



February 4, 2008

Dear Employee:

We are writing to alert you to two important changes in the Alternative Retirement Program (ARP) as it affects your retirement account. The Ohio Public Employees Retirement System (OPERS) conducts an annual review of the state retirement system and is authorized by law to adjust contributions made to ARP accounts. These adjustments are effective January 1, 2008.

Please take a few moments to review the important information below regarding the changes to your ARP contributions.

Retirement Contribution Changes Effective January 1, 2008:

	<u>Current:</u>	<u>January 1, 2008:</u>
Employer Contribution to ARP account:	13.23%	13.23%
Employer Contribution to OPERS*:	0.54%	0.77%
Total employer contribution:	13.77%	14.00%
Employee contribution:	9.5%	10.00%
Total ARP retirement contribution:	<u>22.73%</u>	<u>23.23%</u>

Why does the University Make a Contribution to OPERS?

- The Ohio General Assembly gave OPERS the authority to collect a fee (called a mitigating rate adjustment) from the employer's retirement contributions. The law (Ohio Revised Code 3305.06 (D)) authorizes OPERS to collect a mitigating rate adjustment of up to 6% of the employer's retirement contributions. Mitigating rate is the term used by OPERS to define the amount of the employer's contribution that OPERS may collect when an individual elects to participate in the ARP instead of OPERS. The purpose of the fee is to mitigate any negative financial impact of the ARP on OPERS and is charged to all ARP participants.

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Why does the University Make a Contribution to OPERS? (continued)

- The mitigating rate adjustment is made only from the employer portion of the retirement contributions.
- Effective January 1, 2008, the mitigating rate adjustment increased to 0.77% of the employer's contribution. Miami University is required by law to remit this new amount to OPERS.

Additional Information:

Additional information pertaining to this law and the mitigating rate adjustment is available from the OPERS website at www.opers.org, or by contacting Benefit Services at 529-3926. In addition, employees may wish to contact their state representatives to discuss to these changes.

Employees interested in viewing their retirement contributions may login to Banner Web and navigate as follows:

<https://bannerweb.muohio.edu>
Employee Services On-line
Benefit and Deduction information

If you have questions regarding these important changes, please contact the Benefit Services Office at 15 Roudebush Hall, 529-3926 or by email at benefits@muohio.edu.

Sincerely,



Dawn Fahner
Manager of Benefit Services