



Ohio Administrative Code Rule 3307:1-3-02 Purchase of service credit.

Effective: May 7, 2020

(A) Members may purchase service credit under sections 3307.71, 3307.72, 3307.752, 3307.761, 3307.763 and 3307.77 of the Revised Code in increments and the cost for purchasing partial service credit shall be calculated as a proportionate part of the total cost at time of purchase.

(B) Members may not purchase service credit that results in more than one year of total service credit as defined by section 3307.50 of the Revised Code for any year.

(C) Members applying for service retirement must establish all service credit before the effective date of service retirement if credit for such service is to be included in the benefit calculation, except that:

(1) Service credit shall be deemed to have been established prior to the effective date of retirement in the event that after the effective date of retirement but prior to the final benefit determination service credit is granted by the public employees retirement system pursuant to section 145.483 of the Revised Code or by this retirement system pursuant to section 3307.75 of the Revised Code.

(2) Payment for other purchases or restoration of service credit will be accepted for three months after the effective date of retirement and service credit will be deemed to have been established prior to the effective date, provided:

(a) That prior to the effective date of retirement this retirement system approved an application for purchase of service credit on forms provided by this system determining that the service credit qualifies for purchase;

(b) That prior to the effective date of retirement this retirement system issued cost statements for each such purchase of service credit; and

(c) That payment in full is received by the retirement system no later than the earlier of the last day of



the third month after the effective date of service retirement wherein the first month of the three months is the month of retirement, or the day the retirement has become final pursuant to paragraph (G) of rule 3307-8-01 of the Administrative Code.

(3) An estimated or partial benefit may be paid prior to the final determination only if a member qualifies for retirement without regard to a purchase or restoration of service credit for which payment in full has not been received.

(4) That if payment in full is not received by the last day of the third month after the effective date of service retirement;

(a) The application to purchase service credit shall be cancelled;

(b) The final benefit shall be calculated for a member eligible for retirement without the service credit that could have been obtained had timely payment been made;

(c) The application for retirement shall be cancelled for any member not eligible to retire without the service credit that could have been obtained had timely payment been made.

(D) Members applying for disability benefits must complete all purchases of service credit before the first benefit payment if the service credit is to be included in the disability benefit calculation.

(E) Except for purchases of service credit by payroll deduction, a member may purchase all or part of eligible service credit under sections 3307.71, 3307.72, 3307.752, 3307.761, 3307.763 and 3307.77 of the Revised Code, provided that the minimum payment shall be the greater of the amount needed to establish one per cent of a year of service credit or two hundred dollars. But in all cases the member shall pay the full cost if less than either two hundred dollars or the amount needed to establish one percent of a year of service credit.

(F) For purposes of sections 3307.72 and 3307.74 of the Revised Code, qualifying service for a full-year as a graduate teaching assistant or other graduate assistant work may be purchased up to a maximum of fifty per cent of a year if the employer at the time provides evidence of the teaching work load assigned. In the absence of such evidence, a maximum of thirty-four per cent of a year



may be purchased.

(G) Payments for purchased or restored service credit may be refunded upon the request of the member and such service credit will be cancelled,

(1) If the service credit established under all Ohio public retirement systems for the year in which the service purchased was performed totals one year without credit for the period purchased; or

(2) If a benefit calculated without credit for the period purchased is equal to or greater than one hundred per cent of final average salary; or

(3) For any reason upon application for retirement.

(H) If disability benefits were paid pursuant to section 3307.63 or 3307.631 of the Revised Code, a member shall not receive a refund of any payments for a purchase of service credit included in the calculation of benefits paid pursuant to section 3307.63 or 3307.631 of the Revised Code.

(I) A qualified survivor as defined in division (B) of section 3307.66 of the Revised Code shall not receive a refund of any payments for a purchase of service credit.