



Ohio Administrative Code

Rule 3309-1-43 Service credit established under retirement incentive plan.

Effective: May 31, 2020

(A) Upon adoption of a "Retirement Incentive Plan" in accordance with section 3309.33 of the Revised Code, the employer shall notify the school employees retirement system on an official form approved by the school employees retirement board and attached as an appendix to this rule.

(B) The cost to the employer for each year of credit purchased will be determined by factors recommended by the school employees retirement system actuary which yield an amount equal to the additional liability of the amount purchased. Actuarial cost will be revised no more than once annually and shall apply only to new credit established after such revision is approved by the school employees retirement board.

(C)

(1) Employers may make equal payments to the retirement system for the cost of the year or years of credit purchased over the number of years equal to the number of years purchased under the employer adopted plan.

After the thirtieth of June of the year in which the service is purchased, interest, compounded annually, shall be calculated on the remaining payments at the rate established for other purchased credit.

(2) Purchase of partial years is not permitted.

(3) Notwithstanding paragraph (C)(1) of this rule, governing authorities of community schools shall pay the cost of the service credit purchased in one payment made within thirty days of receipt from the retirement system of the calculated cost.

(D)



- (1) An employee may initiate action to retire under the locally adopted retirement incentive plan in accordance with section 3309.33 of the Revised Code by completing the employee section of the form adopted by the school employees retirement board, attached as an appendix to this rule, and filing such form with the employer.
- (2) Upon receipt of the form, the employer must complete the employer section of the form and file it with the retirement system. In no event shall the employer file the form later than the earlier of the last day of the month preceding the employee's date of retirement or the expiration date of the plan. The employer's completion of the employer portion of the form constitutes the employer's acceptance of liability for the cost of the additional service credit. The effective date of the purchase of service under a retirement incentive plan shall be the date the retirement system receives the completed form.
- (3) Upon receipt of the completed form, the retirement system shall notify the employee by letter that service credit has been purchased for the employee under the retirement incentive plan. The date of this letter shall constitute the date the employee received notice that service credit has been purchased for the employee.
- (4) The retirement system must receive the employee's valid retirement application within ninety days of the employee's receipt of notice.
- (5) The employee's effective date of retirement must be within ninety days of the employee's receipt of notice.
- (6) If an employee does not retire within ninety days of receiving notice, withdraws their application for retirement, or dies before their effective date of retirement and/or before the retirement system received a valid application, the purchase of service credit on behalf of the employee under section 3309.33 of the Revised Code shall be cancelled and any amounts received from the employer refunded.