribution data and any other information specified by the ~~state teachers~~ retirement system.

- (E) Payment under section 3305.052 of the Revised Code on behalf of an employee will be made to the provider of the alternative retirement plan in which the employee had chosen to participate within thirty days of receipt by the retirement system of a certified copy of the election form, including complete certification, payroll and contribution data and selected provider information. The employer shall be responsible for the recovery of any overpayment made under section 3305.052 of the Revised Code as a result of employer payroll and contribution certification error.

- (F) Unauthorized or improper employer and employee contributions received by the retirement system after the effective date of an election and not included in the payment under section 3305.052 of the Revised Code shall be returned to the employer, less any amount due pursuant to division (D) of section 3305.06 of the Revised Code.

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06/02/2013

3307-6-01

Compensation for services to teacher professional organizations.

(A) As used in this rule:

- (1) "Base compensation" shall mean the base salary specified by a contract under section 3319.08 of the Revised Code for employment as a teacher.
- (2) "Base contract daily rate" shall mean the base salary specified by a contract under section 3319.08 of the Revised Code divided by the number of days or partial days of service required by that contract.
- (3) "Employer" shall be as defined by section 3307.01 of the Revised Code.
- (4) "Teacher professional organization" shall mean an organization of teaching professionals that qualified as an employee organization under the terms of section 4117.01 of the Revised Code.

(B) Service to a teacher professional organization by a member performing such service in addition to teaching duty shall constitute teaching service for the purposes of Chapter 3307. of the Revised Code if employer and employee contributions are made for each year of such service as specified by this paragraph. Compensation upon which contributions are based for each year shall include the following amounts paid for services actually rendered, whether paid or reimbursed in whole or in part by the employer or the teacher professional organization:

- (1) Base compensation.
- (2) Amounts paid pursuant to a supplemental written contract for additional duties unrelated to service to the teacher professional organization.
- (3) If provided by a collectively bargained agreement between the employer and the teacher professional organization, amounts paid as compensation for service to the teacher professional organization, up to a maximum amount calculated by:
 - (a) Multiplying the base contract daily rate by;
 - (b) A number of days determined by subtracting from two hundred fifty the number of days of service full-time teachers are required to work under an employer's standard teaching contracts for each year.

(C) Absence for full-time service to a teacher professional organization is hereby approved as a reason qualifying under section 3307.77 of the Revised Code for purchase of credit or completion of contributions, provided:

- (1) The payments described in this paragraph shall constitute compensation for purposes of this rule, whether paid or reimbursed in whole or in part by the employer or the teacher professional organization.
- (2) Compensation upon which contributions are based shall be the base compensation under the contract in place under section 3319.08 of the Revised Code between the member and the employer on the thirtieth day of June before service to the teacher professional organization began, plus compensation under any supplemental contract in effect on that date, adjusted as follows:
 - (a) After the first year of absence due to service to the organization, compensation under such contracts shall be increased in accordance with the employer's salary schedules, if the schedules continue to specify a salary for the position or duties; and
 - (b) Compensation shall also include amounts actually paid by an employer, a teacher professional organization or either of them as compensation for service to the organization, if provided by specific provision of the collectively bargained agreement between the employer and the teacher professional organization, up to a maximum amount calculated by:
 - (i) Multiplying the base contract daily rate as adjusted under paragraph (C)(2)(a) of this rule by;
 - (ii) A number of days determined by subtracting from two hundred fifty the number of days of service full-time teachers are required to work under an employer's standard teaching contract for each year.
- (D) A member is ineligible to contribute, complete contributions or purchase credit under this rule for any service to a teacher professional organization that is used in the calculation of any retirement benefit currently being paid or payable in the future under any other retirement program, except social security.
- (E) To the extent that contributions on compensation included by this rule are not otherwise included with contributions transmitted or paid by an employer, the member may request that contributions be permitted on a form provided by the retirement system and signed by the member, the teacher professional organization and the employer, which shall include such information as the retirement system finds necessary. If an application is approved, contributions shall be transmitted by the employer in accordance with instructions provided by the retirement system.

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3307-7-01

Guardianship.

- (A) As used herein, "recipient" shall mean any person who is eligible to receive a payment or benefit under Chapter 3307. of the Revised Code.
- (B) Election of or payment of benefits or other monies shall be by and through a duly appointed guardian of the estate or other person specified by court order if:
- (1) A recipient is under the age of eighteen and is not in the custody and care of a natural or adoptive parent; or
 - (2) A recipient is ~~over the age of eighteen or older~~, but has been adjudicated incompetent by a court with jurisdiction over the recipient;~~or~~
 - (3) A recipient is age eighteen or older and has been determined to qualify for benefits under section 3307.66 of the Revised Code as a result of physical or mental incompetency determined by a doctor of medicine or osteopathic medicine appointed by the retirement board and the recipient's attending doctor of medicine or osteopathic medicine determines the recipient is incapable of handling his or her financial matters because of the physical or mental incompetency. Such determination shall be made in accordance with section 3307.66 of the Revised Code and the procedures set forth in paragraph (H) of rule 3307:1-8-01 of the Administrative Code.
- (C) Notwithstanding paragraph (B) of this rule, guardianship will not be required for payment of benefits or other monies due a recipient described in paragraph (B)(1) or paragraph (B)(2) of this rule if documentation has been provided to the retirement system to support one of the following:
- (1) Guardianship has been terminated pursuant to section 2111.05 of the Revised Code or its counterpart under the laws of the state with jurisdiction over the recipient, and the court has authorized payment to a person or entity designated by the court; or
 - (2) A court has authorized payments due to a recipient under the age of eighteen pursuant to section 2111.131 of the Revised Code or its counterpart under the laws of the state with jurisdiction over the recipient to a person or entity designated by the court; or
 - (3) A court has authorized payments to a representative payee designated by the court, pursuant to some other section of the Revised Code or the laws of the state with jurisdiction over the benefit recipient.

- (4) If a guardian, permanent custodian or authorized payee has not been appointed by the courts for a minor child who has no natural guardian or whose natural guardian cannot be located, monthly benefits may be paid to the person in whose custody a minor child resides, provided:
- (a) If the natural guardian cannot be located, an application for payment to the person in whose custody a minor child resides must be supported by affidavits from that person and at least two other persons, at least one of whom shall be unrelated to the applicant, attesting that the whereabouts of the natural guardian are unknown.
 - (b) If a court has awarded temporary custody, monthly benefits will be delayed for a period up to three months following the date of death of the member. If no permanent custody, guardianship or payee order has been made within that period and if no court order directs otherwise, payment may be made to the person who has temporary custody.
- (5) For lump sum withdrawals authorized by Chapter 3307. of the Revised Code payable to members, superannuates or other system retirants as defined in section 3307.35 of the Revised Code, including member account withdrawals pursuant to section 3307.56 of the Revised Code and withdrawals pursuant to section 3307.352 of the Revised Code:
- (a) with a value of ten thousand dollars or more an application must be signed by the member or by the superannuate or other system retirant, or by the guardian of the estate of the member, superannuate or other system retirant with approval of the court that created the guardianship; or
 - (b) with a value of less than ten thousand dollars an application must be signed by the member or by the superannuate or other system retirant, or by an attorney in fact who has authority pursuant to a power of attorney to execute financial transactions with the retirement system on behalf of the member, superannuate or other system retirant.
- (6) For lump sum payments authorized by Chapter 3307. of the Revised Code payable to beneficiaries and qualified survivors as defined in sections 3307.562, 3307.60 and 3306.66 of the Revised Code:
- (a) with a value of ten thousand dollars or more, or of any value if payment is pursuant to division (D) of section 3307.60 of the Revised Code, an application must be signed by either the beneficiary or qualified survivor or by the guardian of the estate for the beneficiary or the qualified survivor with approval of the court that created the guardianship; or

(b) with a value of less than ten thousand dollars, except for lump sum payments pursuant to division (D) of section 3307.60 of the Revised Code, an application must be signed by either the beneficiary or qualified survivor, or by an attorney in fact who has authority pursuant to a power of attorney to execute financial transactions with the retirement system on behalf of the beneficiary or qualified survivor.

- (D) Absent a court order otherwise specifying or the consent of the guardian of the estate, account or benefit information shall not be provided to persons appointed to serve only as guardians of the person. Such persons may not exercise rights specified by Chapter 3307. of the Revised Code or the Administrative Code on behalf of a minor child.
- (E) Where there is no person clearly identified to the retirement system as authorized to make binding financial decisions or where the appointment by a court of a guardian or payee so requires, that person shall obtain ~~the~~an order of the court approving withdrawal, election of rights, selection of a plan of payment except as provided in division (F) of section 3307.60 of the Revised Code, or designation of beneficiaries.

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3307-8-01

Payments of benefits.

- (A) As used in this rule, "alternate payee" and "participant" shall be as defined by section 3105.80 of the Revised Code.
- (B) ~~Except as herein specified, all~~ All monthly benefits or partial lump-sum option plan benefits paid directly to the recipient on and after October 1, 2010 shall be paid by electronic funds transfer. ~~When community disasters occur, the retirement system may temporarily suspend the requirement to pay benefits only by electronic funds transfer to affected individuals and issue paper checks instead.~~
- (C) Notwithstanding paragraph (B) of this rule;
- (1) Benefit recipients or alternate payees whose addresses are outside of the United States may choose to receive benefits by electronic funds transfer of funds to a bank in the United States, but are not required to do so; ~~or and~~
 - (2) ~~If payment by electronic funds is impracticable as determined by the retirement system in its sole discretion, the~~ The retirement system, in its sole discretion, may issue payment by paper checks to any benefit recipient or alternate payee if determined to be necessary for administrative purposes and/or if payment by electronic funds transfer is impracticable.
- (D) Each benefit recipient and each alternate payee shall notify the retirement system on a form it supplies of:
- (1) The name of the financial institution to which benefits will be transferred electronically; and
 - (2) The mailing address of that financial institution; and
 - (3) The routing number of that financial institution; and
 - (4) The account number to which funds are to be transferred; and
 - (5) Such other information as the retirement system may specify.
- (E) No payment will be made to a benefit recipient or to an alternate payee of estimated or regular monthly benefits until such recipient or alternate payee provides full information about the financial institution to the retirement system.
- (F) Amounts payable under an optional plan of payment selected pursuant to division (B) (1) or (D)(2)(a) of section 3307.60 of the Revised Code or the defined contribution program under section 3307.81 of the Revised Code shall be paid by electronic transfer of funds to the same financial institution to which monthly benefits will be

paid except in the case of amounts paid directly to another retirement savings plan eligible to receive rollovers from a qualified plan.

- (G) Selection of a plan of payment pursuant to section 3307.60 of the Revised Code or 6.2(e) of the document establishing the defined contribution program under section 3307.81 of the Revised Code shall become final on the fifteenth day of the month of the first regular benefit payment. Retirement may not be canceled thereafter and no change may be made thereafter in the plan of payment selected, the retirement date or the amount of any lump sum option selected pursuant to division (B)(1) of section 3307.60 of the Revised Code or the account to which it is to be deposited. The member's ability to purchase service credit or to replace contributions as outlined in paragraph ~~(D)~~(C) (2) of rule 3307:1-3-02, paragraph (D)(2)(n) of rule 3307:1-3-13 and paragraph (C)(1) of rule 3307:2-4-01 of the Administrative Code ceases on the ~~fifteen~~fifteenth day of the month following the first regular benefit payment. The repayment of any lump sum must be made no later than the thirtieth day after the fifteenth day of the month of the first regular benefit.
- (H) Selection of an annuitized benefit under section 6.3 of the document establishing the defined contribution program under section 3307.81 of the Revised Code shall become final on the effective date of retirement. Retirement may not be canceled thereafter and no change may be made in the effective date of retirement. Selection of a plan of payment pursuant to section 6.3(c) shall become final on the fifteenth day of the month of the first regular benefit payment and no change may be made thereafter.
- (I) The benefit effective date of a benefit paid under section 3307.63 or 3307.631 of the Revised Code shall be final on the fifteenth day of the month of the first regular benefit payment.
- (J) Payment to an alternate payee shall occur no earlier than the sixteenth day of the month of the first regular benefit payment to the participant.
- (K) The right to a benefit, including a lump sum withdrawal, under Chapter 3307. of the Revised Code is a personal right. Benefits may be suspended or terminated by the retirement system in the event the system has good cause to believe that a benefit recipient may be incapacitated and no other person has legal authority to act or receive benefits on the benefit recipient's behalf or in the event the system learns that a benefit recipient is missing and unable to present himself or herself to establish to the retirement system's satisfaction that he or she is in fact alive and entitled to receive benefits.

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02/02/2014

3307-9-01

Division of property orders.

(A) For purposes of this rule:

- (1) "Order" means an order described in section 3105.81 of the Revised Code.
- (2) "Alternate payee," "benefit," "lump sum payment" and "participant" have the meanings set forth in divisions (A) to (D) of section 3105.80 of the Revised Code.

(B) The retirement system may retain an order that provides the last four digits of the participant's or alternate payee's social security numbers. After the retirement system retains an order, the alternate payee shall provide information required on a form provided by the retirement system. The retirement system shall not issue payment to the alternate payee until the retirement system receives the information required for payment. The alternate payee shall notify this retirement system in writing of any change in the information.

~~(1) The retirement system may retain an order that provides the last four digits of the participant's or alternate payee's social security numbers.~~

~~(2) After the state teachers retirement system retains an order, the alternate payee shall provide information required on a form provided by the retirement system. The retirement system shall not issue payment to the alternate payee until the retirement system receives the information required for payment. The alternate payee shall notify this retirement system in writing of any change in the information.~~

(C) The retirement system shall charge a fee to defray the cost of administering an order as follows:

- (1) The fee hereby established shall be deducted prior to calculation of the limit specified by section 3105.85 of the Revised Code.
- (2) The fee hereby established shall be divided between the participant and the alternate payee. The fee shall be deducted from the first payment made after retention of an order, except to the extent that the deduction in such manner would exceed the limitation specified by section 3105.85 of the Revised Code, in which case fees shall be paid by deduction from future payments.
- (3) The fee shall be calculated under the terms of this rule in effect at the time payment is made.
 - (a) The fee shall be calculated as an amount equal to the lesser of four hundred dollars or one per cent of the amount a participant in the defined benefit

plan established by sections 3307.50 to 3307.79 of the Revised Code is or would be eligible to receive as a lump sum payment under section 3307.56 of the Revised Code.

- (b) In the case of a participant in a the defined contribution plan established ~~under section 3307.81 of the Revised Code~~, the fee shall be calculated as an amount equal to the lesser of four hundred dollars or one per cent of the amount the participant is or would be eligible to receive as a lump sum payment under the plan in which he or she participates.
 - (c) In the event a participant is ineligible for a lump sum distribution because benefits have been granted prior to the retention of an order, the fee shall be four hundred dollars.
- (D) Pursuant to section 3105.90 of the Revised Code, an order shall be on the form prescribed by the appendix to this rule. ~~The retirement system shall accept both the version of the form prescribed by the appendix to former rule 3307-9-01 of the Administrative Code that was effective January 1, 2010, and the version of the form prescribed by the current appendix until June 30, 2014. After June 30, 2014, the retirement system shall only accept the form prescribed by the current appendix.~~
- (E) Any benefit or lump sum payment that is owed and unpaid to an alternate payee at the time of the alternate payee's death shall be paid to the estate of the alternate payee.
- (F) Any beneficiary designations previously received by the retirement system from an alternate payee shall be voided as of the effective date of this rule and all due and unpaid payments shall be paid as outlined in paragraph (E) of this rule.

Effective:

Five Year Review (FYR) Dates: 2/16/2018

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3105.80, 3105.81, 3105.82, 3105.821, 3105.83,
3105.84, 3105.85, 3105.86, 3105.87, 3105.88,
3105.89, 3105.90, 3307.371
Prior Effective Dates: 01/01/2002 (Emer.), 03/25/2002, 08/22/2003,
07/24/2008, 01/01/2010, 03/09/2010 (Emer.),
05/27/2010, 06/02/2013, 01/01/2014 (Emer.),
02/10/2014

Plaintiff/Petitioner,

v.

Defendant/Petitioner.

:
:
:
:
:
:

Case No. _____
Judge _____

DIVISION OF PROPERTY ORDER

The Court finds the following facts and issues the following Order pursuant to Sections 3105.80 to 3105.90, Revised Code: ¹

I. Terms:

A. The "Plan Participant" or "Participant" means _____, Social Security number _____, whose date of birth is _____, whose current address is _____, and whose current mailing address is _____.

B. The "Alternate Payee" means _____, Social Security number _____, whose date of birth is _____, whose current address is _____, and whose current mailing address is _____.

C. The "Public Retirement Program(s)" means (please check the name and address of the public retirement program(s) and/or University/College Alternative Retirement Plan Administrator):

Ohio Public Employees Retirement System
277 East Town Street
Columbus, Ohio 43215-4642

State Teachers Retirement System of Ohio
275 East Broad Street
Columbus, Ohio 43215-3771

¹ This form was created under Ohio Revised Code Section 3105.90. Since Ohio Revised Code Section 3105.82 requires that this form be used, variance from this form will result in non-acceptance of the order by the Public Retirement Program.

- School Employees Retirement System of Ohio
300 East Broad Street
Suite 100
Columbus, Ohio 43215-3746
- Ohio Police and Fire Pension Fund
140 East Town Street
Columbus, Ohio 43215
- Ohio State Highway Patrol Retirement System
~~6161 Busch Boulevard~~ 1900 Polaris Parkway
Suite ~~419~~ 201
Columbus, Ohio ~~43229-2553~~ 43240
- University/College Alternative Retirement Plan
Name and address of University/College Plan Administrator:

D. Obligation of Plan Participant and Alternate Payee: The Plan Participant and the Alternate Payee are ordered to notify in writing the Public Retirement Program of a change in the individual's mailing address.

II. Amount Payable to the Alternate Payee: Upon the Plan Participant receiving a payment from the Public Retirement Program, the court orders that the Alternate Payee shall receive payment in accordance with and subject to the limitations set forth in Sections 3105.82 to 3105.90, Revised Code. The Public Retirement Program is required to distribute amounts to the Alternate Payee in the same manner selected by the Participant. For example, if only a lump sum dollar amount is provided in Paragraphs II(B)(1)(a) and (b), then the Alternate Payee also receives a lump sum payment. Please designate the type and the method of payment:

A. Type of Payment: If the Participant is eligible to receive more than one benefit payment or more than one lump sum payment, please check the benefit(s) or lump sum payment(s) from which payment to the Alternate Payee shall be made. If no benefit or lump sum payment is designated, the Alternate Payee shall receive payment from the first benefit payment or lump sum payment for which the Participant is eligible to apply and to receive. Please check ALL APPLICABLE BENEFIT(S) OR LUMP SUM PAYMENT(S):

- Age and service retirement benefit, INCLUDING Partial Lump Sum Payments ("PLOS") received under Sections 145.46(E)(1), 3307.60(B), 3309.46(B)(4), or 5505.162(A)(3), Revised Code, and Deferred Retirement Option Plan ("DROP") under Section 742.43 or 5505.50, Revised Code.
- Age and service retirement benefit, BUT EXCLUDING Partial Lump Sum Payments ("PLOS") received under Sections 145.46(E)(1), 3307.60(B), 3309.46(B)(4) or 5505.162(A)(3), Revised Code, and Deferred Retirement Option Plan ("DROP") under Section 742.43 or 5505.50, Revised Code.

- Disability monthly benefit
- Account refund
- Additional money purchase annuity/additional annuity lump sum refund
- Reemployed retiree money purchase annuity (when monthly payment exceeds \$25.00) or lump sum refund
- Defined contribution plan benefit

B. Method of Payment: If the Plan Participant is a reemployed retiree contributing to a money purchase annuity or is eligible to receive or is receiving monthly benefits or a lump sum payment from a reemployed retiree money purchase annuity, the Alternate Payee shall receive payment from the reemployed retiree money purchase annuity and any other type of payment designated in Paragraph II(A) above in a monthly or one-time dollar amount as specified in Paragraph II(B)(1)(a) below. If the Plan Participant is participating in the defined contribution program, or any of its constituent plans, the Alternate Payee shall receive payment from the defined contribution program, or any of its constituent plans, and any other type of payment designated in Paragraph II(A) above in a percentage of a fraction as specified in Paragraph II(B)(2) below. If the Plan Participant is participating in any other plan in a Public Retirement Program, the Alternate Payee shall receive payment in either a dollar amount **OR** a percentage of a fraction as specified below (i.e. Please complete Dollar Amount **OR** Percentage).

1. Dollar Amount: Paragraphs II(B)(1)(a) and (b) must be fully completed, even if the indication is to pay the Alternate Payee "\$0.00" from the Participant's periodic benefit or/and lump sum payment.

a. If the Participant elects a plan of payment that consists of a lump sum payment **OR** a plan of payment that consists of periodic benefits:

\$_____ per benefit from the Participant's periodic benefit upon the Participant's receipt of the aggregate periodic benefit; **or**

\$_____ from the Participant's lump sum payment upon the Participant's receipt of the payment.

- b. If the Participant elects a plan of payment consisting of both a lump sum benefit **AND** a periodic benefit:

\$ _____ per benefit from the Participant's periodic benefit upon the Participant's receipt of the periodic benefit; **and**

\$ _____ from the Participant's lump sum benefit upon the Participant's receipt of the payment.

OR

- 2. Percentage: Please provide percentages in both Paragraph II(B)(2)(a) and (b) even if the percentage is "0%".

- a. If the Participant elects a plan of payment that consists of either periodic benefits **OR** a lump sum payment, the Public Retirement Program shall pay directly to the Alternate Payee per benefit or in a one-time lump sum payment _____ percent (_____ %) of a fraction as set forth in Paragraph II(B)(2)(c) below of the Plan Participant's periodic benefit or one-time lump sum payment.

- b. If the Plan Participant elects a plan of payment consisting of both a lump sum benefit **AND** a periodic benefit, the Public Retirement Program shall pay directly to the Alternate Payee _____ percent (_____ %) of a fraction as set forth in Paragraph II(B)(2)(c) below of the Plan Participant's periodic benefit and _____ percent (_____ %) of a fraction as set forth below of the Plan Participant's lump sum benefit.

- c. Fraction:

- i. The numerator of the fraction shall be _____, which is the number of years during which the Plan Participant was both a contributing member of the Public Retirement Program and married to the Alternate Payee. The date of marriage is _____.

- ii. The denominator, which shall be determined by the Public Retirement Program at the time that the Plan Participant elects to take a benefit or a payment, shall be the Participant's total years of service credit with the Public Retirement Program or, in the case of a Participant in a retirement plan established under Chapter 3305, Revised Code, the years of participation in the plan.

- C. Applicable Benefit: The monthly benefit amount used to determine the amount paid to the Alternate Payee from the Participant's monthly benefit shall be whichever applies:
1. If the Participant is receiving a monthly benefit, the monthly benefit shall be the gross monthly benefit the Participant is receiving at the time the decree of divorce or dissolution becomes final. The effective date of the decree of divorce, dissolution, or legal separation is _____;
 2. If the Participant has applied for but is not yet receiving a monthly benefit, the monthly benefit shall be the benefit for which the Participant is eligible;
 3. If the Participant has not applied for a benefit, the monthly benefit shall be the benefit calculated at the time the Participant elects to take the benefit.
- D. Minimum Benefit Notice: The total amount paid to the Alternate Payee pursuant to this order plus any administrative fee charged to the Participant and Alternate Payee as authorized by Section 3105.84, Revised Code, shall not exceed fifty percent of the amount of a benefit or lump sum payment that the Plan Participant is to receive or, if withholding is to be made from more than one benefit or lump sum payment, fifty percent of the total of the benefits or lump sum payments that the Plan Participant is to receive. If the Plan Participant's benefit or lump sum payment is or will be subject to more than one order issued pursuant to Section 3105.81, Revised Code, the Public Retirement Program shall not withhold an aggregate amount for all the orders plus the administrative fee(s) charged to the Participant and Alternate Payee as authorized by Section 3105.84, Revised Code, that exceeds fifty percent of the benefit or lump sum payment.
- E. Cost of living allowances: Any cost-of-living allowance ("COLA") granted to a Participant while this Order is in effect shall be apportioned between the Participant and Alternate Payee in the same proportion that the amount being paid the Alternate Payee bears to the amount paid the Participant, as provided under Sections 145.323(B), 742.3711(G), 742.3716(F), 742.3717(B)(3), 3307.67(C), 3309.374(B), and 5505.174(C), Revised Code.

III. Notification to Alternate Payee: The Alternate Payee is hereby notified of the following:

- A. The Alternate Payee's right to payment under this Order is conditional on the Plan Participant's right to a benefit payment or lump sum payment from the Public Retirement Program;
- B. When the Plan Participant's benefit or lump sum payment is subject to more than one order under Section 3105.81, Revised Code, or to an order described in Section 3105.81, Revised Code and a withholding order under Section 3121.03, Revised Code, the amount paid to the Alternate Payee under this order may be reduced based on the priority of the other orders;

- C. The Alternate Payee's right under this order to receive an amount from the benefit payment or lump sum payment to the Plan Participant shall terminate upon:
 - 1. The death of the Plan Participant;
 - 2. The death of the Alternate Payee;
 - 3. The termination of a benefit pursuant to the governing laws of the Public Retirement Program.

- IV. Administrative Fee: Pursuant to Section 3105.84, Revised Code, this order authorizes the Public Retirement Program that is or will be paying the benefit or lump sum payment to withhold from any benefit or payment that is subject to this order an amount determined by the Public Retirement Program to be necessary to defray the cost of administering the order. This amount shall be divided equally between the Plan Participant and the Alternate Payee.

- V. Application of Order: This order applies to payments made by the Public Retirement Program after retention of the Order under Section 145.571, 742.462, 3305.21, 3307.371, 3309.671, or 5505.261, Revised Code.

- VI. Additional Limitations on Order:
 - A. Payments under this order shall commence as provided under Section 145.571, 742.462, 3305.21, 3307.371, 3309.671, or 5505.261, Revised Code.
 - B. The Alternate Payee has no right or privilege under the law governing the Public Retirement Program that is not otherwise provided in the governing law.
 - C. This order shall not require the Public Retirement Program to take any action or provide any benefit, allowance, or payment not authorized under the law governing the Public Retirement Program.

- VII. Notice of Order:
 - A. The clerk of courts shall transmit a certified copy of this order to the Public Retirement Program(s) named in the order.
 - B. On receipt of this order, the Public Retirement Program shall determine whether the order meets the requirements as set forth in Sections 3105.80 to 3105.90, Revised Code.
 - C. The Public Retirement Program shall retain the order in the Plan Participant's record if the order meets the requirements in Sections 3105.80 to 3105.90, Revised Code.
 - D. The Public Retirement Program shall return, by regular mail, to the clerk of courts of the court that issued the order any order the Public Retirement Program determines does not meet the requirements in Sections 3105.80 to 3105.90, Revised Code, no later than sixty days after the Public Retirement Program's receipt of the order.

- VIII. Jurisdiction of the Court: The Court shall retain jurisdiction to modify, supervise, or enforce the implementation of this order notwithstanding Section 3105.171(I), Revised Code.

APPROVED:

Signature of Attorney for Plaintiff/Petitioner

Attorney for Plaintiff/Petitioner (please type or print name)

Supreme Court No.

Address

Address

Signature of Attorney for Defendant/Petitioner

Attorney for Defendant/Petitioner (please type or print name)

Supreme Court No.

Address

Address

SO ORDERED.

Judge

Division of Property Order approved per Section 145.571, 742.462, 3305.21, 3307.371, 3309.671, or 5505.261, Revised Code, for filing and submission.

Retirement System

Retirement System

3307-10-01

Faculty practice plan.

(A) As used in this rule:

- (1) Employer shall mean a state university as defined in section 3345.011 of the Revised Code and the northeast Ohio medical university.
- (2) Academic services shall mean services provided as a faculty member of the employer including instructional services, other class-room related services or research.
- (3) Faculty practice plan shall mean an affiliated entity of an employer recognized by the employer as its college of medicine central practice group.
- (4) Implementation date shall mean any date after the initial effective date of this rule on which a physician who was employed by both an employer and its faculty practice plan: (a) becomes employed solely by an employer and (b) is no longer employed by both an employer and its faculty practice plan.
- (5) Clinical services shall mean services involving medical treatment, practice, observation or diagnosis.
- (6) Physician shall mean a person employed by an employer who provides academic services or clinical services and whose earnings include payment for academic services or clinical services.
- (7) Base compensation shall mean that amount of annualized compensation on which the physician contributed to STRS Ohio for the fiscal year immediately preceding the implementation date, or the most recent fiscal year prior to the fiscal year immediately preceding the implementation date in which the physician had contributing service with STRS Ohio, and such increases as are permitted under paragraph (B)(3) of this rule.
- (8) Academic promotion shall mean promotion in any faculty track from assistant professor to associate professor or promotion in any faculty track from associate professor to full professor.
- (9) Administrative promotion shall mean the addition of any administrative responsibilities for the provision of academic services for which the physician is paid, except an academic promotion.

(B) Clinical services performed by a physician in addition to academic service shall constitute teaching service for the purpose of Chapter 3307. of the Revised Code, and compensation upon which contributions are based for purposes of Chapter 3307.

of the Revised Code shall include the following amounts paid for service actually rendered:

- (1) For any physician who has no service credit with the ~~state teachers~~ retirement system prior to the physician's implementation date, the physician's entire income paid by the employer for academic and clinical services shall be included as compensation under section 3307.01 of the Revised Code.
- (2) For any physician who does not have an implementation date, the physician's entire income paid by the employer for academic and clinical services shall be included as compensation under section 3307.01 of the Revised Code.
- (3) For any physician who has service credit with the ~~state teachers~~ retirement system prior to the physician's implementation date, the following shall be included as compensation under section 3307.01 of the Revised Code on and after the physician's implementation date:
 - (a) The physician's base compensation; plus,
 - (b) The physician's merit increase, expressed as a percentage, paid to the physician in accordance with the uniform criteria established by the physician's employer for all similarly employed employees multiplied by the physician's then current base compensation; plus,
 - (c) The physician's academic or administrative promotion, expressed as a percentage, paid to the physician in accordance with usual and customary criteria established by the physician's employer multiplied by the physician's then current base compensation.
 - (d) All other compensation authorized by the employer which relates to the physician's academic services and is paid in accordance with the employer's usual and customary compensation practices.

Effective:

Five Year Review (FYR) Dates: 2/16/2018

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3307.01, 3307.24
Prior Effective Dates: 02/10/2011, 06/10/2016

3307:1-9-01

Additional lump-sum death payment.

Pursuant to section 3307.392 of the Revised Code, the ~~state teachers~~ retirement board hereby establishes a death benefit plan for additional lump-sum payments to the beneficiary or beneficiaries of members granted service or disability benefits.

- (A) An election to participate in the plan hereby established shall be made on the application for benefits by a member granted service or disability benefits effective on or after October 1, 1989. Such elections to participate shall specify the amount of the additional lump-sum from options offered by the retirement board and shall authorize deduction of the cost to participate from each monthly benefit.
- (B) A lump-sum payment in the amount selected by a participant shall be made to the beneficiary or beneficiaries eligible to receive payment of the lump-sum death benefit provided by section 3307.661 of the Revised Code if the death of a deceased participant occurred on or after the following date:
- (1) The effective date of service retirement; or
 - (2) The first day of the seventh month following the effective date of the disability benefit;
 - (3) In the case of a recipient of service or disability benefit who elects participation or increased participation pursuant to paragraph (D) of this rule, the first day of the seventh month of deduction for such participation or increased participation.
- (C) In the event of the death of a participating benefit recipient prior to the date specified in paragraph (B) of this rule, additional lump-sum payments shall not be payable, but payment of the monthly costs deducted from monthly benefits shall be made to the beneficiary or beneficiaries eligible to receive payment of the lump-sum death benefit provided by section 3307.661 of the Revised Code.
- (D) The recipient of a disability or service benefit who does not elect participation pursuant to paragraph (A) of this rule when first eligible to do so may elect participation during the three month period immediately before the end of the month the recipient attains age sixty-five, or during open enrollment periods if established by the ~~state teachers~~ retirement board. The recipient of a disability or service benefit who elected participation pursuant to paragraph (A) of this rule and specified an additional lump-sum payment less than the maximum amount may also, during the three month period immediately before the end of the month the recipient attains age sixty-five, or during open enrollment periods if established by the ~~state teachers~~ retirement board, elect an increased amount. The election for participation or increased participation under this paragraph shall be made on a form provided by the ~~state teachers~~ retirement board and received by the ~~state teachers~~ retirement board on or before the last business day of

the month of attaining age sixty-five or by the date specified in any open enrollment period if established by the ~~state teachers~~ retirement board. The form shall specify the amount of the additional lump-sum elected and shall authorize deduction effective with the first benefit payment following the attainment of age sixty-five or the date specified in any open enrollment period if established by the ~~state teachers~~ retirement board.

- (E) Any recipient of disability or service benefits who has elected additional lump-sum death payments pursuant to this rule may terminate participation in the plan hereby established. Notice that the recipient has chosen to terminate participation shall be provided in writing, shall be irrevocable, and if received on or before the fifteenth of the month, shall be effective on the first day of the following month. If received after the fifteenth of the month, the effective date of termination shall be the first day of the second full month following receipt by the ~~state teachers~~ retirement board of notice of termination. Recipients of disability benefits shall be ineligible for participation in the plan hereby established upon the termination of disability benefits. No refund or payment of costs deducted shall be payable in the event of termination of disability benefits or in the event the additional lump-sum death payment is terminated at the request of a service or disability recipient.
- (F) The ~~state teachers~~ retirement board shall deduct monthly costs for participation in the plan hereby established at rates adopted by the ~~state teachers~~ retirement board as determined by the actuary to be sufficient to cover the additional liability resulting from participation by recipients of service and disability benefits, based upon attained age and benefit type at the time each additional lump-sum death payment amount begins as set forth in this rule. In the event a service or disability recipient should file an application for benefits retroactively, the monthly cost shall be at the rate for the age of the recipient at the time the deductions begin and shall be effective with the first benefit payment following receipt of the service or disability application. The ~~state teachers~~ retirement board shall adopt schedules of rates not more frequently than annually.
- (G) When a participant attains the age of one hundred years, additional lump-sum death payments under this rule shall be deemed paid in full and no further monthly payment shall be due.
- ~~(H) Benefit recipients whose benefit payments do not equal at least twenty-five dollars after the deduction for coverage when first eligible or under paragraph (D) of this rule are not eligible to participate in the plan hereby established.~~
- ~~(H)~~(H) There is hereby established an account within the annuity and pension reserve fund known as the optional lump-sum death benefit account, which shall receive deductions of costs and from which the additional lump-sum death payments herein

authorized shall be paid. Interest shall be credited to the account hereby created at the rates established by the ~~state teachers~~ retirement board.

Effective:

Five Year Review (FYR) Dates: 6/10/2021

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3307.392
Prior Effective Dates: 09/15/1989 (Emer.), 11/30/1989, 05/25/2000,
07/01/2001 (Emer.), 09/17/2001, 07/01/2006,
06/06/2011, 06/10/2016

3307:1-10-01 **Cost-of-living.**

In determining benefit increases as authorized in section 3307.67 of the Revised Code, the following shall apply:

(A) For the purpose of that section and this rule:

- (1) "Base benefit" shall mean the amount payable on the effective date of a benefit or the effective date of any subsequent reselection of plan of payment and does not include any benefit adjustments granted by statute after retirement.
- (2) "COLA base benefit" shall mean the base benefit plus any applicable ad hoc increases granted by statutory amendment or enactment after the effective date of a benefit where a statute specifically identified such increase to be included in an individual's base for purposes of future increases in any benefit under section 3307.67 of the Revised Code.

(B) The amount of the increase for each person who receives an increase on the benefit anniversary date of the cost of living adjustment shall be a per cent of the COLA base benefit determined as follows:

- (1) Effective January 1, 2008, and ending July 31, 2013, the ~~state teachers~~ retirement board shall annually increase each allowance or benefit payable under the defined benefit plan by three per cent of the COLA base benefit, subject to the provisions of paragraphs (B)(3) and (C) of this rule.
- (2) Effective August 1, 2013, and ending June 30, 2017, the ~~state teachers~~ retirement board shall annually increase each allowance or benefit payable under the defined benefit plan by two per cent of the COLA base benefit, subject to the provisions of paragraphs (B)(3) and (C) of this rule.
- (3) No increase will be made between July 1, 2013, and June 30, 2014, and for benefits granted with a benefit effective date of July 1, 2013, no increase will be made until July 1, 2015. Effective July 1, 2017, no increase will be made until the retirement board determines such an increase would not materially impair the fiscal integrity of the system.
- (4) Effective January 1, 2008, the total annual allowance or benefit payable shall not exceed the limit established by section 415 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 415, as amended, and such limit shall be adjusted automatically effective January first of each calendar year without amendment to the Revised Code for increases in the cost of living, in accordance with regulations issued by the secretary of the treasury pursuant to

the provision of section 415(d) of the Internal Revenue Code in such manner as the secretary shall prescribe.

- (C) Except as provided for in paragraph (B)(3) of this rule, for effective benefit dates on or after July 1, 1979 through July 31, 2013, an individual is eligible to receive an initial increase, provided such person has received an allowance or benefit for twelve months or more and has not received an initial increase under section 3307.67 of the Revised Code. For effective benefit dates on or after August 1, 2013, an individual is eligible to receive an initial increase, provided such person has received an allowance or benefit for sixty months and has not received an initial increase under that section.
- (D) Except as provided for in paragraph (B)(3) of this rule, a qualified survivor pursuant to section 3307.66 of the Revised Code with an effective benefit date on or before July 1, 2013, shall be eligible for the initial increase twelve months from the effective benefit date. A qualified survivor pursuant to section 3307.66 of the Revised Code with an effective benefit date on or after August 1, 2013, shall be eligible for the initial increase sixty months from the effective benefit date. The date of the first increase in this paragraph becomes the anniversary date for future increases. A surviving spouse, who must wait until age sixty-two to qualify for monthly benefits as payable in section 3307.66 of the Revised Code or who received monthly benefits pursuant to that section but is now waiting to attain age sixty-two to resume monthly benefits, shall be eligible to receive, when monthly benefits become payable, any initial increase and any subsequent increases that would have occurred during the period of time the spouse was waiting for monthly benefits to become payable.
- (E) Except as provided for in paragraph (B)(3) of this rule, a qualified survivor pursuant to section 3307.66 of the Revised Code, of a deceased member who at the time of the death was receiving disability benefits pursuant to section 3307.63 or 3307.631 of the Revised Code, shall have the same annual increase anniversary date as the disability benefit recipient. The qualified survivor shall be eligible to receive increases for the time period the deceased disability benefit recipient received increases and the base benefit on which the increases shall be calculated is the qualified survivor's benefit amount payable pursuant to section 3307.66 of the Revised Code.
- (F) For monthly benefits or allowances paid on a member's account that began as disability benefits and continued without interruption as service retirement benefits pursuant to section 3307.57, 3307.58, or 3307.59 of the Revised Code, the effective benefit date for purposes of section 3307.67 of the Revised Code shall be the effective date of the disability benefit.
- (G) Payment of a cost-of-living adjustment, as apportioned between the alternate payee and the benefit recipient pursuant to division (B) of section 3307.67 of the Revised Code, shall occur with the next cost-of-living adjustment that becomes payable to

the benefit recipient on or after October 27, 2006. The benefit recipient's subsequent cost-of-living adjustments shall also be apportioned between the benefit recipient and alternate payee while the order is in effect.

Effective:

Five Year Review (FYR) Dates: 6/10/2021

Certification

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3307.67
Prior Effective Dates: 12/23/1976, 04/26/1980, 05/08/1998, 07/01/2001
(Emer.), 09/17/2001, 09/17/2002, 10/27/2006,
12/20/2007, 07/24/2008, 06/06/2011, 07/01/2013
(Emer.), 09/09/2013, 06/10/2016

3307:1-14-01 **Intersystem transfers with non-uniform systems.**

- (A) This rule amplifies section 3307.57 of the Revised Code and applies to members who retire with an effective date of retirement on or after February 1, 2013.
- (B) For the purpose of this rule:
- (1) "State retirement system" and "retention percentage" have the same meaning as in section 3307.57 of the Revised Code.
 - (2) "Fiscal year" means, for the public employees retirement system, a calendar year and, for the school employees retirement system and state teachers retirement system, the twelve-month period beginning on July first and ending on June thirtieth.
- (C) For purposes of determining the amount transferred under division (B)(5)(a) of section 3307.57 of the Revised Code, all of the following applies:
- (1) The amount contributed by the member includes any amounts paid to restore service credit under section 3307.71 of the Revised Code and purchases made under sections 3307.72 and 3307.77 of the Revised Code.
 - (2) The amount of employer contributions shall be determined using the lesser of the employer's contribution rate in effect at the beginning of the fiscal year for each of the state retirement systems involved in the transfer, less the retention percentage.
 - (3) Any amounts paid by the member to purchase service credit shall include, if applicable, any amounts paid by the employer to purchase service credit.
 - (4) Except as provided in this paragraph, interest shall be calculated beginning on the first day of the fiscal year following the year in which the contributions were made and ending on the last day of the month in which the transfer occurs. If the amount to be transferred includes any amounts paid to purchase service credit, other than amounts paid to restore service credit under section 3307.71 of the Revised Code and purchases made under sections 3307.72 and 3307.77 of the Revised Code, interest on the amounts paid to purchase service credit shall be calculated beginning on the first day of the fiscal year following the year in which the payment to purchase the credit was made and ending on the last day of the month in which the transfer occurs. For each year of service credit to be transferred, the interest rate shall be determined by using the lesser of the actuarial assumption rate in effect at the beginning of the fiscal year for each of the state retirement systems involved in the transfer.

- (D) If a member of the public employees retirement system has contributions to more than one employer division of the system, the employer contribution rate for the system shall be determined using the last division to which the member contributed. If the period of service and contributions to be transferred includes service that occurred prior to the date the member's most-recent division was established, the state teachers retirement system shall use the employer contribution rate for its system for that year.

Five Year Review (FYR) Dates: 2/15/2018 and 02/15/2023

CERTIFIED ELECTRONICALLY

Certification

02/15/2018

Date

Promulgated Under: 111.15
Statutory Authority: 3307.04
Rule Amplifies: 3307.57
Prior Effective Dates: 01/07/2013 (Emer.), 03/24/2013, 03/23/2015 (Emer.),
06/05/2015