

EMPLOYER Notice

Ohio Public Employees Retirement System • 277 East Town Street • Columbus, Ohio 43215

Note:

All employers are required to submit pick-up plan documentation to OPERS for review.

Reminder: May 1 deadline for submission of pick-up plan documentation

Who should read this notice

Fiscal officers and payroll clerks for the state of Ohio and public employers in the *miscellaneous category*, including districts, authorities (other than housing), commissions, cemeteries, and retirement systems, offering a pick-up plan for tax-deferred deductions to OPERS.

Note: In addition, all other employers who haven't yet submitted their pickup plan for review should read this notice.

Situation overview

The Internal Revenue Service (IRS) requires employers to provide specific written documentation about pick-up plans, if offered. This means that all employers offering a pick-up plan must send their current, board of directors-approved, pick-up resolution document to OPERS for review. Employers must submit documentation for all pick-up plans offered to employees including fringe benefit pick-up plans, salary reduction pick-up plans, and/or service purchase payroll deduction pick-up plans.

As previously announced, OPERS established a staggered schedule for document review. To comply, all state of Ohio employers and public employers in the miscellaneous category who offer a pick-up plan must submit pick-up plan documentation to the OPERS Employer Reporting office no later than May 1, 2008.

What you need to do

If you offer a pick-up plan, you must:

- Review your records to make sure your documents are compliant with the IRS guidelines.
- If your current resolution is not compliant, your board of directors/trustees must draft and pass, a new resolution that complies with the guidelines.
- Submit a compliant resolution for each of the pick-up plans you offer your employees to OPERS for review no later than May 1, 2008.

Employer Reporting has created resources to help you with this requirement. You may:

- Access the *Employer Notice* with the headline: *IRS Ruling specifies pick-up plan documentation requirement* issued April 5, 2007. This document reviews the language required for pick-up resolutions. If you do not have this document archived, you can find it online at www.opers.org.

(More information on back)



1-888-400-0965
www.opers.org

- Call Employer Outreach to request a brochure, *Pick-Up Plans: A Guide for Employers*. This brochure reviews all pick-up plan guidelines and includes sample resolutions.

Why this is important

The Internal Revenue Service requires that all employer pick-up plans are compliant with IRS Revenue Ruling 2006-43. With your help, we can ensure all employers' pick-up plans have been reviewed and revised (where necessary) by the Internal Revenue Service's due date of January 1, 2009.

Who to contact for more information

After you review this *Employer Notice*, contact your Employer Outreach representative with questions or to request a brochure at 1-888-400-0965 or via the Internet at employeroutreach@opers.org.

This Employer Notice is written in plain language for use by public employers who are subject to coverage under the Ohio Public Employees Retirement System. It is not intended as a substitute for the federal or state law, namely the Ohio Revised Code, the Ohio Administrative Code, or the Internal Revenue Code, nor will its interpretation prevail should a conflict arise between it and the Ohio Revised Code, Ohio Administrative Code, or Internal Revenue Code. Rules governing the retirement system are subject to change periodically either by statute of the Ohio General Assembly, regulation of the Ohio Public Employees Retirement Board, or regulation of the Internal Revenue Code. If you have questions about this material, please contact our office or seek legal advice from your attorney.



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