

Important Message About Membership Determination



STATE TEACHERS
RETIREMENT SYSTEM
OF OHIO



January 2014

Dear Reporting Employer:

As an employer, it is critical that you correctly determine membership and report contributions on earnings to the appropriate retirement system.

STRS Ohio and School Employees Retirement System of Ohio (SERS) are working together to provide a clear understanding of membership determination. After lengthy discussions and legal research, the retirement systems have reached agreement on membership determination for positions of mutual interest by STRS Ohio and SERS. As a result, we are asking for your cooperation and assistance in clarifying retirement system membership.

This booklet includes information about membership determinations for positions of mutual interest, frequently asked questions and contact information.

Effective July 1, 2014, employers must abide by the membership determinations outlined in this document. **Any individuals currently holding these positions, who are not currently contributing to the correct retirement system, must have their membership changed to meet these requirements beginning July 1, 2014.**

These membership changes will not be retroactive. Consequently, employers will **not** be required to transfer contributions from past years to the correct retirement system. However, employers must change the individual's membership to the appropriate retirement system beginning July 1, 2014.

It is the employer's responsibility to notify affected individuals that their membership will be changing. STRS Ohio and SERS do not receive or maintain position information to identify individuals whose membership will change. Please notify affected individuals by the end of this school year. If you have questions about membership determination, please contact your STRS Ohio employer education coordinator or the SERS Employer Outreach Group.

Both retirement systems realize affected individuals may have questions or concerns. We appreciate your diligent effort to notify these individuals and refer their questions to STRS Ohio at 1-888-227-7877 (toll-free) or SERS at 1-877-213-0861 (toll-free).

Thank you for your continued cooperation and assistance. Our goal is to make this transition as seamless as possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael J. Nehf".

Michael J. Nehf
Executive Director, STRS Ohio

A handwritten signature in black ink, appearing to read "Lisa J. Morris".

Lisa J. Morris
Executive Director, SERS

Final Membership Determination

COMMON POSITIONS OF INTEREST

| Position | Retirement System Determination |
|--|--|
| Coaches and athletic directors | <p>Does the individual hold a valid teaching license?</p> <ul style="list-style-type: none"> • Yes — STRS Ohio membership • No — SERS membership |
| Nurses | <p>Does the position require an ODE school nurse license?</p> <ul style="list-style-type: none"> • Yes — STRS Ohio membership • No — SERS membership |
| Speech-language pathologists and audiologists | <p>Did your school receive an exception from ODE under Section 3319.224 of the Revised Code?</p> <ul style="list-style-type: none"> • No — STRS Ohio membership • Yes — SERS membership |
| Pupil services | <p>The following positions are <i>always</i> STRS Ohio-covered positions:</p> <ul style="list-style-type: none"> • Occupational therapists and assistants • Physical therapists and assistants • Interpreters for the hearing impaired • Orientation and mobility specialists • Social workers |

OTHER COMMON POSITIONS



- Full-time and part-time teachers
- Adult education instructors
- Substitute teachers
- Tutors
- County board of developmental disabilities teachers
- Superintendents
- Psychologists
- Guidance counselors
- Auxiliary service personnel (In positions that require licensure under Sections 3319.22 to 3319.31, Revised Code)



- Teachers' aides/Paraprofessionals
- Bus drivers
- Food service personnel
- Custodial or maintenance personnel
- Technology coordinators
- Treasurers
- Business managers
- Secretarial or clerical personnel
- Preschool teachers
- Latchkey employees
- Early childhood instructors
- Ticket takers
- Security officers
- Auxiliary services personnel (In positions that do not require licensure under Sections 3319.22 to 3319.31, Revised Code)

Frequently Asked Questions

When am I required to switch affected individuals to the correct retirement system under the new determinations?

All individuals must be contributing to the appropriate retirement system beginning July 1, 2014.

Can I switch an affected individual before July 1?

No. Both STRS Ohio and SERS operate on a fiscal year that begins July 1 and ends June 30. All transitions need to occur at the beginning of the fiscal year.

Are there any penalties if I do not switch an affected individual to the correct retirement system?

If it is determined in the future that an individual was not switched to the appropriate retirement system, interest will be assessed for any account corrections at the time of transfer. The current interest rate is 7.75% compounded annually based on the date of receipt by the correct retirement system.

How do I switch an affected individual to the correct retirement system, and what information is needed to set up the account?

STRS Ohio — You will need to follow the same process as reporting a new hire. Submit a new hire notification and Form SSA-1945 to STRS Ohio. List the first date on payroll as the first date the member is contributing (July 1, 2014, or after). Once membership is switched, be sure to include these members on your payroll report and report contributions at the correct member contribution rate.

SERS — You will need to follow the same process as reporting a new hire. Submit the member enrollment information and Form SSA-1945 to SERS. List the first date of service as the first date the member is contributing (July 1, 2014, or after). Once membership is switched, be sure to include these members on your monthly contribution report and report contributions at the correct member contribution rate.

What should I tell affected individuals who ask why they are required to switch retirement systems?

STRS Ohio and SERS have the authority to make membership determinations as set forth by Chapters 3307 and 3309 of the Revised Code. Both STRS Ohio and SERS have reviewed position requirements and have made a joint determination.

Will members receive any information from the new retirement system once the switch is made? Whom should they contact with questions about how this change will impact their retirement benefit?

STRS Ohio — Yes. If members do not already have an account with STRS Ohio, they will receive a welcome packet, which includes retirement plan options, after new hire information is received. If members have questions about how this switch will impact their retirement benefit, they should call the STRS Ohio Member Services Center toll-free at 1-888-227-7877.

SERS — Yes. If members do not already have an account with SERS, they will receive an information package after the member enrollment process is completed. If members have questions about how this switch will impact their retirement benefit, they should call the SERS Member Services Department toll-free at 1-866-280-7377.

Are all affected individuals required to switch retirement systems?

Yes. STRS Ohio and SERS have made a joint decision and have the authority to make membership determinations as set forth by Chapters 3307 and 3309 of the Revised Code.

How do I know if requirements for an exception for speech-language pathologists or audiologists under Section 3319.224 of the Revised Code have been met?

If your school did not receive a specific exception from the Ohio Department of Education (ODE) authorizing employment of an individual not currently licensed by ODE in these positions, then an exception has not been granted.

Do I need to correct contributions from previous years for affected individuals who are required to switch retirement systems?

No. STRS Ohio and SERS are not requiring the transfer of contributions from previous years to the correct retirement system. These contributions may be combined when the member retires if the member has a defined benefit retirement plan with STRS Ohio.

What if a coach previously held a teaching license, but the license lapsed?

Membership for coaches and athletic directors is based on whether or not the member **currently** holds a valid ODE teaching license. If the individual is no longer licensed, membership should be switched to SERS from STRS Ohio.



STATE TEACHERS RETIREMENT SYSTEM OF OHIO
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 Columbus, OH 43215-3771

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**Please Open and Review —
 Important Message About Membership Determination**

Who to Contact



Employers

Employer Reporting Department
 1-888-535-4050 (toll-free)

Kelé Willis (614) 227-2914
 Beth Hohenstein (614) 227-2972

Members

Member Services Center
 1-888-227-7877 (toll-free)



Employers

Employer Outreach Group
 1-877-213-0861 (toll-free)

Katie Talbert (614) 340-1090
 Carlissa Holman (614) 222-5962

Members

Member Services Department
 1-866-280-7377 (toll-free)