

Retirement System Contributions

University staff contribute a percentage of their salary to the retirement plan, which is deducted on a pre-tax basis. The university also contributes to the staff member's retirement plan based on a percentage of his or her salary. Starting January 1, 2006, an increase in both employee and university contributions rates will be initiated. The rate increases will be phased in incrementally through 2008.

The rate increases are a result of the restructuring effort by OPERS to preserve ongoing health care and retirement benefits. This change will affect all Ohio universities and employers who participate with OPERS. Since ARP provisions are legislated by the state of Ohio, ARP participants are also affected by these incremental rate increases. This ensures that all Ohio public employees contribute the same dollar percentage and receive the same university contribution, regardless of their retirement program choice.

The following table illustrates the contribution rates made by the university and employees to the appropriate retirement system. The changes in the contribution rates will be effective on January 1 of the indicated year.

Contribution Rate Table				
Year	Staff Participating in OPERS or ARP		University Law-Enforcement Employees:	
	Employee Contribution Rate	University Contribution Rate	Employee Contribution Rate	University Contribution Rate
2005	8.50%	13.31%	10.10%	16.70%
2006	9.00%	13.54%	10.10%	16.93%
2007	9.50%	13.77%	10.10%	17.17%
2008	10.00%	14.00%	10.10%	17.40%

IRS guidelines were used to determine the earnings for which the rate change would become effective. The chart below lists the pay in January 2006 that will first reflect the new contribution amount:

Pay Deduction Table		
Retirement Program	Biweekly Pay Date	Monthly Pay Date
ARP	January 6, 2006	January 31, 2006
OPERS	January 20, 2006	January 31, 2006