

Proration of Service Credit Transfers

If you became an OP&F member AFTER September 16, 1998, your transferred service credit will be prorated, meaning that the service credit does not transfer one-to-one. This is because the retirement systems have different contribution rates. In order to receive full service credit, you must pay the difference in the employee and the employer contribution rates, plus interest, of the two Retirement Systems.

Sample of OPERS Service Credit Transfer

Employees' Share	Current Rate	
OPERS = 8.5%	OP&F = 10%	<i>Because OP&F has a higher employee contribution rate, Ohio law requires you to pay the difference of 1.5% OPERS, with interest per year and 0.5% OPERS/LE with interest per year.</i>
OPERS/LE = 9.5%		
Employees' Share	Current Rate	
Employer paid OPERS 13.55%	Employer paid OP&F: 19.5% for Police 24% for Fire	<i>Because OP&F has a higher employee contribution rate, Ohio law requires you to pay the difference of 1.5% OPERS, with interest per year and 0.5% OPERS/LE with interest per year.</i>

The following is an example of prorating months of service for a member who was in Ohio Public Employees Retirement System from 1986-1999:

Money Transferring from Retirement System

Date of Transfer:	5/31/2000
Total Member Contributions	\$32,208.10
Interest on Member Contributions	\$22,669.00
Total Employer Contributions	\$51,875.55
Interest on Employer Contributions	\$36,832.13
Total Transfer Due	\$143,584.78

Difference Member Owes OP&F

Date of Transfer:	5/31/2000
Difference in Member Contributions Due	\$5,232.75
Interest on Member Contributions	\$3,338.49
Difference in Employer Contributions Due	\$22,013.60
Interest on Employer Contributions	\$15,403.87
Total Transfer Due	\$45,988.71

Proration Chart

Original Months of Service:	164.833
OPERS \$ Received	\$143,584.78
Member \$ Due to OP&F	\$45,988.71
Total Due to OP&F	\$189,573.49

Original Months of Service	164.833
Prorated Months of Service*	124.767
Available Months of Service	40.067

*Proration is determined by using a computer-generated factor that is based on the money received compared to the money due. In this example, the factor used is 0.757, which is multiplied by the original months of service from OPERS (164.833). The prorated Months of Service breaks down into 10 years, 4 months, and 23 days as shown below.

Years: $124.767 \div 12 = 10.397$

Months: $0.39 \times 12 = 4.779$

Days: $0.779 \times 30 = 23.357$