



EMPLOYER EDUCATION



Higher Education Essentials Part 1: Membership, ARP Election and Reporting

50-207g, 4/22/0

Agenda

- Membership criteria
- Student exemptions
- Notification process
- STRS Ohio member plans
- ARP election
- ARP contributions and reporting
- Mitigating rate change
- Resources

Membership criteria

STRS Ohio members

- Faculty, instructors, academic deans
- Administrators with faculty status
- Reemployed retirees holding STRS Ohio-covered positions
 - Reemployed retiree: anyone receiving a retirement benefit from an Ohio public retirement system or ARP
- Contact us if unclear



Student exemptions

- STRS Ohio members employed as part-time faculty and regularly attending classes
- Complete and submit exemption form within 30 days of employment (see handout for form)
- Doesn't apply to student employees who are not currently members of STRS Ohio

Notification process

Notifying STRS Ohio of new hires and reemployed retirees

- Employer is required to send the new hire or reemployed retiree notification within **10 business days of the member's first day worked**
- Notification is completed in Employer Self Service (ESS) or sent via secure file upload in a properly formatted file
- [Member Information](#) form (optional)
- Member's email address is required



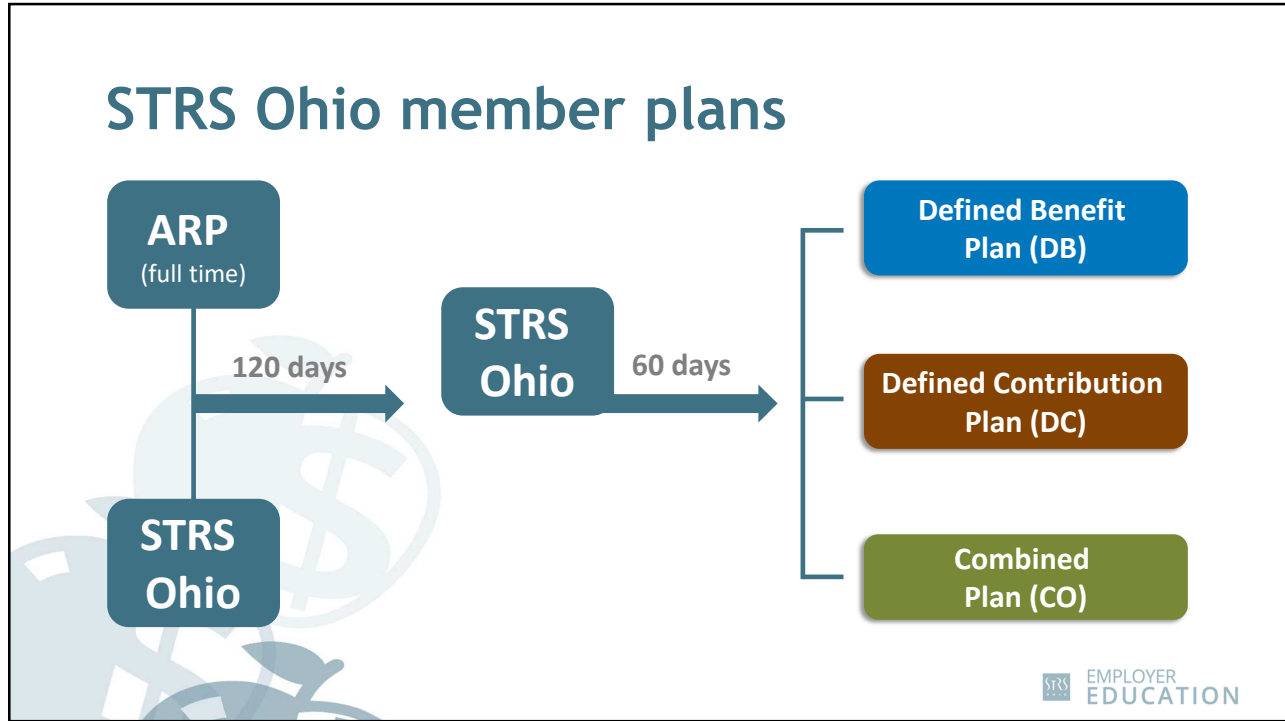
Notification process

Other required notification: [SSA-1945 form](#)

- Form is available as handout
- Send via secure file upload or mail
- Can also fax to 614-744-3340 – use this fax number for this form only, no cover sheet needed
- Complete form and print for employee's signature

The image shows a sample of the SSA-1945 form. At the top, it says 'Social Security Administration' and 'Statement Concerning Your Employment in a Job Not Covered by Social Security'. There are fields for 'Employee Name' and 'Employee ID#'. Below that, there is a section titled 'Your earnings from this job are not covered under Social Security...' followed by a paragraph explaining the Windfall Elimination Provision and Government Pension Offset Provision. At the bottom, there is a signature line for the employee and a date field.





STRS Ohio member plans

	Defined Benefit Plan	Defined Contribution Plan	Combined Plan
Investments selected by you		✓ (entire account)	✓ (defined contribution portion)
Predictable monthly retirement benefit	✓		✓ (defined benefit portion)
Greatest portability		✓	
Greatest investment risk		✓	
Disability and survivor benefits during career*	✓		✓
Access to health care coverage in retirement*	✓		✓

*Upon meeting eligibility criteria.

ARP election

What is an ARP?

Alternative retirement plan

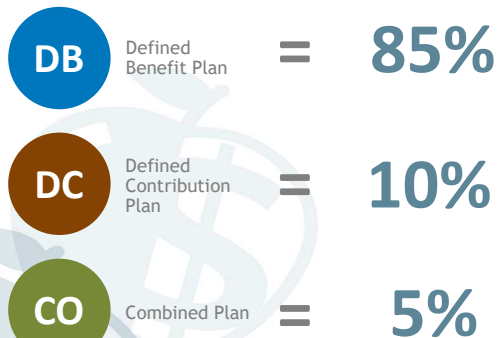
Eligibility

- Full-time academic and administrative employees employed by a college or university
- Full-time reemployed retirees employed by a college or university
- ARP eligibility flow chart



ARP election

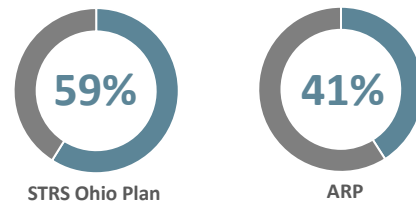
RETIREMENT PLAN CHOICES



CURRENT ACTIVE MEMBER ENROLLMENT

ALTERNATIVE RETIREMENT PLANS (ARP)

NOTE: Current STRS Ohio plan versus ARP selection percentages for full-time higher education faculty



ARP election

Election period

- Full-time employees working in STRS-Ohio covered positions have **120 days** from employment start date to select a retirement plan
- If employee elects to contribute to an ARP, the choice can't be changed, and the election period is closed
- If employee does not choose an ARP, he or she has an additional **60 days** to select one of the three STRS Ohio retirement plans
- Employees who do not select an STRS Ohio plan during the **180-day** period will automatically join the Defined Benefit Plan



ARP election

Required Election Form

- Employee completes Sections 1-3
- Employer completes bottom section and sends to STRS Ohio within 10 days
 - Scan and send via secure file upload, or
 - Mail to: STRS Ohio, 275 E. Broad St. Columbus, OH 43215-3771
- If an employee selects an STRS Ohio plan, indicate in Section 2. Employee should also submit plan selection form to STRS Ohio

RETIREMENT PLAN ELECTION FORM

You will have **120 days** from your first day of paid service to complete and return this election form to the Human Resources Department at your institution. If you want to become a member of an Ohio state retirement system, simply check the appropriate box in Section 2 below. If you want to participate in an alternative retirement plan (ARP) offered by a private plan provider, check the appropriate box in Section 2 below and select one of the plans. If you do not check to participate in an ARP or do not return this form within the prescribed time period, you will be enrolled in the applicable state retirement system.

Section 1 — Biographical Information (Please print or type.)

Name: _____ Social Security no.: _____
 Address: _____ Phone number: _____
 City: _____ Birth date: _____ Gender: _____

Employee identification number: _____ Hire date: _____
 Are you receiving a retirement benefit from one of these Ohio retirement systems: HRS, OPERS, OHS, SRS or STRS Ohio? Yes No
 If "Yes," which system? _____ Effective date of retirement: _____

Section 2 — Election (Choose only one.)

I elect to participate in the state retirement system for which I am eligible:
 SRS STRS Ohio

I elect to participate in an ARP. (Select only one of the following ARP carriers. You must contact your chosen carrier to enroll.)
 ARS VALIC Lincoln Financial Group
 SRS AXA Equitable Life Insurance Co. MassMutual Financial Group
 Fidelity Investments TIAA
 State Financial

I understand that I may not change my election to participate in the state retirement system after my election period opens and that my election will be irrevocable when I am continuously employed in a position at my current college or university.

I understand that by electing to participate in an ARP I irrevocably waive my right to participate in the applicable state retirement system which is automatically required for providing me coverage or funding. I also understand that by electing to participate in an ARP offered by a private plan provider, I will be deemed to have consented to providing services under or participating in that plan (which may include a plan selection form) for the period that an election to participate in an ARP is effective.

Section 3 — Authorization

I hereby certify the election chosen above in Section 2. I understand that I will be able to make an election to participate in another ARP or Ohio public retirement system if I cease to be continuously employed or am subsequently employed full time by another Ohio public institution of higher education in a position for which a retirement election is available.

Printed name: _____ Title: _____

OFFICE OF HUMAN RESOURCES USE ONLY

For ARP Elections Only: Applicable state system: OPERS SRS STRS Ohio
 Contributions made to the applicable state system during the election period to be forwarded to the ARP provider: Amount: _____ Annual compensation: _____
 Employee contributions: _____ Date election form received by college/university: _____
 Total employer contributions: _____ From date eligible to participate in an ARP: _____
 Less supplemental contributions: _____ Contributed by: _____
 Employer contributions to ARP provided: _____ Title: _____
 Date of last payroll open with employer contributions to applicable state system: _____ College/University: _____
 Employer code: _____

DATE: 02/20/17



ARP contributions and reporting

Contribution requirements

- Ohio law requires employers to contribute to the ARP vendor a percentage of each ARP participant's compensation – the current rate is **9.53%**
- Employer is also required monthly to remit and report **4.47%** of each ARP participant's compensation to STRS Ohio – this is the **mitigating contribution rate**



ARP contributions and reporting

- Member contribution: 14% of annual salary
- Employer contribution: 14% of member's annual salary
 - 9.53% to ARP account
 - 4.47% mitigating rate to STRS Ohio

Member contribution (14%) + Employer contribution to ARP account (9.53%) = ARP account (23.53%)



ARP contributions and reporting

ARP reporting process

- Submit monthly ARP report with mitigating contributions for each ARP participant
- One report only per month – report and contributions due by the 15th of the month for the prior month's payroll
 - Send via ESS, or
 - Send electronic file via secure file upload
 - See handouts for record layout
- Reporting errors are corrected by creating an ARP adjustment report in ESS



Mitigating rate change

- Mitigating contribution rate will change to 2.91% of all new earnings for work performed July 1, 2022, and after
- The mitigating rate will continue to be 4.47% of all earnings for work performed prior to July 1, 2022, but paid after June 30, 2022
- Employers may choose to send two files if submitting earnings at both rates



Resources

We're here to assist you:

STRS Ohio Employer Reporting

ARP Reports and Payments

Jim Peterman

Employer Account Representative

614-228-7224

petermaj@strsoh.org

STRS Ohio Member Services

ARP/STRS Ohio Plan Questions

Shara Bailey

Senior Counselor

614-227-5235

baileys@strsoh.org

Retirement Plan Options Video Series: Higher Education Faculty –
available on employer website under Retirement Plans & Benefits



Thank You!

- A recording of this webinar will be available in the Education & Training section of the employer website
- Certificates of completion will be emailed within two weeks
- Please complete the evaluation

