



EMPLOYER NOTICE

Employer Credit Balances

WHO SHOULD READ THIS NOTICE

Finance directors, payroll and human resources professionals of OPERS employers.

SITUATION OVERVIEW

Credit balances placed on your Employer Account can be a result of a variety of reasons. Some examples are:

- rounding of the employer contribution payment submitted
- an adjustment on a liability that had been previously paid
- a request to refund unauthorized contributions and the employer portion of the liability is credited to the employer's account. The credits are part of the correction process of a member's account.

The Internal Revenue Services' Employee Plans Compliance Resolution System (EPCRS) as contained in Revenue Procedure 2021-30 dictates how the correction process is to be managed by the retirement system. This procedure states that the employer credit, once applied to the employer's account, must be applied toward future employer liabilities required by Ohio Revised Code Section 145.51 before we can accept additional employer liability payments.

Based on the Internal Revenue Service and Ohio Revised Code, we will make changes to our internal systems as well as to ECS to accommodate this process mid-October 2023. When submitting a payment or payment remittance advice (E3) on ECS, there will no longer be an option to select which credits to use toward employer liabilities due. ECS will automatically apply the credit to comply with the procedure. ECS will display the liabilities the credits were applied to for your record. This will be shown on the payment review page of ECS as well as on the confirmation page.

When submitting a paper check, wire transfer or ACH payment, the system will automatically apply the credit to all pending employer liabilities prior to allocating a payment submitted by the employer to the charge. We will then apply the new incoming payment to the remaining employer liability and refund any overpayment that is a result of this process.

TRAINING FOR EMPLOYERS

OPERS will offer training for ECS users to demonstrate how to read the updated payment screens in ECS and how to identify which credits have been applied to which charges. The training will be held Oct. 5, Oct. 16, and Oct. 23, Nov. 7 and Nov. 16. To sign up for one of the training sessions, please go to opers.org under the Employer section and select **Seminars & Webinars**.

WHOM TO CONTACT FOR MORE INFORMATION

After reviewing this Employer Notice, contact Employer Outreach with questions regarding this information at 888-400-0965 or by email at employeroutreach@opers.org.

For a current listing of OPERS Board members, please visit opers.org

It is your responsibility to be certain that OPERS has your current physical and e-mail address on file. If OPERS is not made aware of address changes, we cannot guarantee that you will receive important information pertaining to OPERS public employers. 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.