

Ohio Administrative Code

Rule 3307:1-4-01 Compensation includible in the determination of final average salary.

Effective: July 7, 2022

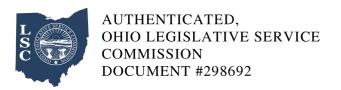
The following criteria and procedures are established by the retirement board pursuant to section 3307.501 of the RevisedCode.

- (A) As used in section 3307.501 of the Revised Code and this rule, a percentage increase shall be considered to be generally applicable if:
- (1) It is paid by a school board or governing board, school district, or governing authority of a community school or a science, technology, engineering, and mathematics school pursuant to a teacher salary schedule with the same employer including performance based payments that are paid in accordance with uniform criteria applicable to all members employed by the employer without regard to supplemental or extended pay contracts; or
- (2) It is paid by a school board or governing board, school district, or governing authority of a community school or a science, technology, engineering, and mathematics school to an employee not paid under the teacher salary schedule up to the amount payable under the teacher salary schedule including performance based payments that are paid in accordance with uniform criteria applicable to all members employed by the employer to teachers with equivalent service and education without regard to supplemental or extended pay contracts; or
- (3) It is paid by a university or college as an average salary increase attributable to academic services as certified by an authorized representative of the university or college; or
- (4) It is paid by a school board or governing board, school district, or governing authority of a community school or a science, technology, engineering, and mathematics school that does not use a teacher salary schedule as an average salary increase as certified by an authorized representative of the employer.
- (B) In determining the highest percentage increase in compensation under division (B)(1) of section



3307.501 of the Revised Code, increases in compensation from one fiscal year earnings to another for which a member has not performed full-time service as defined in paragraph (A)(1) of rule 3307:1-2-01 of the Administrative Code in either or both year(s) shall be the greater of:

- (1) The projected salary increase established by an actuary for the retirement board based on the member's years of service credit at the beginning of the fiscal year used in calculating the member's final average salary, or
- (2) The percentage increase considered generally applicable to members employed by the employer.
- (C) Where the two highest years of compensation certified for an applicant for service retirement include a percentage increase otherwise excluded by division (B) of section 3307.501 of the Revised Code, the executive director of the retirement system or his or her designee may include all or part of such percentage increase in the calculation of final average salary, up to a maximum of seventy-five hundred dollars, if:
- (1) The increase is related to a diminution of compensation as the result of illness or incapacitation, provided that completion of contributions is not authorized under the terms of section 3307.77 of the Revised Code; or
- (2) The executive director of the retirement system or his or her designee determines that other good cause exists for inclusion.
- (D) Where a percentage increase is excluded from compensation used to determine final average salary under the provisions of division (B) of section 3307.501 of the Revised Code and paragraph (A) or (B) of this rule, the applicant shall be given written notice of the right to an appeal pursuant to this paragraph, provided:
- (1) The maximum of seventy-five hundred dollars has not already been included under paragraph (C) of this rule.
- (2) Requests for an appeal shall be made by the applicant in writing within thirty days of such notice.



- (3) The applicant shall be afforded the opportunity to present written information explaining the arguments for making an exception to the statutory limitation and to appear before a review committee designated by the retirement board. The applicant shall be informed of the date the committee will review and consider the appeal. An applicant who has requested a personal appearance before the committee may for good cause request delay of consideration, provided that no prior request for delay has been granted.
- (4) All information supporting an applicant's assertion that good cause exists for making an exception to the statutory limitation shall be received by the retirement system at least two weeks before the committee's scheduled review.
- (5) After consideration of the information presented by the applicant, the committee shall submit its recommendation to the board.
- (E) In determining final average salary under division (C) of section 3307.501 of the Revised Code if disability benefits to a member began before August 1, 2015, the benefits beginning date shall be the effective date disability benefits were granted, provided that monthly benefits continue without any interruption in the monthly stream of benefits to the member pursuant to section 3307.57, 3307.58 or 3307.59 of the Revised Code or to a survivor of the member pursuant to section 3307.66 of the Revised Code.