Agenda

- About STRS Ohio
- Member employment cycle
- Retirement plans
- Service retirement
- Retirement process
- Retirement versus account withdrawal
- Reemployed retirees
- Available resources
About 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

About STRS Ohio

• One of the nation’s premier retirement systems
• Highly rated in customer service among pension systems
• Serves more than 506,000 active, inactive and retired educators
• Works with more than 1,140 employers statewide
• Mission: partner with members to build retirement security
Member employment cycle

New Hire Reporting
- Member is hired
- Employer notifies STRS Ohio
- Member selects retirement plan
- STRS Ohio creates member retirement account

Reemployed Retiree Reporting
- Member returns to an STRS Ohio-covered position

Payroll Reporting
- Member is compensated for service to employer
- Employer remits payroll reports and member and employer contributions to STRS Ohio

Benefit Reporting
- Member chooses to retire or withdraw account
- Employer provides final account information to STRS Ohio
- STRS Ohio calculates member’s final benefit

Annual Reporting
- Employer provides STRS Ohio with total contributions and service credit earned during fiscal year
- STRS Ohio reconciles member’s retirement account and posts contributions and service credit for the fiscal year

Retirement plans

Retirement plans
- Defined Benefit Plan
- Defined Contribution Plan
- Combined Plan

Benefit types
- Service retirement
- Disability benefits
- Survivor benefits
Retirement plans — enrollment

- **Defined Benefit Plan (DB)**: 86%
- **Defined Contribution Plan (DC)**: 10%
- **Combined Plan (CO)**: 4%

Benefits while working: Survivor and disability benefits are provided to eligible members in the Defined Benefit and Combined Plans.

Information from fiscal year 2020

AVERAGE FULL-TIME ACTIVE PROFILE

- **44.3** Age
- **13.3** years Service Credit
- **$64,746** Salary

CONTRIBUTION RATES
- Active Member: 14%
- Employer: 14%

Service retirement

A Defined Benefit Plan participant is eligible for service retirement according to the following criteria:

<table>
<thead>
<tr>
<th>Retirement between</th>
<th>Unreduced benefit minimum age and years of service</th>
<th>Actuarially reduced benefit* minimum age and years of service</th>
</tr>
</thead>
<tbody>
<tr>
<td>8/1/2021-7/1/2023</td>
<td>Any age and 34 years; or age 65 and 5 years</td>
<td>Any age and 30 years; or age 55 and 29 years; or age 60 and 5 years</td>
</tr>
<tr>
<td>8/1/2023-7/1/2026</td>
<td>Any age and 35 years; or age 65 and 5 years</td>
<td>Any age and 30 years; or age 60 and 5 years</td>
</tr>
<tr>
<td>8/1/2026</td>
<td>Age 60 and 35 years; or age 65 and 5 years</td>
<td>Any age and 30 years; or age 60 and 5 years</td>
</tr>
</tbody>
</table>

*An actuarially reduced benefit reflects a reduction for each year that a member retires before meeting eligibility for an unreduced benefit.*
Service retirement

<table>
<thead>
<tr>
<th>Fiscal Year End</th>
<th>Total Applications by Fiscal Year End</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>2,218</td>
</tr>
<tr>
<td>2017</td>
<td>2,924</td>
</tr>
<tr>
<td>2018</td>
<td>2,538</td>
</tr>
<tr>
<td>2019</td>
<td>3,224</td>
</tr>
<tr>
<td>2020</td>
<td>2,818</td>
</tr>
<tr>
<td>2021</td>
<td>3,908</td>
</tr>
</tbody>
</table>

Service retirement — combining service credit

Joint retirement with Ohio Public Employees Retirement System (OPERS) and/or School Employees Retirement System (SERS)

• Benefit is paid by system with the most service credit
• Any postretirement employment restrictions of all systems in which member earned service credit apply to joint retirees
• No more than one year of service credit per year no matter the amount of concurrent/overlapping service
• Service credit in OPERS or SERS that is not concurrent with STRS Ohio may be combined with STRS Ohio service credit
• If the member does not combine accounts at retirement, final average salary (FAS) is based only on STRS Ohio earnings

employer_education@strsoh.org
Retirement process

- After STRS Ohio receives a Service Retirement Application from the member, a deposit and service report is sent to employer
- Employer will receive report to complete approximately 60 days before retirement effective date
- Please complete report as soon as information is available but no later than two weeks after retirement date
- Step-by-step instructions and tutorial available on STRS Ohio Employer Website

Average Retiree Profile (for retirement in 2019-2020)

- Age at Retirement: 63.3 years
- Service Credit: 28.0 years
- Annual Benefit: $51,120
Retirement versus withdrawal

A member can withdraw his or her account after all STRS Ohio-covered employment is terminated
- Member 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

Retirement versus withdrawal

Members who withdraw their accounts lose access to:
- STRS Ohio pension benefits — accumulated service credit is canceled
- Continuing lifetime benefits to survivors
- Access to the STRS Ohio Health Care Program (if eligible)
- Disability benefits (if eligible)
Retirement versus withdrawal

Account withdrawal – employer responsibility

- Member completes withdrawal application
- Employer is required to complete a certification for the current, and possibly prior, fiscal year

Reemployed retirees

- 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
  - Retirees of private, federal or out-of-state employment are not considered reemployed retirees
Reemployed retirees — limitations

• Members must terminate employment from their primary (highest paying) public employer to be eligible for retirement benefits

• STRS Ohio disability benefits recipients may not be reemployed; disability benefits are terminated if member performs any paid or volunteer teaching services

• Minimum one-day break in service between last day of service between last day as active member and first day as reemployed retiree

• Working during the first two months of retirement may cause a loss of retirement benefits

Reemployed retirees — public notice

Section 3307.353, Revised Code, mandates that any school board proposing to continue the employment of a person in a position that is customarily filled by a vote of a board or commission, or to rehire a person as a reemployed retiree to the same position he or she held before retiring, must comply with the following guidelines:

• No less than 60 days before the employment of a reemployed retiree is to begin, the board must give public notice that the person is or will be retired and is seeking employment with the employer

• Between 15 and 30 days before the employment of a reemployed retiree is to begin, the board must hold a public meeting on the issue of the person being employed

• Contact your legal counsel with questions about this requirement
Reemployed retirees — benefit payment

- Reemployed retiree contributions fund a benefit that may be collected as a lump-sum payment (before age 65) or a monthly annuity (age 65 or after)
- Retiree completes application and employer receives certification to complete - do not complete until final earnings are known.

Health care eligibility for reemployed retirees

1. Is the reemployed retiree eligible for Medicare (age 65 or older)?
   - Yes: STRS Ohio offers primary coverage.
   - No:
     1. Does the employer offer health insurance to other similarly situated employees?
       - Yes:
         1. Does the health insurance include medical and prescription coverage?
           - Yes:
             1. Is health insurance offered at the same cost as full-time employees?
               - Yes: STRS Ohio offers secondary coverage.
               - No:
                 1. No:
                   1. No:
                      STRS Ohio offers primary coverage.
                   - Yes:
                     1. No:
                       STRS Ohio offers secondary coverage.
     - No:
       1. No:
         1. No:
           STRS Ohio offers primary coverage.

*Similarly situated employee is based on position and employment status (part time/full time), not retirement status.
Available resources

• **Annual Processes and Due Dates** — helpful list to assist with planning

<table>
<thead>
<tr>
<th>Month</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>• Annual report template available for employers submitting via Employee Self Service (ESS)</td>
</tr>
</tbody>
</table>
| August  | • Annual report due  
  • Service credit verification report due — complete and submitted to ESS |
| September | • Accrued verification report due (if applicable) — available in ESS  
  • Annual Statements of Accountment to members |
| October | • Employee Direct Deposit enrollment begins (completed by Oct. 31) |
| December | • Employment verifications due (if applicable) — available in ESS |
| March   | • Salary schedule due — scan and send via secure 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 online |
| Ongoing | • Deposit and service reports available in ESS for August retirements  
  • Final year-end  
  • New hire and reemployed retiree notifications  
  • Payroll reports  
  • Contributions payments |

Visit our website: www.strsoh.org/employer  
Call toll-free: 888-535-4050  
Send an email: report@strsoh.org
Thank you!

- Additional questions?
- Open discussion