



EMPLOYER  
EDUCATION



# Overview of Employer Responsibilities

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## Overview of Employer Responsibilities

### Who is STRS Ohio?

- Established by Ohio General Assembly in 1919.
- Statewide teacher retirement plan.
- Membership and benefits authorized by Chapter 3307, R.C.
- Administrative Code Rules also adopted to assist with fulfillment of duties.

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## Overview of Employer Responsibilities

### Who is STRS Ohio?

- Serves more than 500,000 active, inactive and retired educators.
- Works with more than 1,100 employers statewide.
- Mission: To provide Ohio's public educators a foundation for their financial security.



## Overview of Employer Responsibilities

### What is my responsibility as an employer?

Responsibilities include:

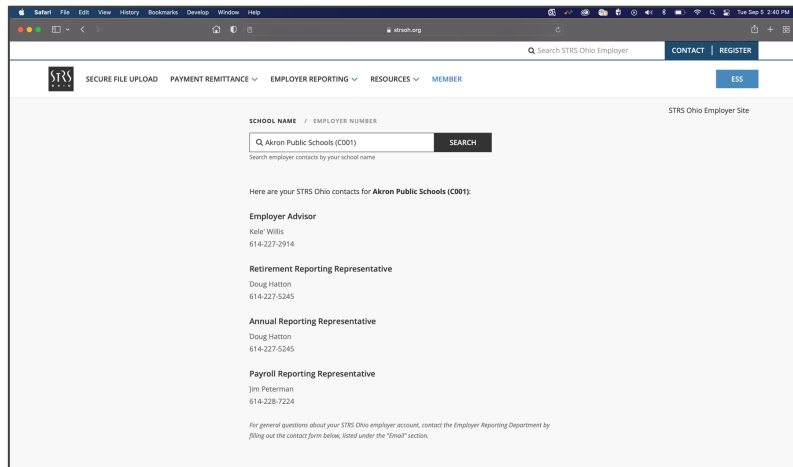
- Reporting new hires and reemployed retirees;
- Submitting contribution payments and reports;
- Providing an annual report indicating total member contributions, accrued contributions and service credit; and
- Preparing final account information at the time of retirement or withdrawal.



# Overview of Employer Responsibilities

What resources are available to assist me?

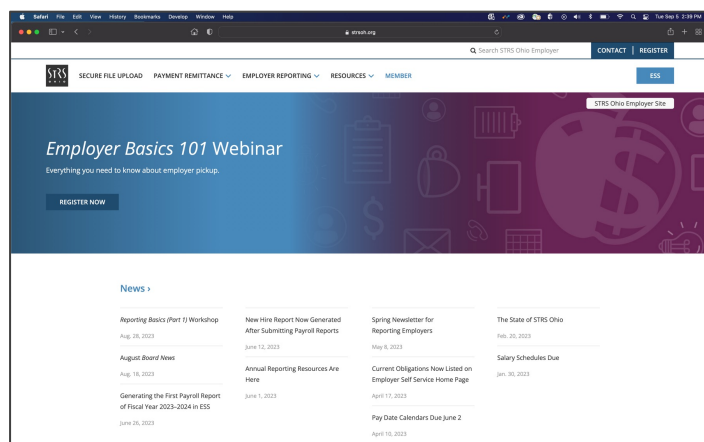
- Employer Reporting Department

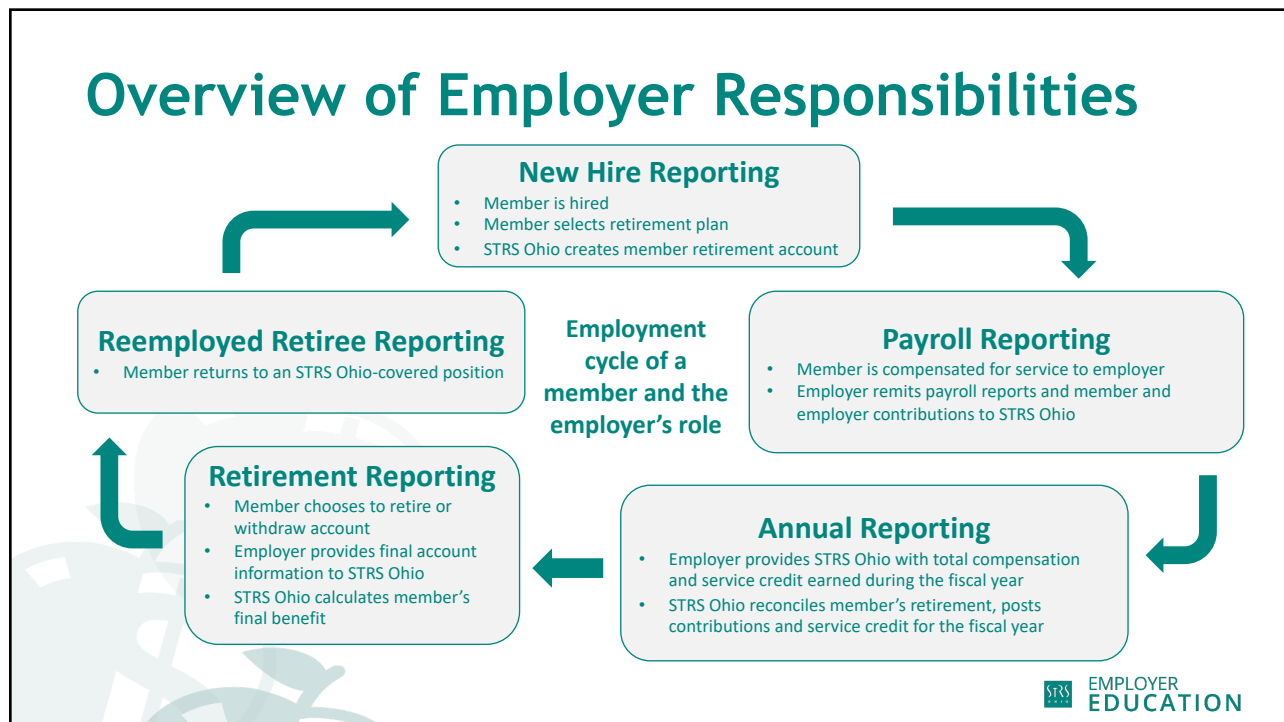


# Overview of Employer Responsibilities

What resources are available to assist me?

- Employer website: [www.strsoh.org/employer](http://www.strsoh.org/employer)





## Overview of Employer Responsibilities

### Who is a member of STRS Ohio?

- Members include:
  - Any public-school employee in a position that requires a teaching license or registration.
  - Faculty defined as teaching staff of a college, university or school, including academic administrators.

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## Overview of Employer Responsibilities

### Who is a member of STRS Ohio?

- Common examples include:
  - Teachers/principals/superintendents.
  - Tutors/substitute teachers.
  - OT/PT and their assistants, speech language pathologists.
  - Licensed coaches.
- For additional information, see the *Determining Membership* fact sheet.
- If unsure, send an email with job description to [report@strsoh.org](mailto:report@strsoh.org).



## Overview of Employer Responsibilities

### Who is a reemployed retiree?

- Anyone who has returned to Ohio public employment and is receiving a retirement benefit from:



- A person hired in an STRS Ohio-covered position who retired from an Ohio public college or university and selected an alternative retirement plan (ARP) is also considered a reemployed retiree for STRS Ohio.



## Overview of Employer Responsibilities

### Who is not a reemployed retiree?

- Retirees of private, federal or out-of-state employment are **not** considered reemployed retirees.



## Overview of Employer Responsibilities

### What is my responsibility when hiring an employee to an STRS Ohio-covered position?

- Notify STRS Ohio within 10 business days of the employee's first date worked.
  - New hire or reemployed retiree notification.
  - Can submit via secure file upload or on ESS.
  - *Member Information* form available to collect needed information from employee.
  - Fax, mail or scan and upload signed copy of the SSA-1945 form.



## Overview of Employer Responsibilities

### What if I forget to send notification?

- Notification is very important.
  - Allows STRS Ohio to:
    - Communicate retirement plan options to new members; and
    - Determine if reemployed retiree is in violation of reemployment laws.
  - If STRS Ohio is not notified, delinquent notification report is sent.
    - Review for possible errors (e.g., incorrect Social Security number).



## Overview of Employer Responsibilities

### I know I have to make contributions on compensation, but what does that mean?

- Compensation for retirement purposes is salary, wages and other earnings paid to a member, including amounts paid by supplemental contracts.
- Employers are required to withhold and remit a percentage of earned compensation to STRS Ohio on a per pay basis.



## Overview of Employer Responsibilities

### Is it possible for a member to have earnings that I shouldn't contribute on?

- Yes, these items are outlined in Section 3307.01, R.C.
- Contributions should not be remitted on items such as:
  - Unused sick and vacation payouts or payments for perfect attendance
  - Car allowances, cell phone stipends, reimbursed job-related expenses (e.g., moving costs)
  - Amounts paid in lieu of insurance
  - Severance pay
  - Payments provided as an agreement to retire
  - Payments for services not rendered
- Settlements/grievances must be reviewed by STRS Ohio prior to submitting contributions.
- For additional information, see the *Compensation* fact sheet.



## Overview of Employer Responsibilities

### What is the contribution rate?

- Members contribute 14% of compensation (member contribution rate).
- Employers contribute an additional 14% (employer contribution rate).
- Always remit contributions at the rate in effect at the time money was earned.

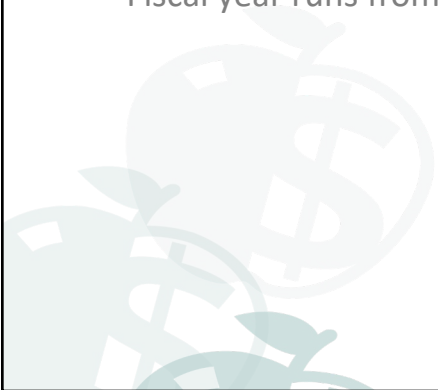




## Overview of Employer Responsibilities

### What type of calendar does STRS Ohio use to pay benefits?

- STRS Ohio's reporting and benefits are based on a fiscal year calendar.
- Fiscal year runs from July 1–June 30.



## Overview of Employer Responsibilities

### What is pickup? How does it impact me?

- Pickup is the term used to describe the process of withholding member contributions on a pretax basis.
- If your district has adopted a pickup plan, then contributions must be withheld on a pretax or tax-deferred basis.



## Overview of Employer Responsibilities

### Are there different types of pickup?

- Three types:
  - Salary reduction pickup;
  - Fringe benefit pickup *not* included in compensation; and
  - Fringe benefit pickup included in compensation (pickup-on-pickup).
- You must ensure you are calculating contributions correctly for all types of pickup plans.



## Overview of Employer Responsibilities

### Are there other resources to help me better understand pickup plans?

- *Employer Basics 101: Employer Pickup* recorded webinar.
- *Employer Pickup fact sheet with calculation examples.*
- *Pickup-on-pickup calculator.*



## Overview of Employer Responsibilities

### How do I report and pay contributions?

- Payroll report:
  - Electronic listing of **member** contributions per pay by each individual member.
  - Sent via secure file upload or reported directly in Employer Self Service (ESS).
- Payment options (See *Payment Options* handout for specific instructions):
- Direct debit (View the Direct Debit Setup and Direct Debit Payment tutorials).
  - ACH credit.
  - Wire.



## Overview of Employer Responsibilities

### What information must be included on my payroll report?

- Employer number,
- Pay date,
- Member Social Security number,
- Member name,
- Tax-deferred member contributions,
- After-tax member contributions (if applicable), and
- Accrued contributions (if applicable, during July and August only).



## Overview of Employer Responsibilities

### What are accrued contributions?

- Contributions on compensation **earned** by June 30 of the fiscal year, but not **paid** until July and/or August of the next fiscal year. This includes contract payments and any other payments for work performed/earned by June 30.
- Example: summer stretch pay — teacher works nine months of the year, but is paid over 12. Payments made for the prior school year's contract in July and August are considered accrued since they are payments for time worked by June 30.



## Overview of Employer Responsibilities

### When are payroll reports and contributions due?

- Within five business days of the pay date.
- Penalties and interest may be assessed for late reports and/or payments.



## Overview of Employer Responsibilities

### What about employer contributions?

- Employer contributions are not included in payroll reports.
- Payment is remitted through:
  - State foundation program, **or**
  - Direct pay to STRS Ohio at the same time as member contributions.



## Overview of Employer Responsibilities

### How do I know if my school participates in the state foundation program?

- City, local, exempted village and community schools participate in the state foundation program.
- Educational Service Centers (ESC), Joint Vocational Schools (JVS), local county boards of developmental disabilities (DD), colleges and universities are direct pay employers.



## Overview of Employer Responsibilities

### How do I make payroll corrections?

- To make a correction for:
  - Current fiscal year.
    - Include in next payroll report.
    - Adjust payment accordingly.
  - Prior fiscal year.
    - Include in next payroll report.
    - Adjust payment accordingly.
    - Create a backposting in ESS.
  - Direct pay to STRS Ohio at the same time as member contributions.



## Overview of Employer Responsibilities

### What is the annual report that I am required to file with STRS Ohio?

- A listing of member contributions and service credit earned during the fiscal year by active members and reemployed retirees.
- It includes:
  - Employer number,
  - Member name,
  - Member Social Security number,
  - Member type (active or reemployed),
  - Regular (taxed) contributions (rare),
  - Picked-up (tax deferred) contributions,
  - Service credit, and
  - Accrued contributions.



## Overview of Employer Responsibilities

### When is the annual report due?

- First Friday in August.
- If you submit your annual report via ESS, template available July 1.
- Penalties: \$500 per day for late reports.



## Overview of Employer Responsibilities

### Why is the annual report needed?

- A member's retirement benefit is based on compensation earned, not paid, during the fiscal year.
- The annual report is a tool to balance paid compensation to earned compensation.
- The annual report also provides earned service credit.



## Overview of Employer Responsibilities

### What is service credit?

- Number of years contributing service.
- Used to determine a member's eligibility for retirement.
- Service credit is reported as a percentage of 1.00 full year.
- Granted for service from July 1 to June 30 each fiscal year.



## Overview of Employer Responsibilities

### Is there a method used to calculate credit?

- If the number of days worked is known, you must use days to calculate credit.
- Colleges and universities can also use full-time equivalent (FTE).
- Any portion of the day spent teaching is considered one full day.
- Full time vs. part time.





## Overview of Employer Responsibilities

- Full time vs. part time.
  - Part-time calculations.
- Service credit calculation tools:
  - Decision tree.
  - Service credit calculator on website.



## Overview of Employer Responsibilities

### How do I submit my annual report?

- Electronic submission only.
- Secure file upload or online report via ESS.



## Overview of Employer Responsibilities

### What resources are available to assist me?

- Annual Reporting Resource Center — available at [www.strsoh.org/employer](http://www.strsoh.org/employer) on June 1
- FAQs.
- Fact sheet.



## Overview of Employer Responsibilities

### What do I do when a member wants to retire?

- You will receive an email indicating a deposit and service report is available to complete.
- When?
  - 60 days prior to retirement date (service retirement);
  - After the examining physician recommends disability (disability benefits); or
  - As soon as possible after an active teacher death (survivor benefits).



## Overview of Employer Responsibilities

### What is a deposit and service report?

- The deposit and service report is an interim report to help STRS Ohio properly calculate a member's retirement benefit.
- Must be completed for all members applying for service retirement, disability benefits or survivor benefits.



## Overview of Employer Responsibilities

### Are there any resources to help me?

- Recorded webinar, *Employer Basics 101: Preparing Deposit and Service Reports*.



## Overview of Employer Responsibilities

### Other retirement reporting resources

- Payroll Report Summary on ESS.
- Employer advisor.
- Retirement reporting representative.

PAYROLL REPORT SUMMARY			
Report Type	Payroll (Member Contributions)	Start Pay Date	07/01/2022
SSN	XXXX-XX-5101	Stop Pay Date	09/28/2023
Pay Date	Report Status	Contribution Amount	
08/18/2022	Complete	450.11	ACCRUED
08/04/2022	Complete	450.11	ACCRUED
07/31/2022	Complete	450.11	ACCRUED
07/07/2022	Complete	450.11	ACCRUED
06/23/2022	Complete	450.11	
06/09/2022	Complete	450.11	
05/26/2022	Complete	450.11	
05/12/2022	Complete	450.11	
04/28/2022	Complete	450.11	
04/14/2022	Complete	450.11	
03/31/2022	Complete	450.11	
03/17/2022	Complete	450.11	
02/03/2022	Complete	450.11	
01/20/2022	Complete	450.11	
01/06/2022	Complete	450.11	
12/23/2021	Complete	450.11	
12/09/2021	Complete	450.11	
11/25/2021	Complete	450.11	
11/10/2021	Complete	450.11	
10/28/2021	Complete	450.11	
10/14/2021	Complete	450.11	
09/30/2021	Complete	450.11	
09/16/2021	Complete	450.11	
09/02/2021	Complete	418.81	ACCRUED
08/16/2021	Complete	418.80	ACCRUED
08/01/2021	Complete	418.80	ACCRUED
07/22/2021	Complete	418.80	ACCRUED
07/08/2021	Complete	418.80	ACCRUED
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## Overview of Employer Responsibilities

### Can a member withdraw his or her account?

- To withdraw, a member must terminate all STRS Ohio-covered employment.
- Restrictions include:
  - Cannot be under any form of teaching contract, including substitute teaching.
  - No verbal or written agreement to teach in the future.
  - Cannot be on a leave of absence.
  - Cannot already be receiving service retirement or disability benefits.
- Partial withdrawals or “loans” are not allowed by law.



## Overview of Employer Responsibilities

### Am I required to do anything if a member is eligible to withdraw their account?

- The member will complete a withdrawal application.
- Employer is required to complete a certification of earnings and contributions for the current, and possibly prior, fiscal year.



## Overview of Employer Responsibilities

### STRS OHIO EMPLOYER REPORTING ANNUAL PROCESSES AND DUE DATES

#### July

- Annual report template available for employers submitting via Employer Self Service (ESS)

#### August

- Annual report due
- Service credit verification report due — complete and submit in ESS

#### September

- Accrued verification report due (if applicable) — available in ESS
- Annual Statements of Account sent to members

#### October

- Employer Detail Listing mailing begins (completed by Dec. 31)

#### December

- Employment verifications due (if applicable) — available in ESS

#### March

- Salary schedules due — scan and send via secure file upload (see STRS Ohio Employer Website for details)

#### April

- Deposit and service reports available in ESS for June retirements
- Estimated annual payroll due (state foundation employers only) — available in ESS
- Pay date calendar available — complete and submit in ESS

#### May

- Deposit and service reports available in ESS for July retirements

#### June

- Pay date calendars due — complete and submit in ESS
- Annual Reporting Resource Center available on employer website
- Deposit and service reports available in ESS for August retirements
- Fiscal year end

#### Ongoing

- New hire and reemployed retiree notifications
- Payroll reports
- Contribution payments



## Overview of Employer Responsibilities

- **Ongoing responsibilities:**
  - New hire notifications.
  - Reemployed retiree notifications.
  - Payroll reports.
  - Contribution payments.



## Overview of Employer Responsibilities

### We're here to assist you!

- Call toll-free: **888-535-4050**.
  - Ask to speak to your assigned representative or employer advisor.
- Send an email: **report@strsoh.org**.
- Visit our website: **www.strsoh.org/employer**.
- **Remember to update STRS Ohio with any changes to treasurer or payroll staff, including contact information.**

