

SECTION 1 — MEMBERSHIP

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MEMBERSHIP

Ohio law defines STRS Ohio membership in Section 3307.01 of the Revised Code (R.C.). Generally, membership is required for:

- Any person paid from public funds and employed in the public schools under any type of contract described in Section 3311.77 or 3319.08, R.C., in a position for which the person is required to have a license issued pursuant to Sections 3319.22 to 3319.31, R.C.
- Any person employed as a teacher or faculty member in a community school or a science, technology, engineering and mathematics (STEM) school pursuant to Chapter 3314 or 3326, R.C.
- Any other teacher or faculty member employed in any school, college, university, institution or other agency wholly controlled and managed, or supported in whole or in part, by the state or any of its subdivisions.
- The educational employees of ODE.

Positions that are covered by STRS Ohio include, but are not limited to, the following:

- Adult education instructors
- Athletic directors and coaches (who hold a valid teaching license)
- Community school directors and academic administrators
- Counselors
- Faculty members
- Interpreters for the hearing impaired
- Occupational and physical therapists
- Occupational and physical therapy assistants
- Orientation and mobility specialists
- Principals and academic administrators
- Psychologists
- Social workers
- Superintendents
- Teachers and substitute teachers
- Teachers employed to work in parochial or private schools using auxiliary funds
- Tutors

Board of education members can contribute to either the School Employees Retirement System of Ohio (SERS) or to Social Security for compensation paid for service as a school board member. Community School Board membership questions should be directed to SERS.

Membership is not required for any person employed by a community school operator who was withholding and paying Social Security taxes for persons employed in the school as teachers on or before Feb. 1, 2016, **unless** the person had contributing service with an Ohio community school within the last year.

STRS Ohio has the authority to make membership determinations as set forth by Chapter 3307, R.C.

The **only** exceptions to STRS Ohio membership and contributions are for student employees employed part-time by the school they are attending, certain visiting faculty and eligible faculty selecting an alternative retirement plan (see information on Pages 8–10 of this section).

THIRD-PARTY CONTRACTORS/TEMPORARY AGENCIES

Hiring a teacher or administrator as a third-party contractor or through a temporary agency does not necessarily relieve the obligation for member and employer contributions on earnings.

If the mode and manner of teaching duties performed by a third-party contractor are controlled by the STRS Ohio employer, then STRS Ohio considers the individual to be a member and requires contributions to be remitted. In all cases of doubt, the Retirement Board shall determine whether a person is a teacher for STRS Ohio purposes.

For more information, see the *Contracted Services Membership Determination* fact sheet on the employer website.

NOTIFYING STRS OHIO OF A NEWLY HIRED EDUCATOR

When educators become members of STRS Ohio, they are sent information about the various retirement plan options. To ensure that members receive timely information about their choices and have sufficient time to make an informed decision, **employers must notify STRS Ohio within 10 business days of the educator’s first date on payroll.** Notification is also required if the educator is returning to service after an extended leave or previous termination.

Employers must complete either a new hire or reemployed retiree notification and submit the SSA-1945 form.

SUBMITTING THE INFORMATION

NEW HIRE NOTIFICATION

Employers can notify STRS Ohio of a newly hired educator using **one** of the following methods:

1. Online — New hire information can be submitted through Employer Self Service (ESS) on the employer website by choosing New Hire Notification in the banner menu (see sample on Page 3). To use ESS, you must be a registered user. See “Registering to Use Employer Self Service” in Section 3.
2. Secure file upload — Transmit new hire information via secure file upload on the employer website. The file should be sent in the format on Page 4.

STRS Ohio Home Make a Payment **New Hire Notification** Reemployed Retiree Notification Employer Reports Deposit & Service Reports Withdrawal Certification

New Hire Notification

Messages(1)
Creating new member.

Member Information

SSN: Birth Date:

First Name: Gender: Unknown

Middle Name: Type: Member

Last Name:

Suffix:

Account Code:

Address

Address Type: Residence Valid:

Address Period: Jun 11, 2018 - Address Source: Employer

Address 1:

Address 2:

Address 3:

City:

State: Ohio

County: ADAMS

Zip/Postal Code:

Country: U.S. OF AMERICA

Save Reset

STRS Ohio Home Make a Payment **New Hire Notification** Reemployed Retiree Notification Employer Reports Deposit & Service Reports Withdrawal Certification

New Hire Notification

Messages(2)
Address has been Standardized.
Creating new employment record.

Agreement Name: D128_Payroll_001

First Date on Payroll:

Job Category: STRS

Job Class: Teacher

Plan Election Status: Not Applicable

New Hire Status: New Hire Received

Save Reset

New hire notification screens



New Hire Record Layout

The following layout is required to transmit new hire notifications via secure file upload on our website.

Field No.	Field Name	Description	Start Location	Field Length	Format	Valid Values
1	Record Type	Identifies record for STRS Ohio processing.	1	4	Alphanumeric	NM=New hire
2	Employer Number	Four-character employer number (the first digit for city school districts is the letter C).	5	4	Alphanumeric	STRS Ohio employer number
3	First Date on Payroll	Date employee starts work.	9	10	MM/DD/CCYY	Date
4	Social Security Number	Social Security number of employee.	19	9	999999999	Numeric
5	Last Name	Last name of employee. No punctuation except dash [-].	28	25	Alphanumeric	
6	First Name	First name of employee. No punctuation except dash [-].	53	15	Alphanumeric	
7	Birth Date	Birth date of employee.	68	10	MM/DD/CCYY	Date
8	Gender	Gender of employee.	78	1	Alphanumeric	F=Female, M=Male
9	Address	Delivery address. No punctuation except dash [-].	79	40	Alphanumeric	
10	City Name	City name.	119	20	Alphanumeric	
11	State Code	United States Postal Service (USPS) abbreviation for state.	139	2	Alphanumeric	USPS assigned state codes, **=Foreign address
12	ZIP Code	ZIP code (basic 5 digits).	141	5	99999	Numeric
13	ARP	Identifies higher education faculty eligible to elect an alternative retirement plan (ARP). Note: Only applicable to college and university employers (optional field).	146	1	Alphanumeric	Y=Eligible for ARP, N=Ineligible/Not applicable
14	Reserved	Space reserved for future use.	147	110	Alphanumeric	

Total record length = 256

REEMPLOYED RETIREE NOTIFICATION FORM

See Section 16 for more information about the employment of Ohio public retirees.

SSA-1945 FORM

The federal Social Security Protection Act requires employers to submit an SSA-1945 form (see Page 6) to STRS Ohio for any member hired after Jan. 1, 2005. The form explains how public employment can affect Social Security benefits. It must be signed by the member and submitted to STRS Ohio by the employer. The completed SSA-1945 form can be submitted by mail, fax or secure file upload.

When completing this federal form, please put the information below in the corresponding fields that are listed in parentheses.

- Name (Employee name)
- Social Security number (Employee ID#)
- School district name (Employer name)
- STRS Ohio employer number (Employer ID#)

Statement Concerning Your Employment in a Job Not Covered by Social Security

Employee Name _____ Employee ID# _____
 Employer Name _____ Employer ID# _____

Your earnings from this job are not covered under Social Security. When you retire, or if you become disabled, you may receive a pension based on earnings from this job. If you do, and you are also entitled to a benefit from Social Security based on either your own work or the work of your husband or wife, or former husband or wife, your pension may affect the amount of the Social Security benefit you receive. Your Medicare benefits, however, will not be affected. Under the Social Security law, there are two ways your Social Security benefit amount may be affected.

Windfall Elimination Provision

Under the Windfall Elimination Provision, your Social Security retirement or disability benefit is figured using a modified formula when you are also entitled to a pension from a job where you did not pay Social Security tax. As a result, you will receive a lower Social Security benefit than if you were not entitled to a pension from this job. For example, if you are age 62 in 2013, the maximum monthly reduction in your Social Security benefit as a result of this provision is \$395.50. This amount is updated annually. This provision reduces, but does not totally eliminate, your Social Security benefit. For additional information, please refer to Social Security Publication, "Windfall Elimination Provision."

Government Pension Offset Provision

Under the Government Pension Offset Provision, any Social Security spouse or widow(er) benefit to which you become entitled will be offset if you also receive a Federal, State or local government pension based on work where you did not pay Social Security tax. The offset reduces the amount of your Social Security spouse or widow(er) benefit by two-thirds of the amount of your pension.

For example, if you get a monthly pension of \$600 based on earnings that are not covered under Social Security, two-thirds of that amount, \$400, is used to offset your Social Security spouse or widow(er) benefit. If you are eligible for a \$500 widow(er) benefit, you will receive \$100 per month from Social Security (\$500 - \$400=\$100). Even if your pension is high enough to totally offset your spouse or widow(er) Social Security benefit, you are still eligible for Medicare at age 65. For additional information, please refer to Social Security Publication, "Government Pension Offset."

For More Information

Social Security publications and additional information, including information about exceptions to each provision, are available at www.socialsecurity.gov. You may also call toll free 1-800-772-1213, or for the deaf or hard of hearing call the TTY number 1-800-325-0778, or contact your local Social Security office.

I certify that I have received Form SSA-1945 that contains information about the possible effects of the Windfall Elimination Provision and the Government Pension Offset Provision on my potential future Social Security Benefits.

Signature of Employee _____ Date _____

Statement Concerning Your Employment in a Job Not Covered by Social Security
 — Side 1

Information about Social Security Form SSA-1945 Statement Concerning Your Employment in a Job Not Covered by Social Security

New legislation [Section 419(c) of Public Law 108-203, the Social Security Protection Act of 2004] requires State and local government employers to provide a statement to employees hired January 1, 2005 or later in a job not covered under Social Security. The statement explains how a pension from that job could affect future Social Security benefits to which they may become entitled.

Form SSA-1945, **Statement Concerning Your Employment in a Job Not Covered by Social Security**, is the document that employers should use to meet the requirements of the law. The SSA-1945 explains the potential effects of two provisions in the Social Security law for workers who also receive a pension based on their work in a job not covered by Social Security. The Windfall Elimination Provision can affect the amount of a worker's Social Security retirement or disability benefit. The Government Pension Offset Provision can affect a Social Security benefit received as a spouse, surviving spouse, or an ex-spouse.

Employers must:

- Give the statement to the employee prior to the start of employment;
- Get the employee's signature on the form; and
- Submit a copy of the signed form to the pension paying agency.

Social Security will not be setting any additional guidelines for the use of this form.

Copies of the SSA-1945 are available online at the Social Security website, www.socialsecurity.gov/online/ssa-1945.pdf. Paper copies can be requested by email at ofsm.oswm.rqct.orders@ssa.gov or by fax at 410-965-2037. The request must include the name, complete address and telephone number of the employer. Forms will not be sent to a post office box. Also, if appropriate, include the name of the person to whom the forms are to be delivered. The forms are available in packages of 25. Please refer to Inventory Control Number (ICN) 276950 when ordering.

Statement Concerning Your Employment in a Job Not Covered by Social Security
 — Side 2

RETIREMENT PLAN ACCOUNTS

STRS Ohio establishes and maintains individual accounts for each member based upon the plan selected by the member.

- **Defined Benefit Plan** — the member's accumulated contributions will be combined with sufficient employer contributions and investment earnings to fund benefits when they are granted. Member contributions are credited to accounts each summer based on each district's annual report. Annual statements are mailed to each Defined Benefit Plan member in the fall showing account value and service credit.
- **Defined Contribution Plan** — the member allocates his or her member and employer contributions in accordance with the provisions of the plan. Benefits are based on the performance of investment choices the member selects for these contributions. Member contributions and a portion of the related employer contributions are deposited in the member's defined contribution account upon receipt of contributions and payroll reports. Defined Contribution Plan account statements are mailed out quarterly.
- **Combined Plan** — contributions are used to provide two different types of benefits:
 - **Defined contribution portion:** the member allocates a portion of his or her member contributions in accordance with the provisions of the plan, and retirement benefits for this portion of the account are based on the performance of investment choices the member selects for these contributions. Member contributions are deposited in the defined contribution portion of the account upon receipt of contributions and payroll reports from the employer.
 - **Defined benefit portion:** employer contributions and a portion of member contributions fund disability benefits, survivor benefits and service retirement benefits equal to 1% of final average salary (per year of service) at age 60. These contributions will be combined with sufficient investment earnings to pay benefits when granted. Earnings and service credit will be credited to the defined benefit portion of a member's account each summer based on each district's annual report. Employer contributions will not be credited to individual member accounts.

Members enrolled in the Combined Plan receive quarterly statements for the defined contribution portion of their account and annual statements in the fall for the defined benefit portion of their account.

For more information on the Defined Contribution and Combined Plans, see Section 15.

EXEMPTION FROM CONTRIBUTIONS FOR STUDENT EMPLOYEES

Administrative Code Rule 3307-4-01 allows members employed as teachers on a part-time basis by a school, college or university in which they are regularly attending classes to apply for exemption from contributions to STRS Ohio.

Application for exemption must be made within 30 days of employment following each period of nonexempt employment. The exemption will remain in effect until employment as a student employee terminates or contributions are made on compensation paid by the same employer, whichever occurs earlier.

Contributions are required during any period of employment during which the teacher is not attending classes — summer sessions, for example. A new exemption form must be filed for any subsequent teaching service as a student employee.

This exemption does not apply to student employees who are not currently members of STRS Ohio. Student employees who have not previously contributed to STRS Ohio are automatically denied membership — no form is required.

Teachers on leave of absence from other teaching positions covered by STRS Ohio are not eligible for exemption from contributions.

Service credit for the exempt service may be purchased only as provided by Section 3307.73, R.C., and Administrative Code Rule 3307:1-3-10.

While members are exempt, they are not entitled to a refund of contributions pursuant to Section 3307.56, R.C.

All eligible student employees who want to apply for exemption from STRS Ohio contributions should complete an *Exemption From Contributions for Student Employees* application form (sample on the following page) within 30 days of employment following each period of nonexempt employment.

Exemption forms are available online. After the student employee has completed his or her portion of the form, **the employer should fill out the lower section and file the form with STRS Ohio.**



EXEMPTION FROM CONTRIBUTIONS FOR STUDENT EMPLOYEES

Members employed as teachers on a part-time basis by a school, college or university in which they are regularly attending classes may apply for exemption from contributions to STRS Ohio. Application for exemption must be made within 30 days of employment following each period of nonexempt employment. The exemption will remain in effect until employment as a student employee terminates or contributions are made on compensation paid by the same employer, whichever occurs earlier. **Contributions are required during any period of employment during which the teacher is not attending classes.** A new exemption form must be filed for any subsequent teaching service as a student employee.

This exemption is applicable only to student employees who are currently members of STRS Ohio. Student employees who have not previously contributed to STRS Ohio are automatically denied membership and this exemption form is not required.

Teachers on leave of absence from other teaching positions covered by STRS Ohio are not eligible for exemption from contributions.

No service credit will be awarded for any period for which a member is exempt from contributions. Service credit for the exempt service may be purchased only as provided by Section 3307.73, Revised Code.

Exemption Declaration

I hereby request exemption from contributions to STRS Ohio as a part-time teacher in a school, college or university where I am regularly attending classes. I understand that no service credit will be awarded for periods covered by this exemption and that I must contribute during any periods that I am not attending classes.

I am not currently on leave of absence from another teaching position covered by STRS Ohio.

Student employee name _____
First Middle Last

Student employee signature _____

Social Security number _____ Date _____

Home address _____
Street City State ZIP code

Employer Certification

The employer joins in this request for exemption from contributions to STRS Ohio for the student employee named above. Contributions will be remitted for any period in which the employee is not attending classes.

Certified by _____ Title _____

Signature _____ Date _____

Employer name _____ Four digit employer no. _____



EXEMPTION FROM MEMBERSHIP

VISITING FACULTY MEMBERS

Membership in STRS Ohio may be denied only to faculty members employed on a temporary basis as visiting faculty members appointed to an academic chair in Ohio, provided the faculty member will remain the employee of a school, college or university other than an Ohio public institution.

An exemption from STRS Ohio membership can be requested on condition that:

- a) The appointment will not exceed two years;
- b) The faculty member will terminate employment upon completion of the appointment; and
- c) The faculty member will remain the employee of a school, college or university other than an Ohio public institution.

Requests for exemptions from membership and contributions must be made jointly by the employer and the faculty member and must meet the criteria above. It is important to remember that any assignment exceeding two years does not qualify for membership exemption. Failure to comply with the conditions set forth in Administrative Code Rule 3307-4-01 will void the denial of membership and contributions will be required to commence with the initial date of employment.

Once STRS Ohio receives the joint request, the Retirement Board will determine if the exemption should be granted. If the request is granted, it is the employer's responsibility to monitor the length of employment and promptly notify STRS Ohio if there is a change in the teaching assignment. The exemption is only valid for the teaching assignment period approved by the Retirement Board.

ALTERNATIVE RETIREMENT PLANS

Certain academic and administrative employees employed full time by a public college or university are able to choose a retirement plan other than STRS Ohio. The chancellor of the Ohio Department of Higher Education has identified alternative retirement plans (ARP) that Ohio public colleges and universities are required to offer.

Eligible employees include all full-time academic and administrative employees hired after the employer adopts an ARP.

Employers are required to report employees electing an ARP and contribute a percentage of the electing employee's compensation to STRS Ohio for each employee electing an ARP. These payments go toward meeting the employer's proportionate share of STRS Ohio's unfunded accrued liability.

Reemployed retirees employed full time by a college or university may choose to participate in an ARP. See Section 16 for additional information on the employment of Ohio public retirees.