



EMPLOYER DIGEST

SUMMER 2018

EMPLOYER DIGEST NOW ONLINE ONLY

Beginning with this summer edition, the Employer Digest will only be sent by email to employers. No print version of the Digest will be delivered by OP&F. The current and previous versions of the Employer Digest will still be available on the OP&F website. To print a PDF copy of the latest Digest, please click [here](#).

It is important for employers to continue receiving the Digest, as it provides valuable information such as online reporting changes, pending laws that may impact employers and reminders of important dates and deadlines. To ensure continued email delivery of the Digest, OP&F asks employers to assist in keeping email addresses up to date.

For employers that utilize Self-Serve web, go to account settings once logged in and select update email address, then save after entering and confirming the email address. For employers that do not utilize the Self-Serve web, please complete the Employer Information Form found on the OP&F website under Employers/Forms and return the form to OP&F.

CREDIT FOR OP&F EMPLOYER OVERPAYMENTS REVISITED

The winter 2018 Employer Digest included information on OP&F's new policy, effective February of 2018, regarding overpayments. As a reminder, under a new rule of the Ohio Administrative Code, OP&F will not issue a refund of overpaid member contributions that is less than \$100 per member or payroll. Rather, a credit will be applied to the employer's account for a balance due in the future. An overpayment of member contributions that is \$100 or more may be refunded to the employer, provided that the employer makes a written request for the overpayment. Otherwise, a credit will be applied to the employer's account for a balance due in the future.

Regarding the employer share of contributions, OP&F will not issue a refund of overpaid contributions resulting from a correction or adjustment to a member or a payroll. Rather, a credit will be applied to the employer's account for a balance due in the future. A refund may be issued if an employer duplicates an entire monthly payment.

Notwithstanding this new rule, it remains the employer's responsibility to ensure that its members' contributions are corrected within the employer's internal records when non-pensionable contributions result in an overpayment. It is important that the employer's payroll records be adjusted to reflect the member's pensionable wages and contributions. Generally, this can be accomplished in internal payroll records by an adjustment to the member's next payroll check.

Overpayment scenario

An employer over-reports pensionable wages for a member by \$300 on the April 2018 Report of Retirement Deductions, resulting in overpayments of \$36.75 in member contributions and \$58.50 on the Employer share. The payroll report is audited and corrected in OP&F records, resulting in credits on the employer account. This information is in turn provided to the employer.

Corrective action by employer

The May 2018 Report of Retirement Deductions that the employer submits to OP&F should reflect the current pay period detail. However, the payment sent should be reduced by these two credits, and a comment entered on the Summary of Payment Remittance Information form authorizes use of the credits on account. Remittance form totals should always reflect the payment submitted only; the line item contributions would be less the credits under member and employer fields, respectively.

For most employers, payroll software will accommodate these adjustments. If you need assistance in how to process these corrections or to educate your payroll provider on this matter, please contact John Davis, Employer Education Manager, at 1-888-864-8363 (extension 8255).

NOT ALL WAGES ARE CONSIDERED PENSIONABLE SALARY

Not all wages earned by members are considered to be pensionable salary under the laws and rules that govern OP&F. Therefore, employers should include only pensionable wages on the Report of Retirement Deductions that is submitted to OP&F.

The Ohio Revised Code defines “salary” as “all compensation, wages, and other earnings paid to an employee by reason of employment, but without regard to whether compensation, wages, or other earnings are treated as deferred income for federal income tax purposes.”

Pensionable vs. non-pensionable

Overtime is pensionable salary, as long as it is paid within the pay period earned or the following pay period and reported to OP&F within 60 days of when the overtime is worked. If a member chooses to bank worked overtime for use at a later date, it is not pensionable, unless it is used to make up the member’s regular schedule at a later date. Longevity, holidays, stress pay, hazard pay, or other similar special payments are generally considered pensionable salary if paid within one year of when earned. Retroactive payments or pay raises are considered pensionable salary regardless of when the payment is made.

Listed below are payments that fall beyond the classification of pensionable salary. Pensionable salary does not include compensation for services outside the scope of the employee’s regular employment, which includes, but is not limited to:

- Compensation for services outside the scope of the employee’s regular employment.
- Reimbursement of expenses (i.e., tuition reimbursement, uniform allowances);
- Terminal pay, regardless of whether or not the employer payments are made before or after termination. These items include lump sum payments for accrued but unused sick leave, vacation, personal leave, and compensatory time (only considered salary when used to keep a member on active payroll);
- Payments for opting out of employer provided health care coverage;
- Overlapping pay that occurs when a member works a vacation day. Do not report both the vacation day and the call-in time. The call-in time makes up the base hours and base wages and becomes the pensionable portion. The vacation would be considered a cash-out and should not be pensioned;
- Non-worked Kelly Days. For more information on Kelly Days, please see the Employer Quick Tips article in the spring edition (Q2) of the Employer Digest;
- Holiday and other payments deferred more than one year;
- Early retirement incentive plans;
- Signing bonuses or payments made for ratifying a collective bargaining agreement; and
- Sick leave bonuses or incentives that reduce the member’s sick leave bank.

If there is a question regarding the pensionability of wages, it is recommended that the employer contact an OP&F Employer Services Group (ESG) specialist before taking deductions on any given earning type. The employer’s ESG specialist can be found at the end of this newsletter and on the OP&F website at op-f.org/Employers/EmployerServices. OP&F reserves the right to reject any reported earnings that are later determined to not be pensionable salary.

INFORMATION FOR NEW PAYROLL OFFICERS

OP&F members are full-time firefighters and police officers. The prospective member must be hired or appointed as full-time, and once hired or appointed, must be paid on a full-time basis under OP&F’s governing rule in order to earn contributing service credit.

OP&F cannot accept contributions for part-time, volunteer, or temporary/provisional employees. Contract and seasonal employees are also not eligible for membership.

While employers certify membership status through completion of the Personal History Record, OP&F reserves the right to review and determine membership eligibility and contributing service credit. If an employer has questions or concerns about whether an individual is eligible for membership, the employer may request a determination from OP&F. This request must be submitted on the employer’s official letterhead and OP&F also must receive a copy of the employee’s formal job description.

Employer Information Form

Employers should notify OP&F as soon as possible when a new payroll officer is hired by submitting an Employer Information Form to OP&F. Keeping OP&F current on payroll reporting contacts will enhance efficiency and ease the transition whenever there is turnover in reporting personnel. If OP&F does not have current contact information, efforts to obtain needed payroll information or payments could be hindered.

Penalties could result when the current contact information is unavailable. Therefore, whenever there is a change in contact information involving the primary payroll contact, it is vital that this is reported promptly to OP&F.

To report this information to OP&F, please complete OP&F's Employer Information Form.

This form contains sections on primary contact information including name, address, job title, phone, fax, and email. There is also a section on secondary contact information, if applicable. The Employer Information form is available on the OP&F website under Employers/Forms. The completed form can be scanned, faxed, mailed or emailed to OP&F.

Employer Manual

New payroll officers may wish to review OP&F's Employer Manual, which is a reference guide to assist employers of OP&F in reporting contributions and submitting the required forms and materials needed to provide benefits for our members. The manual is intended for fiscal and payroll officers, although human resource and personnel managers may also find it useful. The manual contains general information related to the online reporting and payment options, clarifications on payroll reporting and membership requirements, as well as forms and documents.

The Employer Manual is not intended to serve as the definitive legal document of OP&F's employer policies. Instead, it will provide answers to the most common questions, and give guidance in submitting all required paperwork and retirement deductions in a timely and accurate manner. The OP&F Employer Manual is online at op-f.org/Employers/EmployerManual.

Employer training available

OP&F provides training for employers at no cost to the employer. Upon request of an employer, training can be done either by a visit to the employer's location or by a telephone conference. If you would like to schedule a free training session, please contact OP&F's Employer Education Manager, John Davis, at 1-888-864-8363 (extension 8255).

IDENTIFYING OP&F EMPLOYER CODES

Each OP&F employer is assigned their own employer code. The employer code is unique to each employer and each employer should be familiar with their code. The code is a 4-digit numeric-character identifier that should be displayed on all correspondence and forms submitted to OP&F. When a P or F is added to the end of an employer code, this becomes the employer division code. For example, an employer with both a police and a fire reporting division could have an employer code of 0123 and division codes of 0123P for police and 0123F for fire.

When the pay frequency, which is how often the employer pays the members, and the number of division reports an employer files each month are added to the division codes, the result is the agreement code. For example, using the example in the preceding paragraph, if the fire employer pays its members on a bi-weekly basis, and only sends one fire payroll report to OP&F each month, the agreement code would be 0123FB1. These expanded codes are used primarily on the OP&F Reports of Retirement Deductions, or payroll reports.

It is very helpful for an employer to know their employer code so that when they call OP&F with a question, their account can be identified quickly. Normally, if the employer references the 4-digit employer code, that should be sufficient to reference their account in our system. If an employer is unsure what their specific code is, please contact OP&F Customer Service at 1-888-864-8363.

EMPLOYER SERVICES CONTACT LIST

The OP&F Employer Services Group ensures the accuracy and completeness of employer payroll reports, often working one-on-one with a municipality's payroll clerk. Occasionally, OP&F reassigns Employer Services Specialists to best serve the needs of employers or due to other factors.

Below is a list of who an employer should contact with questions regarding payroll reporting. Please feel free to contact the employer's designated payroll representative for any questions or assistance in completing and submitting a payroll report. The Employer Services Group chart is on the following page.

ESG SPECIALIST	PHONE	EMAIL	EMPLOYER NAME BEGINS WITH
Scott Bartrum	(614) 628-8310	sbartrum@op-f.org	L, P, U, W, Y, Z
Michelle Frank	(614) 628-8432	mfrank@op-f.org	B, E, F, G, T, X
John Gresh	(614) 628-8430	jgresh@op-f.org	Pick-up Resolutions H, I, Columbus, Dayton, Parma, Springfield, Toledo
Kay Hoobler	(614) 628-8445	khoobler@op-f.org	C, J, M, O,
Brenda Mills	(614) 628-8429	bmills@op-f.org	D, K, N, R, S, V
Kay Szlasa	(614) 628-8237	kszlasa@op-f.org	Pick-up Resolutions A, Akron, Canton, Cincinnati, Cleveland, Hamilton, Youngstown
CONTACTS	PHONE	EMAIL	NEED ASSISTANCE WITH
Dominique Adams	(614) 628-8377	dadams@op-f.org	Payroll Auditor, Payroll Late Submission and 30 Day Letter Penalties
Nelson Bowen	(614) 628-8458	nbowen@op-f.org	Payroll Auditor, Non-Reported, Missing Contributions
Mike Chadwell	(614) 628-8339	mchadwell@op-f.org	Electronic Sign-Up
John Davis	(614) 628-8255	jdavis@op-f.org	Employer Education

IMPORTANT DATES AND DEADLINES

Important dates and deadlines are also posted on OP&F's website under the Employers menu in the Calendar of Billing Deadlines and Events section.

August

Aug. 31, 2018 OP&F Payroll deductions, member and employer contributions and payroll reports for July 2018.

September

Sept. 30, 2018 OP&F Payroll deductions, member and employer contributions and payroll reports for August 2018.

October

Oct. 31, 2018 OP&F Payroll deductions, member and employer contributions and payroll reports for September 2018.

Employer Education Manager John Davis
 Direct: (614) 628-8255
 Toll-free: 1-888-864-8363
 E-mail: jdavis@op-f.org

OP&F provides the Employer Digest as a general reference material in order to assist employers in properly reporting required contributions to OP&F, as well as submitting the required forms and materials that are necessary to provide benefits for our members. As a general reference material, the Employer Digest may not sufficiently represent all of the details applicable to the subjects discussed. Nothing contained in this newsletter is meant to interpret, extend or change, in any way, OP&F's governing statutes, administrative rules or policies. If you have any questions or need information on any subjects referenced in the Employer Digest, please contact OP&F.

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M-F 8:00am - 4:30pm EST