



Oklahoma Public Employees
Retirement System

2026

Retirement Coordinator Manual

TABLE OF CONTENTS

ABOUT THIS MANUAL	5
NEW RETIREMENT COORDINATOR? START HERE	6
CHAPTER 1: RETIREMENT COORDINATOR RESPONSIBILITIES	7
1.1 Preparation & Identification of Documents	7
1.2 False Statements	7
1.3 Confidential Information	7
1.4 Active Member Name Change	8
1.5 Active Member Address Change	8
CHAPTER 2: RESPONSIBILITIES OF MEMBERSHIP	9
2.1 Hearings Before the Board of Trustees	9
2.2 Forfeiture of Benefits	9
2.3 Address Changes	9
2.4 Beneficiary Changes	9
2.5 Correspondence	10
2.6 Divorce.....	10
2.7 Rollovers into the OPERS Defined Benefit Plan.....	10
CHAPTER 3: ELIGIBILITY FOR MEMBERSHIP	11
3.1 Initial Eligibility For OPERS Membership	11
3.2 When to Begin Contributions.....	13
3.3 Permanent Part-time Employment/Rolling Calendar	14
3.4 Enrollment Process.....	15
CHAPTER 4: MONTHLY MEMBER & EMPLOYER CONTRIBUTIONS.....	16
4.1 Local Government Employer Pick-up Provision	16
4.2 Contributions Paid on Accrued Sick/Vacation Leave at Termination of Employment.....	16
4.3 Contributions Paid on Overtime Wages	16
4.4 Contributions Paid on Commissions and Tips	16
4.5 Contributions Paid on Longevities, Performance or Mission Critical Pay	17
4.6 Contributions Are Not Assignable	17
4.7 Application for Refund (Employee & Employer)	17
4.8 Deadlines and Penalties	17
2.5% Step-up	17
4.9 Excess Benefit Plan	18
CHAPTER 5: PAYROLL FOR LOCAL GOVERNMENT & NON-OMES EMPLOYERS.....	19
5.1 Membership Payroll & Monthly Report	19
5.2 Employer Contributions DeadLine and Penalty	21
5.3 Certificate of Remittance	21
5.5 Employer's Report of Additions or Deletions Form.....	21
5.6 Change of Address form	21

CHAPTER 6: TERMINATION OF EMPLOYMENT AND WITHDRAWAL OF CONTRIBUTIONS	22
6.1 Introduction.....	22
6.2 Employer Certification of Separation	22
6.3 Leaving Contributions with OPERS	23
6.4 Withdrawing Contributions	23
6.5 Applying for Withdrawal	23
6.6 Retirement Coordinator Responsibilities for Withdrawals	24
6.7 Withdrawal Payments and Rollovers	24
6.8 Cancellation of Payment & Return to Employment	25
6.9 Taxation of Withdrawn Benefits.....	25
6.10 Withdrawal Repayments	25
CHAPTER 7: CREDITED SERVICE	26
7.1 Rounding of Service Credit	26
7.2 Prior Service.....	26
7.3 Participating Service	26
7.4 Part-Time Participating Service	27
7.5 Unused Sick Leave	27
7.6 Full-Time-Equivalent Employment	28
CHAPTER 8: MILITARY SERVICE CREDIT	29
8.1 Crediting Military Service	29
8.2 USERRA (Uniformed Services Employment & Reemployment Rights Act)	29
CHAPTER 9: REINSTATING, PURCHASING, AND TRANSPORTING SERVICE CREDIT	31
9.1 Reinstatement of Withdrawn Service	31
9.2 Purchase of Service Credit.....	31
9.3 Reduction-In-Force (RIF).....	34
9.4 Involuntary Furlough for State Agencies	34
9.5 Transporting Service from the Oklahoma Teachers' Retirement System	34
9.6 Installment Payment Plan	35
CHAPTER 10: RETIREMENT BENEFIT ELIGIBILITY	36
10.1 Normal Retirement.....	36
10.2 Early Retirement.....	36
10.3 Disability Retirement.....	37
10.4 Vested Retirement Benefit.....	38
CHAPTER 11: RETIREMENT APPLICATION	39
11.1 Introduction.....	39
11.2 Waiver of the 60-Day Notification Requirement	40
11.3 Information Needed to Complete Application.....	40
11.4 Documents to Upload.....	40
11.5 Retirement Application	40
11.6 Spouse Consent	41
11.7 Preliminary Benefit Statement.....	41

CHAPTER 12: RETIREMENT CERTIFICATION.....	42
12.1 Preliminary Retirement Certification	42
12.2 Final Retirement Certification	42
12.3 Unused Sick Leave	42
CHAPTER 13: CALCULATION OF RETIREMENT BENEFITS.....	43
13.1 Introduction.....	43
13.2 Deductions from Salary While Employed.....	44
13.3 Early (Reduced) Retirement Benefits	45
13.4 Combining Elected and Non-Elected Participating Service	45
13.5 Part-Time Employment	45
13.6 Limitations on Retirement Benefits	45
13.7 The 2.5% Step-up Program.....	45
13.8 Benefit Estimates.....	47
CHAPTER 14: RETIREMENT BENEFIT CALCULATION EXAMPLES	48
14.1 Will OPERS Benefits Meet Your Needs?	48
CHAPTER 15: TAXATION OF RETIREMENT BENEFITS	50
15.1 Oklahoma State Income Tax.....	50
15.2 Federal Income Tax	50
CHAPTER 16: POST-RETIREMENT EMPLOYMENT	51
16.1 Introduction.....	51
16.2 Post-Retirement Employment Election (Form 515-117b).....	52
16.3 Contract Employment	53
16.4 Status of Post-Retirement Employment (Form 515-178)	53
CHAPTER 17: BENEFICIARY DESIGNATIONS	54
17.1 Beneficiary Designations: Retired Members.....	54
17.2 Trust as Beneficiary	54
17.3 Change of Designation of Beneficiary	54
17.4 Divorce.....	55
CHAPTER 18: DEATH OF AN ACTIVE OR VESTED MEMBER.....	56
18.1 Taxation of Distribution of a Member's Accumulated Contributions	56
18.2 Employer Certification.....	56
18.3 Probate Waivers	56
CHAPTER 19: BENEFITS UPON THE DEATH OF A RETIRED MEMBER.....	57
19.1 \$5,000 Death Benefit.....	57
Distribution Election	57
19.2 Additional Distributions.....	57
19.3 Applying for Retired Member Death Benefits.....	58
CHAPTER 20: HAZARDOUS DUTY PROVISIONS.....	59
20.1 Membership	59

20.2 Contributions	59
20.3 Purchase of Incentive Credit	60
20.4 Eligibility for Retirement.....	60
20.5 Retirement Benefit Calculation for Hazardous Duty Members	61
20.6 Retirement Benefit Calculation for Former Hazardous Duty Members.....	61
20.7 In-the-Line-of-Duty Benefit	61
20.8 Fugitive Apprehension Agents (FAA).....	61
20.9 Oklahoma Military Department (OMD) Firefighters	61
20.10 Grand River Dam Authority Lake Patrol Officers.....	62
20.11 County Deputy Sheriffs and Jailers.....	62
20.12 Licensed Emergency Medical Personnel	62
CHAPTER 21: LEGISLATIVE SESSION EMPLOYEES	63
CHAPTER 22: ELECTED OFFICIALS	64
22.1 Membership	64
22.2 Contributions	64
22.3 Increase of Contribution Rate	65
22.4 2.5% Step-up	65
22.5 Credited Service.....	66
22.6 Eligibility for Retirement.....	67
22.7 Retirement Options	67
22.8 Election of a Vested Benefit	68
22.9 Survivor Benefits	68
22.10 Retirement Application	68
22.11 Calculation of Retirement Benefits: Elected Officials	69
22.12 Participating Service as a Non-Elected Employee	71
CHAPTER 23: GLOSSARY OF RETIREMENT TERMS	72

ABOUT THIS MANUAL

This manual is a summary of the provisions of the defined benefit plan administered by the Oklahoma Public Employees Retirement System (OPERS), written in layperson's terms. It is not a plan document. As much as possible, this manual has been written without technical terms, avoiding the formal language of the retirement laws and rules. OPERS reserves the right to correct any errors contained herein to comply with federal or state statutes, rules, and regulations governing the Plan. Any information contained in the manual referring to federal or state tax regulations is not intended to be tax advice. Members or participants are encouraged to consult a professional tax advisor before receiving any distribution from the plans mentioned in this booklet. If questions of interpretation arise as a result of the attempt to make the retirement provisions easy to understand, federal and state law, rules and regulations remain the final authority.

The information contained in this manual is made available as a public service. No information provided is intended to constitute legal or investment advice. While we have made every attempt to provide correct information, we do not guarantee the accuracy of information, or the accuracy of other publications referenced herein. No one shall be entitled to claim detrimental reliance on any information herein.

The information provided in this manual is based on the Oklahoma Public Employees Retirement System laws and rules in existence as of September 1, 2026 and subject to change or modification based on changes in law, rule, or policy.

For information regarding other plans administered by OPERS please refer to the corresponding coordinator manuals, administrative rules, or statutes.

Other plans administered include:

- SoonerSave – voluntary defined contribution plan offered to state employees.
- Pathfinder – mandatory defined contribution plan for those state employees first entering employment on or after November 1, 2015.
- Uniform Retirement System for Justices & Judges (URSJJ) – mandatory defined benefit plan for Justices and judges of the Supreme Court, Court of Criminal Appeals, Worker's Compensation Court, Court of Civil Appeals and District Court.

NEW RETIREMENT COORDINATOR? START HERE

Coordinator responsibilities include the proper enrollment of members, completion of various forms, and providing information to employees regarding their participation in OPERS, Pathfinder, and/or SoonerSave. Below are some resources to help you become more familiar with your new role as a retirement coordinator or alternate coordinator.

OPERS

opers.ok.gov

OPERS information, forms, and resources

OPERS Engage

engage.opers.ok.gov

Learning center for retirement coordinators

Employer's section of the OPERS website

opers.ok.gov/employers

Print or order forms; learn about the annual OPERS Retirement Coordinator training

OPERS Employer Website

<https://connect.opers.state.ok.us>

Employer website for payroll reporting and member enrollment

Member Forms

opers.ok.gov/forms

Download or complete our most popular member forms.

Member Education/Seminars

www.opers.ok.gov/confidence

Information about our seminar offerings and educational opportunities

Essential/OPERS and Member Handbooks

opers.ok.gov/publications

Resources for understanding OPERS plan provisions

Pathfinder

okpathfinder.com

Pathfinder information, forms, and resources

SoonerSave

soonersave.com

SoonerSave information, forms, and resources

CHAPTER 1: RETIREMENT COORDINATOR RESPONSIBILITIES

The appointing authority of each state employer and the governing body of any participating county, city, town, county hospital, or emergency medical district shall designate a retirement coordinator and at least one alternate coordinator to serve as a representative between OPERS and the participating employer. The retirement coordinator shall be responsible for the proper enrollment of members and completion of the various forms necessary for the operation of OPERS in accordance with this Retirement Coordinator's Manual. Any information provided by a retirement coordinator will not supersede or modify the statutes or rules and regulations governing OPERS.

1.1 PREPARATION & IDENTIFICATION OF DOCUMENTS

All retirement documents prepared by a retirement coordinator concerning any employee should be prepared in duplicate. The retirement coordinator should keep a copy of every document for their files. All correspondence should have the employee's name and OPERS member ID number. It is important every form requiring a signature contains an **original signature in ink**, not a copy created by a copier or facsimile.

Retirement coordinators are responsible for ensuring each participating OPERS member is provided the most current plan summary and all other official notices from OPERS. Each retirement coordinator must establish and maintain sufficient documentation to verify compliance with this rule and shall furnish it upon request by OPERS (OAC 590:1-1-5).

1.2 FALSE STATEMENTS

"Any person who shall knowingly make false statements, or who shall falsify or permit to be falsified any record ... for the purpose of committing fraud, shall be guilty of a misdemeanor, and upon conviction, shall be punished by a fine not exceeding Five Hundred Dollars (\$500) or by imprisonment for not exceeding one year...." 74 O.S. §924.

1.3 CONFIDENTIAL INFORMATION

OPERS strives to protect the confidentiality of information contained in a member's file. All care is taken when discussing personal information over the telephone and our aim is to provide accurate and timely information meeting the needs of our members. To be flexible in this regard, some information may be discussed over the telephone with members. The member must verify their identity by providing accurate confidential information when asked. The caller must provide information consistent with the member's information in our records to verify their identity. OPERS staff members may decline to provide information in any instance where they feel there is a confidentiality risk, or if the caller does not sufficiently verify their identity.

Certain member information will be disclosed without the member's consent if requested in writing for a specific purpose. The disclosed member information may include:

- Name;
- Age;
- Amount of contributions paid;
- Benefits being paid (and verifying documents); and,
- Amount of credited service (and verifying documents).

All other information related to a member, as kept in their retirement file, shall be kept confidential unless the member has consented in writing to its release. Any information in a member's retirement file is subject to subpoena or court order. 74 O.S. §932 and OAC 590:10-1-18.

1.4 ACTIVE MEMBER NAME CHANGE

OPERS does not require written confirmation and/or documentation¹ from an active member when a name change occurs. The system will update the new name from the payroll records. Please make sure the member's information is correct on your payroll reports.

Vested and retired members will need to provide a written request and documentation to make a name change.

1.5 ACTIVE MEMBER ADDRESS CHANGE

It is important OPERS is notified if a member's mailing address changes. Retirement coordinators may update an employee's address through the secure online employer website. You do not need to send a paper form if submitting an address change online.

¹ While OPERS no longer requires documentation (marriage license, divorce decree, etc.) to change a name, it is still a good idea for the member to send those documents to OPERS. At retirement and before calculating a benefit estimate, it is likely these documents will be required.

CHAPTER 2: RESPONSIBILITIES OF MEMBERSHIP

2.1 HEARINGS BEFORE THE BOARD OF TRUSTEES

Title 74 O.S. §904 makes provision a person to have an administrative hearing to address a dispute with the System. A request for a hearing must be submitted in writing to OPERS General Counsel at the OPERS office in Oklahoma City and be received by OPERS General Counsel within 30 days of notice of the final agency decision. The request for a hearing should clearly set forth the facts and the basis for the hearing, along with the relief requested.

OPERS hearing procedures are located at OAC:590:1-3-1 et seq. 590:1-1-6. OPERS administrative hearings are conducted in accordance with the Administrative Procedures Act. 75 O.S. §250 et seq.

2.2 FORFEITURE OF BENEFITS

Honorable service is a condition of both employment and the receipt of any employment related benefits. Title 51 O.S. § 24.1 provides, for the forfeiture of an OPERS member's retirement benefits if the member is convicted of, or pleads guilty or *nolo contendere* to, a felony or other crime which violates the member's oath of office. Retirement benefits will not be forfeited if the member successfully completes a deferred sentence; however, they will not be eligible to receive benefits while serving the deferred sentence. Forfeiture applies to all benefits accrued after September 1981 but does not include the member's contributions to OPERS.

2.3 ADDRESS CHANGES

Members must change their address by submitting a Change of Address form available on the OPERS Forms webpage (opers.ok.gov/forms). OPERS accepts mailing address changes for active or vested members by fax. Originals and faxes must have the member's name, Social Security number and include a signature. Alternatively, the retirement coordinator may update an active employee's address through the secure employer website.

2.4 BENEFICIARY CHANGES

A newly enrolled employee is required to designate a primary and contingent beneficiary on the Beneficiary Designation-form. The designation of a beneficiary is important because it allows OPERS, upon the death of the member, to pay a member's accumulated contributions or a death benefit to a person chosen by the member.

Retirement coordinators should encourage members to keep their beneficiary designations current and provide the Beneficiary Designation form to active members. Vested and retired members should be instructed to contact OPERS directly for the correct form(s). See [Chapter 17: Beneficiary Designations](#) for designation guidelines.

2.5 CORRESPONDENCE

In all correspondence with OPERS, members are encouraged to provide their full name, OPERS member ID number, the name of the employer they work for, their email address, a current mailing address and their signature. OPERS has created two forms for members who need information about their file. The Member Request: Benefit and Service Calculations form can be used by those who would like to request an accounting of accrued service credit or a retirement benefit calculation. The Member Information or Document Request form is used to obtain a statement of accumulated contributions or copies of other documents from the member's file. Both forms can be found on opers.ok.gov/forms.

2.6 DIVORCE

Valuation OPERS Retirement Benefit as marital property

Members in the process of obtaining a Dissolution of Marriage, commonly referred to as a "divorce" can request OPERS calculate the value of their contributions and/or current or future monthly retirement benefit to determine the amount attributable to marital property. The member must supply OPERS with the date of their marriage to the date of filing for the petition for Dissolution of Marriage. However, if a member does not have enough service credit to be eligible for a future monthly benefit, OPERS can only provide the amount of the member's accumulated contributions.

To make this request, members may complete the Divorce Benefit Valuation Request form. OPERS will provide this information approximately 14 days after receipt of the request. OPERS will not release this information to an attorney or spouse without the member's written consent. This information may also be obtained through a Subpoena Duces Tecum served upon OPERS. **This information will not be released over the telephone under any circumstances.**

Qualified Domestic Relations Orders (QDRO)

Benefits under OPERS cannot be assigned to non-members. However, OPERS complies with Oklahoma state court orders requiring benefit payments to a former spouse or for the support of a minor child(ren) if the order meets criteria of a Qualified Domestic Relations Order (QDRO). (See 74 O.S. §923.) The QDRO must be provided to and approved by OPERS before any payments can be made. Members should have their attorney submit a draft of the QDRO to OPERS for approval **prior to** obtaining the final order. The QDRO form and instructions are available on the OPERS website.

2.7 ROLLOVERS INTO THE OPERS DEFINED BENEFIT PLAN

A member may request OPERS to accept a transfer/rollover from an eligible plan or Individual Retirement Account (IRA) and deposit it in the defined benefit plan for the purpose of repaying a withdrawal or to purchase eligible service credit. OPERS will provide the appropriate form upon request. Members should contact SoonerSave if they wish to roll over funds into one of the plans administered by SoonerSave.

CHAPTER 3: ELIGIBILITY FOR MEMBERSHIP

3.1 INITIAL ELIGIBILITY FOR OPERS MEMBERSHIP

Pathfinder

State employees who first become employed by a participating employer on or after November 1, 2015, and have no prior participation in OPERS will participate in a mandatory defined contribution plan called Pathfinder. See okpathfinder.com for more information.

View the Pathfinder manual at opers.ok.gov/coordinator-training

Each new employee of a participating employer becomes a member of OPERS on the first day of the month immediately following the date of employment, provided all three following requirements are met:

- A. **The position the employee holds is permanent, not seasonal or temporary**
- AND
- B. **The position the employee holds requires at least 1,000 hours work per year** (based on a consecutive rolling 12-month calendar. See [3.3 Permanent Part-time Employment/Rolling Calendar](#) for more information);
- AND
- C. **The salary of a full-time employee must be equal to or greater than the minimum wage.**

Employees who meet these three requirements above are eligible for membership. **Membership is mandatory for all employees who are eligible.**

- A. The age of an employee is not a factor in determining eligibility for membership in OPERS.
- B. Membership is a condition of continuing employment for eligible members.
- C. OPERS members whose hours worked and/or salary earned fall below initial OPERS eligibility remain eligible for participation and must continue to participate. This includes employers who are reduced to part-time, temporary, or seasonal positions or, who after a break in service, return to a position that is part-time, temporary, or seasonal.

Special provisions for determining eligibility with an OPERS-participating employer

Service accrued in other retirement plans does not count toward OPERS service credit or eligibility unless [purchased](#) or transported. A member must have at least six complete years of full-time equivalent employment with an OPERS participating employer to be eligible to retire or vest. Service in other retirement plans can never be used to determine OPERS initial plan eligibility.

- D. An employee who has retired from another Oklahoma public retirement system may be eligible for membership in OPERS or Pathfinder based if they meet the requirements of section 3.1:

- E. All District Attorney office employees participate in OPERS if they meet the requirements of section 3.1. This includes employees hired on or after November 1, 2015, as long as they remain eligible to participate in OPERS pursuant to 74 O.S. §935.2(A). Oklahoma and Tulsa County District Attorney employees do not participate in OPERS.
- F. OPERS retirees returning to work for any OPERS participating employer must participate in OPERS regardless of the number of hours worked, salary earned or if their employment is temporary, seasonal, or part-time. Participation begins the first day of reemployment. It is the responsibility of the retirement coordinator to determine if your new employee has been previously employed with another OPERS participating employer and if they are retired from OPERS. For more information, refer to [Chapter 16: Post-Retirement Employment](#).
- G. OPERS members who leave employment must resume participation in OPERS on the first day of their new employment, including employees who return in part-time, temporary, or seasonal positions.
- H. Employees of the Oklahoma Housing Finance Agency (OHFA) hired prior to July 1, 1997, may elect to continue benefits under the benefits plan provided by the Housing Finance Agency. Contact OPERS for more information about the rights of OHFA employees hired before July 1, 1997. Employees of the OHFA hired on or after July 1, 1997, must participate in OPERS.
- I. Employees of the George Nigh Rehabilitation Institute who elected to retain membership in OPERS by December 31, 1999, are OPERS members.
- J. Employees initially employed by CompSource Oklahoma on or after January 1, 2015, do not participate in OPERS. Employees of CompSource Oklahoma prior to January 1, 2015, continue to participate in OPERS until termination or retirement.

Membership Ineligibility

- A. OPERS members are not permitted to simultaneously participate in OPERS and in another Oklahoma state retirement system for the same job.
- B. Employees who contribute to the United States Civil Service Retirement System for any job are ineligible to participate in OPERS.

Optional Membership

- A. Temporary employees of the State Senate, the House of Representatives, or Legislative Services for the full duration of a regular legislative session may elect to participate. However, once the employee chooses to participate or not to participate in OPERS, the elections binding for all future legislative sessions. The employee receives six months of full-time participating service for each full regular session in which they participate.
- B. OPERS membership is optional for county elected officials. However, all county elected officials who were participating in OPERS as of July 1, 1988, are required by law to continue membership and to participate as elected officials. (See [Chapter 22: Elected Officials](#) for more information.)
- C. The Commissioner of Public Safety and the Department of Public Safety Chief of Administration may elect to participate in the Oklahoma Law Enforcement Retirement System (OLERS), OPERS, or Pathfinder, pursuant to 47 O.S. §§2-102 and 2-104. The election to participate in OLERS or an OPERS-administered plan shall be made in writing within thirty days after being appointed and is irrevocable.

- D. The Director of the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control may elect to participate in OLERS, OPERS, or Pathfinder pursuant to 63 O.S. §2-103. The election to participate in one of the eligible plans shall be made in writing within thirty days after being appointed and is irrevocable.
- E. The Director of the Oklahoma State Bureau of Investigation may elect to participate in OLERS, OPERS, or Pathfinder pursuant to 74 O.S. §150.6. The election to participate in one of the eligible plans shall be made in writing within thirty (30) days after being appointed and is irrevocable.
- F. The Superintendent of Public Instruction may elect to participate in the Oklahoma Teachers' Retirement System (TRS), OPERS, or Pathfinder pursuant to 74 O.S. §913.4. The election to participate in one of the eligible plans shall be made in writing within thirty days after being elected or appointed and is irrevocable.
- G. A retired member of the Oklahoma Teachers' Retirement System (TRS) who becomes employed by the State Department of Education (SDE) for the first time on or after November 1, 2019, has the option to remain a member of TRS subject to any applicable post retirement limitations or may elect to participate in OPERS or Pathfinder, pursuant to 70 O.S. §17-103. The election to participate in TRS or the OPERS-administered systems shall be made in writing within thirty days from the initial date of hire with SDE and is irrevocable.

3.2 WHEN TO BEGIN CONTRIBUTIONS

Oklahoma State Statutes

An OPERS member is defined in statute as “eligible employee or elected official who is in the System and is making the required employee or elected official contributions, or any former employee or elected official who shall have made the required contributions to the System and shall have not received a refund or withdrawal.” 74 O.S. §902(22). Employees are initially eligible for membership in OPERS if their “employment is not seasonal or temporary and . . . [they work] at least one thousand hours . . . per year and [their] salary or wage is equal to the hourly rate of the monthly minimum wage . . .” 74 O.S. §902(14)

Each eligible employee “shall be a member of OPERS on the first day of the month immediately following employment.” 74 O.S. §911(2). The participating employer is required to pay contributions “monthly, or as the Board may otherwise provide, ...deposit in the Oklahoma Public Employees Retirement Fund.” 74 O.S. §919.1(2).

The Administrative Rules

An employee who is initially participating in OPERS begins contributing to OPERS the first of the month *following* the date they were hired in an eligible position. The employer also begins contributing the first day of the month *following* the date the employee was hired. However, employees who are existing OPERS members when (re)hired must begin contributing the *first day* they are (re)hired. This includes employees who are existing OPERS members, hired or rehired into positions that are seasonal, temporary, or part-time. Likewise, employer contributions begin the *first day* the employee is hired. **Failure to pay contributions may be very costly. The employer is responsible for all employee and**

employer costs when an error in participation occurs. This employer responsibility also applies to any failure to withhold additional Step-Up contributions when a member has elected the Step-Up Option.

Example: Barbara began her career with Employer A, an OPERS participating employer, on August 15. Since Barbara was not an OPERS member before, Employer A does not pay employee and employer contributions to OPERS until September 1. After working with Employer A for three years, Barbara terminates her employment.. Employer B, another OPERS participating employer, then hires Barbara and she continues to participate in OPERS. Barbara and Employer B must pay contributions beginning the **first** day of her employment with Employer B.

3.3 PERMANENT PART-TIME EMPLOYMENT/ROLLING CALENDAR

Employees initially hired in a position that requires at least 1,000 hours per year, whether designated as probationary, part-time, seasonal, provisional, or some other label, must be enrolled and participate in OPERS. In determining eligibility, hours are calculated using a rolling 12 consecutive months and is not based on a calendar year, fiscal year, or from the date of employment. Participation is required at the beginning of the 12-month period in which the employee first became eligible.

Example: An employee is hired in a part-time position in April. Because of an increase in work hours, the employee becomes OPERS eligible based on the hours worked July through June.

April	80 hours
May	85 hours
June	65 hours
July	95 hours
August	85 hours
September	85 hours
October	80 hours
November	60 hours
December	80 hours
January	60 hours
February	85 hours
March	85 hours = 945 total hours April through March. Not OPERS eligible.
April	95 hours = 960 total hours May through April. Not OPERS eligible.
May	95 hours = 970 total hours June through May. Not OPERS eligible.
June	95 hours = 1000 total hours July through June. OPERS eligible.

OPERS participation is required at the beginning of the 12-month period when the employee first went over 999 hours. In the example above, participation begin July and the employer owes employer and employee contributions from July to June.

The employee once meeting the initial participation threshold, continues to participate in OPERS even if the employee works less than 1,000 hours the following years.

3.4 ENROLLMENT PROCESS

How to enroll a new employee in the Oklahoma Public Employees Retirement System:

- A. **Make sure new employee is eligible.** If eligible, membership is mandatory. (See [3.2 When to Begin Contributions](#).) Note: A “probationary” period is still considered permanent employment.

State agency employers using Workday:

On the Retirement Eligibility step of the Workday onboarding process, check the ‘OPERS/Pathfinder’ box. This triggers a task for OPERS to verify the correct retirement plan. Once plan enrollment is verified by OPERS staff, a Workday sends the employer a notification with:

- The plan the employee should be enrolled,
- When to start contributions; and
- If Step-Up contribution should be withheld.

County, Local Government and State agency employers who do not use OMES payroll system. Call OPERS to confirm eligibility, when to start contributions and Step-Up participation.

- B. **Use the secure online employer website to enroll a new employee.** When verifying employment data, list former service the employee had with any other OPERS participating employers. As the retirement coordinator, your username and password are used in place of a signature. The [employer website](https://connect.opers.state.ok.us) may be found at <https://connect.opers.state.ok.us>.
- C. **The accuracy of the Social Security number should be checked against the number on the payroll and the employee’s Social Security card.** As a best practice, obtain a copy of the employee’s Social Security card. If the employee furnishes proof of birth, provide it for verification.
- D. **Members must be timely enrolled .** The enrollment information can be printed and the employer should retain a copy for its records. The retirement coordinator shall inform employees that employee contributions will be deducted from their pay.
- E. **Beneficiary designations.** OPERS must have a *Beneficiary Designation Form* to pay contributions in the event of the member’s death , . Employers using WorkDay will have the employee complete the beneficiary form through the WorkDay onboarding process.

IMPORTANT: Errors can be costly! If an employee has previously elected the Step-Up and the employer does not withhold retirement contributions at the Step-Up rate the employer must pay the unpaid employee contributions, with interest.

For more information about the Step-Up program, see [13.7 The 2.5% Step-up Program](#).

**All new employees including rehires
must be enrolled through the employer website at connect.opers.state.ok.us**

CHAPTER 4: MONTHLY MEMBER & EMPLOYER CONTRIBUTIONS

See opers.ok.gov/contributions-rates for information on basic employer contributions.

4.1 LOCAL GOVERNMENT EMPLOYER PICK-UP PROVISION

Many local government employees contribute to OPERS with salary already taxed. If a member withdraws their contributions, or the member's contributions are distributed to a beneficiary sometime in the future, those contributions are not taxed at distribution. However, Oklahoma law permits local government employers to take advantage of the IRS "Pick-Up" Provision, which allows employees to exclude the portion of their salary contributed to OPERS from their taxable income for the current year.

The governing body of the local government employer must adopt a resolution stating they wish to adopt the "Pick-Up" Provisions codified in 74 O.S. §920A and submit it to OPERS.

If the employer adopts the "Pick-Up" Provision, the retirement coordinator will report "picked-up" contributions in the **taxable** column of the monthly report (See [Chapter 5: Payroll for Local Government & Non-OMES Employers](#)). OPERS tracks the amount of before-tax and after-tax contributions and reports these amounts annually to the member. Therefore, OPERS can ascertain the appropriate tax treatment for the amount distributed when a distribution from OPERS is made.

Local government employers who participate in the "Pick-up" Provision who need information on the appropriate method of calculating FICA and Medicare taxes, should contact the Internal Revenue Service.

4.2 CONTRIBUTIONS PAID ON ACCRUED SICK/VACATION LEAVE AT TERMINATION OF EMPLOYMENT

Lump-sum payments made to a member for accrued or earned vacation or sick leave is **not subject to retirement contributions**. Do not pay retirement contributions on vacation, annual leave, or holiday pay paid to a member who is receiving both their regular salary and payment for their vacation, annual leave, or holiday pay.

4.3 CONTRIBUTIONS PAID ON OVERTIME WAGES

Do not pay retirement contributions on overtime wages or compensatory time. Overtime hours and wages cannot be used in determining a member's service credit time or average compensation when calculating retirement benefits. Overtime wages paid to a member should not be reported in the hours worked column or any other place on the payroll report.

4.4 CONTRIBUTIONS PAID ON COMMISSIONS AND TIPS

Retirement contributions **cannot** be paid on commissions or tips.

4.5 CONTRIBUTIONS PAID ON LONGEVITIES, PERFORMANCE OR MISSION CRITICAL PAY

Retirement contributions must be paid on any longevity payments made to employees based upon a standardized plan which recognizes length of service to the employer. Contributions must also be paid on performance, skill, or mission critical based pay adjustments. OAC 590:10-5-8(b).

4.6 CONTRIBUTIONS ARE NOT ASSIGNABLE

The member's accumulated contributions are not subject to execution, garnishment, or attachment, and are not assignable except under a court ordered Qualified Domestic Relations Orders (QDROs). OPERS has a draft QDRO available. The QDRO must be entered by the court and accepted and approved by OPERS before any payments will be made. Members are encouraged to have their attorney submit a draft of the QDRO to OPERS at legal@opers.ok.gov for approval prior to obtaining the final order.

4.7 APPLICATION FOR REFUND (EMPLOYEE & EMPLOYER)

Use the Application for Refund to request refunds of employee and/or employer contributions erroneously paid to OPERS. If the form is timely submitted refunds are paid on the last working day of the month, approximately three months after the month in which the error occurred. Refunds of state employer contributions will be made to the employer by credit from the Office of Management and Enterprise Services (OMES). Local government refunds are by a warrant issued directly to the employer, provided the employer does not owe money to OPERS on other matters.

State employers also may apply directly to OMES for refunds of employee and employer retirement contributions or execute reversals through the CORE payroll program.

4.8 DEADLINES AND PENALTIES

All participating employers must remit retirement contributions to OPERS monthly.

- A. For non-state employers, all contributions and documentation are due on or before the 15th of the month following the month for which the contributions are payable.
- B. For state employers, all contributions must be received by OPERS on or before the 15th day following the last day of the pay period for which they are due.

Contributions more than 30 days past due are subject to a late charge of 3.0% of the unpaid balance.

2.5% STEP-UP

Members may make an irrevocable election to increase or "step-up" their benefit computation factor from 2.0% to 2.5%. Members are required to make an additional retirement contribution to "step-up" their retirement benefit. Currently, this actuarially determined amount is an additional 2.91% of the compensation for retirement purposes. To determine the Step-Up contribution rate, add an additional 2.91% to the current retirement contribution rate. This rate may change in the future. Should the rate change in the future, step-up participants must continue to participate.

For more information about Step-Up, see [13.7 The 2.5% Step-up Program](#).

4.9 EXCESS BENEFIT PLAN

The Excess Benefit Plan applies only to a very small number of members. Members electing the Step-Up are not permitted to participate in the Excess Benefit Plan to the extent any excess benefit is attributable to the Step-Up election. If you have questions about the Excess Benefit Plan, please call OPERS.

CHAPTER 5: PAYROLL FOR LOCAL GOVERNMENT & NON-OMES EMPLOYERS

5.1 MEMBERSHIP PAYROLL & MONTHLY REPORT

Employers not using Workday@OK provided by OMES will use the [employer website](https://connect.opers.state.ok.us) at <https://connect.opers.state.ok.us> to submit payroll, salaries and retirement data. It is the retirement coordinator's responsibility to adjust the figures to correspond with the current month's payroll and to return to OPERS. This online report along with the correct remittance, completed Certificate of Remittance and other applicable forms are due **no later than the 15th day of each month**, preferably by the 10th day of each month.

How to prepare the Payroll Report:

- A. Make corrections in the **Total Earnings and Hours Worked** on the online report. Please double-check your total contributions since a variety of percentages may apply to your employer's report.
- B. **Overtime wages and hours** are not subject to retirement contributions. Do not include overtime wages in the payroll report. Unused vacation wages or annual leave paid to an employee after their last date on payroll are not subject to retirement contributions.
- C. Make any necessary **corrections in name, Social Security Number, etc.** on the online report. Also, submit an Employer's Report of Additions or Deletions to Monthly Payroll to record changes. When an employee is removed from the monthly payroll, for whatever reason, delete from the online report, Social Security Number, and payroll. This must be completed even if the employee may later return and be re-entered on a subsequent payroll report.
- D. **Retroactive Pay Raises & Longevity Pay** - Retroactive pay raises and longevity pay should be on an online supplement report separate from the monthly report. The current month's salary on the online report should be changed to include the raise. Do not include hours on the online report.
- E. **Salary Not Earned in the Reporting Month** - Salary needs to be reported to OPERS when an employee has not been enrolled at the proper time. For example, (1) when an employee is a transfer and contributions should have been computed the first day of hire, or (2) when an employee is eligible, but was inadvertently omitted from the report. Please note, salary earned in a month other than the reporting month must be submitted separately and not as a part of your regular report as it has been in the past.
- F. **Job-related Injury/Illness** - For employees not working due to Workers' Compensation, do **not** report any salary or hours for that month. You may leave their name and Social Security Number on the online report. The only exception is when Workers' Compensation pays a certain portion of the monthly salary and the employer pays the balance if the employee has paid leave that can be used for this purpose. The balance would then be reported to OPERS, contributions paid, and the hours prorated.
- G. **Installment Plan Payments** - You must provide installment plan payments separate from the payroll report. Be sure to identify the installment payments as such when submitting them to OPERS. A copy of the payroll deduction form for an employee for each month should be included with the installment payment.

- H. **Elected Official employee contribution rates** vary according to the date the official was first elected or appointed to elected office and/or the official's rate choice, if applicable. (See [Chapter 22: Elected Officials.](#))
- I. The **Hours Worked** column is for reporting the total number of hours each employee worked during that particular period you are reporting, excluding overtime. A full month is 173 hours for employees paid on a monthly basis. Full-time for a biweekly payroll (26 payrolls in a year) is 80 hours for each two-week payroll. **It is important this column be adjusted monthly** as necessary, to report the actual number of hours each employee worked for proper retirement service credit to be assigned. (See 4.3 for rates and coding.) If you have hourly wage employees whose gross salary will vary each month in accordance with the number of hours in the payroll period, you may report the actual hours for full-time employees instead of 173 hours each month (e.g., 160, 168, 176, 184). When reporting hours on an online report, record hours without decimal points (e.g., 88 not 87.5).
- J. **Enrollment is required for each new employee and should be submitted online.** An employee added to the payroll report must have the Social Security number listed. It is important for Social Security numbers to be typed accurately on all forms. If available, please send a copy of the member's Social Security card. Note: All OPERS retirees must participate in retirement, regardless of the status of employment or number of hours worked. Retirement participation must begin with the retiree's first day of employment. (For more information, see [Chapter 16: Post-Retirement Employment.](#))
- K. Add any new OPERS eligible employees to the online report. All new eligible employees shall begin participating on the first day of the month following the month they start to work in an eligible position. For example, if Bill went to work as an eligible employee on April 1, he should be added to the payroll report for May 1 through May 31. If Susan went to work April 30 as an eligible employee, she should be added to the payroll report for May 1 through May 31. New employees who are OPERS members begin participating on the first day of employment. Call OPERS to find out the status of a new employee, and ask if they participated in the 2.5% Step-Up (see [13.7 The 2.5% Step-up Program](#)). If so, they are required to participate in the Step-Up program, even if they previously withdrew their retirement contributions or retired.
- L. Add any **employees who have returned from a leave of absence** and include an Employer's Report of Additions or Deletions to Monthly Payroll with your report.
- M. **The final report total for employee contributions and for employer contributions**, as shown on the online printout, is the figure to be carried forward on the Certificate of Remittance. Explanations for reporting column totals are given in the instructions for completing the Certificate of Remittance form.

Contact OPERS concerning any question or problem you have in preparing your monthly payroll report.

All personnel forms reflecting a change on your online report (i.e. new employees, terminations, changes, corrections, etc.) should accompany the payroll affected. Please note, changes due to retroactive pay raises, longevity payments, or salary not earned in the reporting month are not to be reported on the online report, but on an online supplemental report.

5.2 EMPLOYER CONTRIBUTIONS DEADLINE AND PENALTY

All participating employers must remit retirement contributions to OPERS monthly. All contributions for local government and non-OMES employers are due on or before the 15th day of the month following the month for which the contributions were payable. Contributions paid more than 30 days from the due date are subject to a late charge of 3.0%

5.3 CERTIFICATE OF REMITTANCE

The Certificate of Remittance form must be submitted with checks attached, along with a copy of the monthly report. The form should reflect the same month as shown on your payroll report. The form is due no later than the 15th day of each month. The monthly report is considered incomplete without the Certificate of Remittance form and late fees will apply.

- A. **Contributions Paid by Employees** - Insert the employee contributions on line one. This must be exact amount deducted from employees' pay.
- B. **Contributions Paid by Employer** - Insert the employer contributions.
- C. **Total Remittance** - the total of employee and employer contributions to be remitted.
- D. **Signature of the Retirement Coordinator** – The retirement coordinator or alternate retirement coordinator insert their employer's name and number the and sign the certificate. Send the original Certificate of Remittance, the payroll report, and remittance to OPERS.

5.5 EMPLOYER'S REPORT OF ADDITIONS OR DELETIONS FORM

The Employer's Report of Additions or Deletions is used to report employees going on or returning from leave when the employee. Submit this form with the Certificate of Remittance.

Do not use this form to report retired members returning to work or terminating employment. Complete the *Post-Retirement Employment Election* to report retirees returning to work.

5.6 CHANGE OF ADDRESS FORM

Form 515-160, *Change of Address* to correct or change addresses, or Social Security Numbers. This form must accompany corrections made on the online report. (See also [1.4 Active Member Name Change](#))

CHAPTER 6: TERMINATION OF EMPLOYMENT AND WITHDRAWAL OF CONTRIBUTIONS

6.1 INTRODUCTION

When an active member terminates employment they may:

- A. Retire under early or normal retirement, if eligible;
- B. Receive a future [vested retirement benefit](#) beginning when eligible for early or normal retirement;
- C. Withdraw the employee share of accumulated contributions, less taxes and penalties; or
- D. Leave their contributions in the Plan.

Use the [Essential of Leaving Employment handout](#) available on the OPERS website to help answer employee questions about their options with OPERS.

6.2 EMPLOYER CERTIFICATION OF SEPARATION

Note: State agencies processing payroll through OMES do not complete this form. WorkDay@OK provides this information to OPERS.

Other than retirement, when an employee separates service the employer completes the [Employer Certification of Separation form](#). This form provides important dates and unused sick leave amounts should the employee elect to receive a future retirement benefit, or withdraw their contributions. The form is completed and submitted online.

Last Date Physically on the Job - the day the employee physically performed their job. This date may never be after the last date on payroll and termination date.

Last Date on Payroll - is the employee's last paid day including paid leave. This is the last day an employee worked or used leave, not the day they receive their paycheck.

Separation Date is often the last date on payroll. Separation date can never be before last date on payroll. The separation date can come after the last date on payroll when using unpaid leave, disability insurance or FMLA.

Unused Sick Leave: Report the number of hours of unused sick leave available to the employee at the time of separation.

Note - For most employees, the three dates above will be the same but are not required to be the same. The dates will be different if the employee ended their employment on paid leave, unpaid leave, disability insurance or FMLA.

6.3 LEAVING CONTRIBUTIONS WITH OPERS

Members leaving their accumulated contributions with OPERS retain OPERS membership. Upon reemployment by a participating OPERS employer, the previously accrued service will be used to determine future OPERS benefits. If the member returns to work with a participating employer, they will remain under the rules in place at the time of original employment.

6.4 WITHDRAWING CONTRIBUTIONS

When withdrawing, the member receives a one-time payment of their contributions less applicable taxes and penalties. No interest or increased value is paid on employee contributions. Employer contributions are not available for withdrawal.

Requirements for withdrawal

- The member must have separated employment with any participating employer; and
- The member cannot return to work for any OPERS employer for four months after termination. This mandatory waiting period may be waived if the member is terminally ill, under certain circumstances.
- The payment may be made in the fifth month after separation.

Members eligible to vest

If a member seeking to withdraw their accumulated contributions is eligible for a future monthly benefit after receipt of the member's completed Withdrawal Packet the member also receives:

- A letter showing the member's creditable service and their future monthly retirement benefit; and,
- A *Selection of Vested Benefit and Designation of Withdrawal Distribution* forms.

The member must choose to either withdraw their accumulated contributions or a vested benefit. (See [10.4 Vested Retirement Benefit](#)) The member must complete and return the Selection of Vested Benefit form to OPERS. This form does not require the retirement coordinator's signature.

6.5 APPLYING FOR WITHDRAWAL

Members must contact OPERS to request a Withdrawal Packet. Withdrawal packets will only be mailed to the name and address we have file. If the member's information has changed, they must first update their name and/or address. Name and address changes can be submitted using the digital forms on the [OPERS website forms page](#).

- Copies of signatures from the employer and financial institution will be accepted.
- All forms and documents must be submitted together, or the application will be rejected. A checklist is provided in the packet to review needed documents.

Once the forms are received and approved by OPERS, a letter is mailed to the member with more information and an estimated payment date. At the earliest payment may be made in the fifth month after separation. For members with enough service to be eligible for a future lifetime benefit, an additional form must be completed by member and returned to OPERS..

6.6 RETIREMENT COORDINATOR RESPONSIBILITIES FOR WITHDRAWALS

Provide the Essential of Leaving Employment to a separating employee. Members wishing to withdraw their contributions must contact OPERS to request a Withdrawal Packet.

Completing the Employer Certification of Separation for Withdrawal

The withdrawing employee provides the Retirement Coordinator with an Employer Certification of Separation for Withdrawal form. Return the completed form to the member. The member returns this form along with the application and other forms included in the Withdrawal Packet. This form does not require the signature from the Retirement Coordinator to be original.

On the Employer Certification form the retirement coordinator provides the last date on payroll, the separation date, termination date, and hours of unused sick leave. The unused sick leave balance includes the member's final accrual and usage.

Ensure the information is accurate and in agreement with payroll information. The last date physically on the job (the separation date) must be included and the form must be signed by the retirement coordinator. The form cannot be dated before the member's termination date. If the member is on "leave without pay" status at the termination of employment, indicate the dates of leave without pay. Ensure the separation date is at the end of the leave without pay.

6.7 WITHDRAWAL PAYMENTS AND ROLLOVERS

Upon receipt and approval of the completed Withdrawal Packet, OPERS mails the member additional information and an estimated payment date.

OPERS is qualified as a 401(a) plan for IRS purposes. Although federal law allows OPERS to roll over taxable contributions other plan types, not all plans will accept rollovers. **Accordingly, the member must check with the plan administrator to which they want to roll over the contributions to determine if the plan will accept a rollover from OPERS.**

A member who has terminated employment and elects to withdraw contributions may request OPERS to:

- Pay the member's employee contributions directly to the member;
- Roll over the entire amount of the contributions to an eligible plan; or
- Pay a portion directly to the member and roll over the remaining portion to an eligible plan.

A member who is not eligible for a future monthly benefit and wants to withdraw their accumulated employee contributions will generally receive payment during the fifth month after termination if the appropriate paperwork has been completed and processed by OPERS. Full and partial roll overs are paid on a similar schedule. **Payment is dependent on timely receipt of all required forms and documents.**

A member who is eligible for a future monthly retirement benefit will not receive payment of accumulated contributions until OPERS informs the member of the future retirement benefit the member could receive and the member declines the future monthly retirement benefit in writing by returning the appropriate form to OPERS.

6.8 CANCELLATION OF PAYMENT & RETURN TO EMPLOYMENT

If a member returns to employment with an OPERS participating employer during the four-month waiting period, the member and employer must immediately notify OPERS. The withdrawal is cancelled. Should a member be reemployed by any OPERS participating employer within the four-month waiting period and receives a withdrawal payment, the employee must immediately repay the full withdrawal.

6.9 TAXATION OF WITHDRAWN BENEFITS

Generally, withdrawn employee contributions are taxable in the calendar year in which the contributions are withdrawn. There are limited unique circumstances where withdrawn contributions are taxed differently, and those circumstances are communicated to the member.

For withdrawals paid to the member, OPERS must withhold the appropriate state and federal taxes and early withdrawal penalties. Members will receive an IRS Form 1099-R at the end of the calendar year. Members are encouraged to consult with their tax advisor for individual tax questions or concerns.

6.10 WITHDRAWAL REPAYMENTS

An member who withdrew their accumulated contributions and wishes to repay the the withdrawal to reinstate service credit may repay the withdrawal.(See [9.6 Installment Payment Plan](#).)

At the member's request, OPERS calculates the cost to repay and repayment options available. Withdrawn service may only be reinstated once.

Members wanting to repay a withdrawal may use the [Withdrawal Payback Calculator](#) to estimate the cost.

CHAPTER 7: CREDITED SERVICE

Credited service is the sum of all prior and participating service. Prior and participating service (including unused sick leave and military service) are added together to determine the total years of credited service.

7.1 ROUNDING OF SERVICE CREDIT

Members whose initial OPERS participation is **before November 1, 2012**, and elected officials first elected or appointed **before November 1, 2011**, have service credit rounded to the nearest full year to calculate retirement benefits. Six or more months of a partial year are rounded up to the next full year, and fewer than six months are disregarded.

Members whose initial service participation is **on or after November 1, 2012**, and elected officials first elected or appointed **on or after November 1, 2011**, shall be based on actual years and months of credited service without rounding.

7.2 PRIOR SERVICE

Prior service is the period of a member's employment with an eligible employer before the employer's entry date into OPERS, employment as a county deputy sheriff or jailer prior to November 1, 2020, or certain military service.

- A. Prior service is granted ***free of charge*** to all eligible members only if their employer became a participating employer on or before January 1, 1975. Proof of prior service must be verified by the employer before it is credited to the member.
- B. Prior service may be purchased by the member at actuarial cost if the employer joined OPERS after January 1, 1975.
- C. Prior Service is granted to current employees of the House of Representatives, the State Senate, or the Legislative Services Bureau for temporary employment for the full duration of a regular legislative session prior to the member's eligibility for membership in OPERS. Six months shall be granted for each full regular session if the member is currently employed by the House, the Senate or LSB and has worked six full sessions since January 1, 1983.

County deputy sheriffs and jailers first hired in those positions prior to November 1, 2020, may purchase at actuarial cost prior service credit for employment as a county deputy sheriff or jailer if they did not participate in the OPERS Hazardous Duty plan. Members who are county deputy sheriffs or jailers on November 1, 2024, must elect to purchase prior service before July 1, 2026. A county deputy sheriff or jailer not in that role, but rehired after November 1, 2024, has six months from the date of rehire to elect to purchase prior service.

7.3 PARTICIPATING SERVICE

Participating service is a member's period of contributing employment after their employer's entry date into OPERS. Participating service credit is for the period of employment where the required employee

and employer contributions have been fully paid. An employee not receiving pay and contributions are not paid does not accrue participating service.

- A. An approved leave of absence of two years or less may not constitute a break in service, but it does not count as participating service.
- B. Members **do not** accrue service credit for Workers' Compensation payments, but state employees may use the Temporary Total Disability purchase provisions explained in [Chapter 9: Reinstating, Purchasing, and Transporting Service Credit](#).
- C. A leave of absence resulting from an involuntary furlough established by 260:25-15-48 may be credited as participating service. The employer must provide the furlough plan approved by the Administrator of the Human Capital Management Division to OPERS.

7.4 PART-TIME PARTICIPATING SERVICE

Employees who work part-time have part-time participating service and accrue a prorated service credit. For example, an employee who works half-time must work two years to earn one year of OPERS service credit.

7.5 UNUSED SICK LEAVE

A retiring member or a member terminating employment who is eligible for a future monthly benefit may add up to six months of unused sick leave to their total service credit. If the unused sick leave adds an additional year of service, the employer must pay the cost of funding the year of service¹. (See [Chapter 12: Final Retirement Certification](#).)

Local government employers should immediately notify OPERS of any change in the employer's sick leave policy. These changes must be on the Payroll Schedule and Unused Sick Leave Policy Verification form, which is available on the [OPERS website](#).

Hours of Unused Sick Leave	Months of OPERS Service Credit
0-159	0
160- 319	1
320-479	2
480-639	3
640-799	4
800-959	5
960+	6

¹ For OPERS members who joined the system **before November 1, 2012**, if the addition of the member's unused sick leave causes the total credited service to equal or exceed a fractional year of six months, service is rounded up to the next year and the member gains a year of service credit. OPERS members who joined the system **on or after November 1, 2012**, will be credited with actual years and months of service after unused sick leave is applied. Service credit calculations for these members will not include rounding of fractional years and employer billing for unused sick leave will be based on actual months.

7.6 FULL-TIME-EQUIVALENT EMPLOYMENT

Members joining OPERS after January 1, 1983, must have at least six complete years of full-time-equivalent employment to be eligible to retire or receive a future monthly retirement benefit.

Full-time-equivalent employment (FTE) refers to a member's (1) **actual employment** (2) **with a participating employer of the Oklahoma Public Employees Retirement System**. A member earns FTE for work on which retirement contributions are paid.

All part-time work or periods of leave without pay are prorated in relation to full-time employment. For example:

- A member who worked full-time (40 hours a week) for one year has earned one year of FTE.
- A member who worked half-time (20 hours a week) for one year has earned half a year or six months of FTE.

A member can receive FTE service credit by purchasing certain types of service. The purchased service must represent actual employment with an OPERS participating employer. Service granted free of charge or not accrued with an OPERS participating employer is not FTE.

This chart shows the types of **purchased** service credit that constitute full-time-equivalent employment and which types of service do not.

Full-Time-Equivalent Employment	Not Full-Time-Equivalent Employment
• Purchased Prior Service • Repayment of Withdrawn Contributions • Purchased Temporary Total Disability • Purchases Made Pursuant to USERRA • Delinquent service paid by the employer	• Prior Service Granted Free of Charge • Military Service Granted Free of Charge • Purchased Service with another State Retirement System • Unused Sick Leave • Transported Service • Termination Credit • Bonus Years • Purchase of Incentive Service

CHAPTER 8: MILITARY SERVICE CREDIT

8.1 CREDITING MILITARY SERVICE

Active members of OPERS who were honorably discharged in the United States Armed Forces are eligible for up to five years of service credit. Members who join OPERS prior to July 1, 2000, may be granted military service free of cost for certain periods of active military service. Otherwise, military service credit may be purchased at actuarial cost.

Members may estimate the cost to purchase military service by using the [military service calculator](http://www.opers.ok.gov/military-service) at www.opers.ok.gov/military-service.

To apply for military service credit, the member must submit an Application for Military Service and their Defense Department Form 214 ("DD214"). The DD214 must show active-duty dates and an honorable discharge. OPERS invoices the member for the cost, if any, once the application for military service is reviewed and eligibility is determined.

Members can obtain military records online: <http://archives.gov/veterans/military-service-records>.

OPERS member who join after June 30, 2003, may not receive credit for the same military service applied for in OPERS if the credit was already received in another Oklahoma state retirement system.

The actual periods for which military service can be granted are governed by Oklahoma State statute and can change. Consult with OPERS for additional information.

8.2 USERRA (UNIFORMED SERVICES EMPLOYMENT & REEMPLOYMENT RIGHTS ACT)

A member absent from work due to uniformed service can exercise their rights under USERRA, to buy service credit lost during their absence. Generally, purchased service under USERRA cannot exceed 5 years.

USERRA requires the participating employer to notify OPERS in writing within 30 days after the reemployment of a member asserting rights under USERRA.

A. Eligibility Under USERRA

A member and/or the participating employer is required to provide proof of the following to assert rights under USERRA:

1. Held a civilian job with a participating employer before the uniformed service;
2. Provided advance notice to the employer of the uniformed service leave;
3. Be released from service under "honorable conditions";
4. Returned to your civilian job with your OPERS participating employer in a timely manner
Timely manner is defined in USERRA.

B. Payment of Retirement Contributions

1. **Members** - To receive USERRA service credit the member must pay, in a lump sum, the contributions that would have been made if the member had been continuously employed with an OPERS participating employer.
2. **Participating Employers** - The participating employer pays the required employer contributions that would have been made if the member had been continuously employed with the OPERS participating employer.
3. **Time of Repayment** - The member has a period equal to three times the period of uniformed service with which to make the request for USERRA credit and to pay the required contributions. The time period cannot exceed five years. The time period starts on the date of reemployment. .

A member who withdrew contributions upon entering uniformed service must re-establish their OPERS membership by repaying the withdrawn contributions in full before USERRA rights can be asserted.

CHAPTER 9: REINSTATING, PURCHASING, AND TRANSPORTING SERVICE CREDIT

9.1 REINSTATEMENT OF WITHDRAWN SERVICE

A former OPERS member who has withdrawn their contributions may restore service credit lost due to the withdrawal. The former member must meet the eligibility requirements for OPERS membership and, become an OPERS member again, repay the withdrawn contributions with 10% interest at per year. The Member's repayment may be made in a lump sum, a payroll deduction for up to 60 months, or through a plan-to-plan transfer or rollover of pre-tax contributions from an eligible plan.

Reinstatement of the same service may be made one time only. If the service is withdrawn again, it may not be repaid or reinstated. Employees wishing to repay withdrawn service should contact OPERS for additional information.

9.2 PURCHASE OF SERVICE CREDIT

Types of Service Purchase:

A. Purchase of Service Credit from Other Oklahoma State Retirement Systems

A member may purchase service credit for years of credited service accumulated while a member of the following retirement systems:

- Oklahoma Firefighters Pension and Retirement System;
- Oklahoma Police Pension and Retirement System;
- Oklahoma Law Enforcement Retirement System;
- Oklahoma Teachers' Retirement System; or
- Uniform Retirement System for Justices and Judges.

However, the purchase of this service is only permissible if the member is not receiving, or eligible to receive, retirement credit or benefits for the service in the other public retirement system. The cost to purchase the service is actuarial cost.

A member who wishes to purchase service from another State of Oklahoma retirement system should contact OPERS for additional information.

B. Purchase of Prior Service

Members who are employed with an employer who subsequently joins OPERS, may purchase prior service credit for the for the time period of January 1, 1975, until the employer's joining OPERS. The purchase will be at actuarial cost. For members employed with an employer who subsequently joined OPERS prior to January 1, 1975, the member may be able to receive prior service credit at no cost. Members should contact OPERS for additional details.

C. Purchase of Hazardous Duty Prior Service for County Deputy Sheriffs and Jailers

County deputy sheriffs and jailers who were first hired in those positions prior to November 1, 2020, may receive prior service credit for employment as a county deputy sheriff or jailer in

which they did not participate in the OPERS Hazardous Duty plan. Prior service credit must be ***purchased at actuarial cost***. If a member purchases this prior service, it is considered as full-time-equivalent Hazardous Duty employment for the twenty-year retirement eligibility. Members can use the [calculator on the OPERS website](#) to estimate the cost of purchase. The member must complete and submit a [Request to Purchase Service Credit form](#) to begin the process.

The deadline to elect to purchase Hazardous Duty prior service is July 1, 2026, for anyone employed as a county deputy sheriff or jailer before November 1, 2024. Anyone who is not in those positions on November 1, 2024 but is later rehired as a county deputy sheriff or jailer will have six months from the date of rehire to elect this purchase.

D. Purchase of Incentive Credit

Active members of OPERS, who are not in retiree-return-to-work status may purchase at actuarial cost up to two years to count towards the member's "age" or years of participating service.

To purchase incentive age or service, a member must be:

- Eligible for normal or early retirement; or
- Within two points of reaching normal retirement eligibility; or
- Within two years of reaching normal or early retirement eligibility.

Members must have at least four of the required six years of full-time-equivalent employment to be eligible for this purchase and must have at least six years of full-time-equivalent employment prior to retirement.

Elected officials have unique requirements for incentive credit purchases. Elected officials should contact OPERS for additional information.

Hazardous duty members may purchase incentive credit but it cannot be used for the twenty-year service requirement as a hazardous duty member.

Incentive credit may not be purchased to attain eligibility for Disability Retirement.

The purchase of incentive credit is irrevocable and Federal law could place limits on the amount of incentive credit purchased. Contact OPERS for additional information.

E. Purchase of Elected Service

A member who is currently a non-elected member may purchase OPERS service credit for previous service as an elected official if the member is not receiving or eligible to receive retirement credit for the service in any other public retirement system. Interested members should contact OPERS for additional information.

F. Temporary Total Disability (TTD)

Members may purchase participating service for time periods they receive TTD. The requirements of the statute must be met to purchase the credit that include but are not limited to:

1. Member is a state employee;
2. The absence from work was due to a work-related injury or illness occurred while engaged in a governmental function for the participating employer;
3. The member was employed by the participating employer immediately prior to and during the period of absence;
4. The member notifies OPERS in writing no later than **four months** after the member's return to their job duties with the participating employer, or termination of employment with the participating employer, or termination of the temporary total disability benefits, **whichever is earlier**, of the member's desire to receive participating service credit for the period of absence;
5. The participating employer certifies to OPERS in writing the dates during which temporary total disability benefits payments were paid to the member; and,
6. The member and the participating employer pay their respective contributions required for the period of absence without interest within 60 days of invoicing by OPERS, or with interest of 7.0 % compounded annually if paid after said 60 days.

The entire TTD period of absence must be purchased. If an employee is on TTD the employer should inform them immediately of this purchase option.

Methods to Purchase Service:

- A. One-time, lump-sum payment with post-tax dollars; or
- B. Post-tax payments through payroll deduction for up to 60 months (includes 6.5% interest); or
- C. Plan-to-plan transfer of pre-tax funds; or
- D. Incoming rollover of pre-tax funds; or

Combination of any of the above.

Federal Limits on the Purchase of Service Credit

Federal law may limit a member's ability to complete the purchase of retirement credit during one calendar year. If the cost to purchase retirement credit exceeds the federal limit, a member must complete their purchase of the credit under the limit set for the next calendar year or alter the amount of credit purchased. In some cases, the federal limits may prohibit the purchase entirely. Members should contact OPERS to determine how the federal limits apply to their purchase of retirement credit.

9.3 REDUCTION-IN-FORCE (RIF)

Retirement coordinators are required to contact OPERS in the event their OPERS participating employer conducts an approved RIF. OPERS must a list of affected members which includes the member's name, Social Security Number, and the member's accumulated unused sick leave balance. OPERS will assist the participating employer with retirement-related information.

Purchase of Termination Credit

Some members subject to a RIF may be eligible to purchase termination credit. Generally, purchasing termination credit permits certain eligible members who are close to normal retirement eligibility to preserve their normal retirement date the member's employment position not been terminated by a RIF. Specific requirement must be met for the purchase of termination credit and interested member should contact OPERS for additional information.

9.4 INVOLUNTARY FURLOUGH FOR STATE AGENCIES

Furlough is an involuntary leave without pay when the state agency has found it necessary to reduce expenditures or temporarily decline work activities. It is the employer's responsibility to provide OPERS a copy of the approved furlough plan. Leave as part of an approved state agency involuntary furlough plan may be credited as participating service. Although a member is not being compensated by their employer during periods of involuntary furlough, the final average compensation calculation for OPERS benefits is not adversely impacted.

9.5 TRANSPORTING SERVICE FROM THE OKLAHOMA TEACHERS' RETIREMENT SYSTEM

OPERS members with qualifying service credit with the Oklahoma Teachers' Retirement System (TRS) may transport TRS service in two ways, dependent on their eligibility.

METHOD 1: Portable Service

An active OPERS member who is also a member of TRS, and whose last TRS service was with a TRS participating employer listed here may transport TRS service to OPERS without additional cost to the member provided the member has not previously withdrawn contributions for said service in TRS.

To transport service from TRS, contact TRS to start the process.

- Regents for Higher Education
- Board of Education
- Board of Career & Technical Education
- Department of Career & Technical Education
- School of Science & Mathematics
- Center for the Advancement of Science & Technology
- Department of Rehabilitation Services
- Regents for Higher Education
- Department of Corrections
- Department of Education
- Board of Private Vocational Schools
- Board of Regents of the Oklahoma Colleges
- Student Loan Authority
- Teachers' Retirement System

A member who transports service credit from TRS to OPERS will receive credit for the transported service immediately upon payment from TRS of the funds required to transport the service.

METHOD 2: Transported Service

Members not eligible to transport TRS service under Method 1 may apply Method 2. Under Method 2 the member may either:

- Pay actuarial cost for any difference between the amount of funds provided by TRS and the cost of the service in OPERS to receive full service credit for the years transported; or,
- Receive prorated service credit for only the amount of service that could be purchased with the funds provided by TRS. Any service credit not transported will be canceled and cannot be reinstated, transported or purchased at a later date.

Transporting TRS service to OPERS has several steps which must be completed timely. Member are encourage to contact OPERS for additional details.

9.6 INSTALLMENT PAYMENT PLAN

Members may make some service purchases through an installment payment plan. Once a member inquires about a service purchase, OPERS will advise as to the availability to complete the purchase under a payment plan.

CHAPTER 10: RETIREMENT BENEFIT ELIGIBILITY

OPERS has three types of retirement benefits:

1. Normal
2. Early
3. Disability

In all three situations, the member must:

- Provide the proper notice to OPERS;
- Terminate employment; and,
- Have at least six years of full-time-equivalent employment if they became a member on or after January 1, 1983.

The member may not change the selections of the following on or after their retirement date:

- Type of retirement (normal, early, disability);
- Type of benefit (Maximum, Option A, Option B or Option C); or,
- Joint annuitant under Option A or Option B (See [Error! Reference source not found.Error! Reference source not found.](#)).

10.1 NORMAL RETIREMENT

Members are eligible for full retirement benefits by meeting certain age and service requirements depending on when membership in OPERS began.

- A. For members who initially joined OPERS **before November 1, 2011**:
 - **Age 62** – When the member reaches at least age 62 with six full years of full-time-equivalent employment; or
 - **80 Points** – When the sum of the member's age and years of service equals 80 and membership began before July 1, 1992; or
 - **90 Points** – When the sum of the member's age and years of service equals 90 and membership began after June 30, 1992.
- B. For members who initially joined OPERS **on or after November 1, 2011**:
 - **Age 65** – When the member reaches at least age 65 with six full years of full-time-equivalent employment^{Error! Bookmark not defined.}, or
 - **90 Points** – When the member is at least 60 years of age and the sum of age and years of service equals 90.

10.2 EARLY RETIREMENT

Members are eligible for reduced retirement benefits by meeting certain age and service requirements depending on when membership in OPERS began:

- A. For members who initially joined OPERS **before November 1, 2011**:

- **Ages 55 to 62** – The first day of the month coinciding with or following the member's **55th** birthday or any subsequent month up to **age 62** provided the member has at least 10 years of participating service.
- B. Members who initially joined OPERS **on or after November 1, 2011**:
- **Ages 60 to 65** – The first day of the month coinciding with or following the member's **60th** birthday or any subsequent month up to **age 65** provided the member has at least 10 years of participating service.

10.3 DISABILITY RETIREMENT

Members who end participation in OPERS due to medical issues may be entitled to monthly disability retirement benefits if each of the following conditions is met:

- A. The member qualifies for payment of disability benefits by the Social Security Administration (SSA) or the Railroad Retirement Board (RRB). The disability date established by SSA or RRB must be within one year of the employee's last date physically on the job with a participating employer, the disability is a result of an injury or illness which occurred while the employee was physically on the job, and the employee must have been an active employee with a participating employer at the time of disability; and,
- B. The member has **eight years of participating service** with at least six of the eight years as whole years of full-time-equivalent employment with a participating employer.
- C. The member has terminated their employment or participation in OPERS and has not retired with OPERS. A member who has already retired cannot change their type of retirement from early or normal retirement to disability retirement. However, effective January 1, 2004 and after, an OPERS member who retired under early retirement provisions, and who becomes qualified for a disability benefit under OPERS plan provisions with a disability date on or after July 1, 1999, can apply to receive disability benefits in lieu of the early retirement benefits, provided that all disability retirement requirements are met.

Application for Disability Benefits

If an employee meets requirements listed above, the employee should submit all pages of their Social Security Award Letter to OPERS. Upon receipt, OPERS sends Application for Disability Benefits to the employee for completion and return to OPERS. OPERS then sends the necessary forms to the employer for completion. The retirement coordinator, when completing the Application for Disability Benefits, must verify:

- A. The last date the employee received compensation for which retirement contributions were paid (excluding longevity pay);
- B. The last day the employee was physically on the job;
- C. The employee's number of hours of unused sick leave; and,
- D. The employee's date of resignation.

The completed and signed application must be returned to OPERS for processing. The member may not receive disability benefits for any month in which the member received pay from the employer.

10.4 VESTED RETIREMENT BENEFIT

“Vested” refers to a member has accrued enough service to receive a future benefit, but who is no longer employed by an OPERS participating employer. To be considered vested, a member must complete at least eight years of credited service, six full years of which must be full-time-equivalent employment with a participating employer. It is important for vested members to keep their address and email address updated to receive important OPERS notifications.

CHAPTER 11: Retirement Application

11.1 INTRODUCTION

Members apply for retirement on the OPERS website. Information on this page will help members navigate the retirement process and upload all the necessary information and documents.

[Retirement Application landing page](https://opers.ok.gov/retirement-application) opers.ok.gov/retirement-application.

All retirement dates are the first day of a given month. To view deadline for upcoming retirement dates, visit opers.ok.gov/dates-and-deadlines

A RETIREMENT APPLICATION MUST BE SUBMITTED AND DIGITALLY SIGNED 60 CALENDAR DAYS PRIOR TO THE MEMBER'S RETIREMENT DATE.¹

¹ The only exception to the 60-day notice requirement is for previously vested members, or in the case of a waiver, as described in 11.2.

While members are encouraged to upload all required documents at once, only the Retirement Application must be received by the 60-day deadline. All other requested documents must be received before the member's retirement date.

A member who wishes to change the retirement date, type of benefit, or joint annuitant after the Retirement Application has been submitted, but before the member's effective retirement date, must complete and submit a new Retirement Application. The retirement date, type of benefit, and the joint annuitant cannot be changed by the member for any reason on or after the effective retirement date.¹

11.2 WAIVER OF THE 60-DAY NOTIFICATION REQUIREMENT

A member may make a written request to the OPERS Executive Director to waive the 60-day notice requirement. The member must show good cause which is generally understood to be an unforeseen hardship, such as an illness of the member or the member's family, a reduction in force, or layoff of employment.

11.3 INFORMATION NEEDED TO COMPLETE APPLICATION

Before starting the retirement application members should have the following information easily accessible:

- Retirement date
- Retirement option
- Spouse information, if married. Information required is the name, date of birth, Social Security number and address.
- Primary and contingent beneficiary information including name, relationship, date of birth, Social Security number and address.

Information about the aforementioned items can be found at opers.ok.gov/retire.

11.4 DOCUMENTS TO UPLOAD

Members will upload PDFs or images of the following documents when applying for retirement. The complete document must be submitted and the document must be clearly legible.

- A voided check or letter from their financial institution to set up direct deposit.
- Proof of member's date of birth (such as a birth certificate).
- If applicable, the joint annuitant's proof of date of birth (such as a birth certificate).
- Documentation of current marital status (e.g., marriage license, divorce decree or death certificate)

11.5 RETIREMENT APPLICATION

A video walkthrough and resources for completing the retirement application can be found at opers.ok.gov/retire.

¹ QDROs that terminate survivor benefits allow Joint Annuitants to be removed in a divorce action.

11.6 SPOUSE CONSENT

Generally, all married members must retire under Option A or Option B and name their spouse as their joint annuitant. However, if the retiring member is married and chooses to retire under the maximum option or Option C or if the member names a joint annuitant who is someone other than their legal spouse, the member's legal spouse must complete and sign a Spouse Consent form.

If a member is widowed, the member must submit a copy of the spouse's death certificate.

If a member is divorced, the member must submit a complete, file stamped copy of their Decree of Divorce or Decree of Dissolution of Marriage.

If the member is unable to supply proof of the death or divorce, the member must retire under Option A or B and name the spouse as joint annuitant, unless the spouse completes and signs a Spouse Consent form.

11.7 PRELIMINARY BENEFIT STATEMENT

About two weeks prior to their retirement date, OPERS emails the member an estimate of their benefit and a link to complete tax withholding preferences.

CHAPTER 12: RETIREMENT CERTIFICATION

12.1 PRELIMINARY RETIREMENT CERTIFICATION

The retirement coordinator will receive an email from OPERS requesting completion of the preliminary retirement certification after OPERS has accepted a retirement application. The retirement coordinator provides the member's last day on the regular payroll and estimated unused sick leave.

12.2 FINAL RETIREMENT CERTIFICATION

Final Retirement Certification must be submitted to OPERS within 10 days after the date of the retiring member's last day on the payroll. Final Retirement Certification is available online via the secure online employer website at connect.opers.state.ok.us.

12.3 UNUSED SICK LEAVE

A maximum of 960 hours of unused sick leave may be added to retirement service. Twenty days (160 hours) of sick leave equal one month of retirement service credit and will be added only in monthly segments. Credit for fractions of a month are not given.

If the unused sick leave results in adding an additional year of service, the employer must pay the cost of funding that year of service.¹ The employer will receive an invoice for the cost of funding the additional benefit and payment is due upon receipt of the invoice.

***Note:** If an employer adopts a sick leave policy permitting the accrual of sick leave, whether called sick leave, personal days off, or another term equating to sick leave, the employer cannot lawfully adopt and enforce a sick leave policy that prohibits any accrued unused sick leave from being used towards participating service credit in OPERS under 74 O.S. § 913(B)(7). *Attorney General Opinion No. 2012-8*.

¹ OPERS members who joined the system **on or after November 1, 2012**, will be credited with actual years and months of service after any unused sick leave is applied. Service credit calculations for these members will not include rounding of fractional years and agency billing for unused sick leave will be based on actual months.

CHAPTER 13: CALCULATION OF RETIREMENT BENEFITS

13.1 INTRODUCTION

A member’s benefit is determined by using a formula that is based upon:

- A. Credited service; and,
- B. Final average compensation.

This section provides an explanation of the benefit determination process as well as examples.

Final Average Salary

Service Credit

X Computation Factor (2%)

Lifetime Annual Benefit

Step 1: Determining Service Credit

A member’s service credit is determined by adding the years and months the member has participated in OPERS which includes any purchased service or service granted free of charge. If the total years and months of service includes a partial year of six months or more and the member is eligible to round, the member’s total service credit is rounded to the next highest year. Retirement Coordinators should refer members to OPERS for official calculations and estimates.

Example: Bill has 20 years of participating service, one bonus year, and six months of unused sick leave, Bill’s total credited service would be 21 years six months, rounded to 22 years. Therefore, Bill’s creditable service is 22 years.

Note: only members whose OPERS participation began before November 1, 2012, or elected officials first elected or appointed to elected office before November 1, 2011, have their fractional years of service rounded to the nearest full year. Those who became members on or after those dates, have their total service calculated based on their actual years and months of service without rounding.

Six months of unused sick leaves does not always give a member an additional year of service credit⁶. A member’s credit for unused sick leave is added to their other service credit. If a member’s total service credit includes a partial year of six months or more, then the member’s total credited service is rounded to the next highest year.

WHEN SICK LEAVE ADDS A YEAR			WHEN SICK LEAVE DOES NOT ADD A YEAR		
21 YEARS 0 MONTHS	PARTICIPATING SERVICE		21 YEARS 6 MONTHS	PARTICIPATING SERVICE	
+	6 MONTHS	UNUSED SICK LEAVE	+	6 MONTHS	UNUSED SICK LEAVE
21 YEARS 6 MONTHS	TOTAL SERVICE		22 YEARS	TOTAL SERVICE	
22 YEARS	TOTAL CREDITED SERVICE		22 YEARS	TOTAL CREDITED SERVICE	

⁶ For member’s eligible to round.

Step 2: Calculation of Final Average Compensation

For members who initially joined OPERS before July 1, 2013:

The highest three years out of the last 10 years of participating service prior to retirement or termination, including the highest three longevity payments upon which contributions have been made, are used to calculate a member's final average compensation. The highest three years of salary plus longevity are added together and divided by three to determine the final average compensation.

Example: Tom's highest three annual salaries out of the last 10 years prior to retirement are: \$42,000 in fiscal year 2020, \$41,000 in fiscal year 2019, and \$40,000 in fiscal year 2018. His final average compensation would be \$41,000.

For members who initially joined OPERS on or after July 1, 2013:

The highest five years out of the last 10 years of participating service prior to retirement or termination, including the highest five longevity payments upon which contributions have been made, are used to calculate a member's final average compensation. The highest five years of salary plus longevity are added together and divided by five to determine the final average compensation.

Example: Peggy's highest five annual salaries out of the last 10 years prior to retirement are: \$81,000 in fiscal year 2020, \$78,000 in fiscal year 2019, \$76,000 in fiscal year 2018, \$74,000 in fiscal year 2017, and \$71,000 in fiscal year 2015. Her final average compensation would be \$76,000.

Note: The minimum final average compensation for persons who became members of OPERS **on or after July 1, 1995**, will be determined by the number of years of credited service they have at the time of their retirement (see chart). The minimum final average compensation for persons who became members of OPERS **prior to July 1, 1995**, is \$13,800 regardless of the member's number of years of service.

Minimum Final Average Compensation		
20 or more years	=	\$13,800
15 to 19 years	=	\$ 6,900
Less than 15 years	=	No Minimum

Step 3: Calculation of Annual Retirement Benefit

To calculate the benefit, multiply the member's final average compensation by the number of years of service. The result should then be multiplied by .02 (2%).

$$\text{Final Average Compensation} \times \text{Credited Service} \times 2\% = \text{Annual Retirement Benefit}$$

Retirement Coordinators should refer members to OPERS for official calculations and estimates.

13.2 DEDUCTIONS FROM SALARY WHILE EMPLOYED

Deductions from a member's salary while employed will not affect the compensation OPERS uses for the computation of the final average compensation. For example, if a member has health insurance benefits deducted from their salary on a pretax basis through "Premium Conversion" or a "Cafeteria Plan," these deductions will not lower the salary OPERS may use for the computation of the member's final average

compensation. OPERS uses the member's gross compensation (salary and longevity before deductions for insurance, retirement, taxes, deferred compensation, etc.) for the determination of the member's final average compensation. Any payments for overtime are not subject to retirement contributions and are not included in salary for calculation of the final average compensation.

13.3 EARLY (REDUCED) RETIREMENT BENEFITS

To determine a member's early retirement benefits, calculate the monthly benefit according to the formula given above for normal retirement. The benefit must then be reduced according to the member's age in years and months. To reduce the benefit, multiply the monthly benefit for normal retirement by the percentage factor for the member's age as provided in the early reduction tables found on opers.ok.gov/publications.

13.4 COMBINING ELECTED AND NON-ELECTED PARTICIPATING SERVICE

- If a member is retiring as an elected official, the monthly benefit for participating service accrued with OPERS while a regular, non-elected employee is equal to the benefit paid for elected service, provided the official has at least six full years of participating service as an elected official if elected or appointed after July 1, 1990.
- If a member has elected official service credit, but is retiring as a non-elected member, the benefit is calculated in two parts, elected and non-elected, and is added together to form one benefit.

13.5 PART-TIME EMPLOYMENT

If a member has been employed part-time during the time period⁷ used to calculate their final average compensation, OPERS annualizes the member's salary to determine the final average compensation.

13.6 LIMITATIONS ON RETIREMENT BENEFITS

Federal tax code section 415(b) places a limit on the amount of retirement benefits OPERS can pay to its retirees during a calendar year. The benefit limits a retiree may be subject to is based on their age at retirement and the amount of their annual retirement benefit. These limits do not affect most OPERS retirees. Each affected members are notified of these limitations their impact.

In 2020 OPERS established an Excess Benefit Plan. The Excess Benefit Plan permits a retiree to receive the part of their annual benefit exceeding the limitation on benefits imposed by Code Section 415(b). However, the Excess Benefit Plan cannot pay any benefits in excess of the Code Section 415(b) limits which result from participation in the 2.5% Step-Up election.

13.7 THE 2.5% STEP-UP PROGRAM

IMPORTANT: It is the responsibility of the retirement coordinator to understand the 2.5% Step-Up provision and to process the Step-Up election forms timely. Prompt processing is critical. Do not give

⁷ At least three years (on or before July 1, 2013) or five years (on or after July 1, 2013) of full-time employment out of the last 10 years prior to retirement.

employees advice about whether or not they should participate in the Step-Up. The employee should be informed the election to participate in Step-up is irrevocable for this and future employments.

The retirement coordinator must determine if a newly hired or transferred employee is a Step-Up participation before adding them to the payroll. If necessary, contact OPERS to verify Step-Up participation.

IMPORTANT: Errors can be costly! If an employee has previously elected the Step-Up and the employer does not withhold retirement contributions at the Step-Up rate (currently an additional 2.91%) from the first day of employment, state law requires the employer to pay the unpaid employee contributions – plus interest – when the error is discovered.

All actively participating OPERS members may “step-up” their benefit computation factor from 2.0% to 2.5%. Hazardous duty members and elected officials who were first elected or appointed to elected office before November 1, 2011 are not eligible to participate in Step-Up.

To participate in Step-up the member must complete and sign a Step-Up election form and return it to their retirement coordinator. The election can be made at enrollment or at any time while the member is an active participating member and will be effective the first payroll period after the election and acceptance by the employer.

Step-Up members are required to make an additional retirement contribution to “step-up” their retirement benefit. Currently, this actuarially determined amount is an additional 2.91% of the compensation for retirement purposes. To determine a member’s Step-Up contribution rate, add 2.91% to the current retirement contribution rate. Regular employee contribution rates and/or the additional Step-Up rate could change in the future.

Participation in Step-Up increases the member’s computation factor to 2.5% only on participating service they accrue after the election to participate in Step-Up and only for full years (12 months) of participating service.

Members should evaluate their individual circumstances to determine whether the Step-Up is appropriate for them. The increased employee contributions reduces their take-home pay. Partial years of service (including participation in the Step-Up for partial years), service prior to the election, purchased credit, prior service, military service, transported service, bonus years and unused sick leave will all be calculated at the regular 2% computation factor.

Step-Up is an irrevocable election and is binding on all future participation in OPERS, even if the member changes jobs, has a break in service, or a reduction in pay. This includes any return to employment after the member withdraws their retirement contributions or retires.

To assist members in understanding the Step-Up and its impact on benefits and contributions, OPERS has prepared the example and information below. The following example is provided to help clarify how Step-Up works and how calculations are made. Every member’s situation is unique based on their age, salary and years of service.

13.8 BENEFIT ESTIMATES

Member may request benefit estimates and are available for members who are within two years of retirement eligibility. Benefit estimates provide a member's first eligible retirement date, optimum retirement date, and the estimated benefit amounts for both the member and a joint annuitant.

CHAPTER 14: RETIREMENT BENEFIT CALCULATION EXAMPLES

The determination of a member's benefit is based upon a member's final average compensation and a member's credited service. Below is an example of how retirement benefits are calculated.

Paul began his employment with a participating OPERS employer July 1, at age 52. He began participating in OPERS on August 1, the first full month following his original hire date. Paul plans to retire August 1, when he has reached age 62.

Note: only members who began participating **before November 1, 2012**, or elected officials first elected or appointed to elected office **before November 1, 2011**, have their fractional years of service rounded up or down to the nearest full year. Those who became members **on or after those dates**, have their total service calculated based on their actual years and months of service without rounding.

Step 1: Determination of Service Credit

Paul has 11 years of total participating service, which includes six months of unused sick leave. Therefore, Paul's total service of 10 years and six months can be rounded to 11 years of total service credit.

Step 2: Calculation of Final Average Compensation

Paul's three highest salaries out of the last ten years prior to retirement are: \$42,065; \$43,032; and \$44,047. The average of these salaries is \$43,048. Therefore, Paul's final average compensation is \$43,048.

Step 3: Calculation of Annual Retirement Benefit

Paul's final average compensation (\$43,048) multiplied by 11 (total years of service credit) equals \$473,528. This result is then multiplied by 2% (.02) to determine Paul's annual benefit. Paul's annual retirement benefit is \$9,470.56.

Total Service	Benefit as % of Avg. Compensation
10 years	20%
15 years	30%
20 years	40%
25 years	50%
30 years	60%
35 years	70%
40 years	80%
45 years	90%
50 years	100%

This chart reflects the benefits for state and local government employees only. It does not reflect the benefits for elected officials, hazardous duty members, or Judges and Justices.

14.1 WILL OPERS BENEFITS MEET YOUR NEEDS?

Most members can determine how their OPERS benefit will help meet their financial needs in retirement by using a simple formula: Service Credit multiplied by 2%. By using this formula, members can determine how their OPERS benefit compares to their average compensation. They can then calculate how much money they will need to accumulate through personal savings and Social Security to make up the difference between their OPERS benefit and their financial needs in retirement.

Example: Paul plans to retire when he has 25 years of credited service with a final average salary of \$40,000. Paul decides he needs 90% of his final average salary, or \$36,000, to support his financial needs in retirement.

Replacement Ratio (years of service x 2%)

$$25 \times 2\% = 50\%$$

Paul's benefit will be 50% of his final average compensation.

Estimated Benefit Amount (final average salary x replacement ratio)

$$\$40,000 \times 50\% = \$20,000$$

Paul's benefit will be \$20,000.

Desired Retirement Income

Paul's Benefit
\$20,000

Paul Still Needs
\$16,000

Paul will need to be sure Social Security and his personal savings will provide the additional 40% or \$16,000.

CHAPTER 15: TAXATION OF RETIREMENT BENEFITS

Benefits from OPERS are considered income for Oklahoma and federal income tax purposes. This information is not intended to be tax advice. Members should seek advice from a tax advisor on matters of taxation.

15.1 OKLAHOMA STATE INCOME TAX

Under Oklahoma tax law some retirement benefits may be excluded from an individual Oklahoma taxpayer's gross income. Retirees who do not reside in Oklahoma or pay Oklahoma income tax may have different state income tax liabilities.

15.2 FEDERAL INCOME TAX

OPERS mails Form 1099-R to each retiree at the end of each January. This form will show 1) the gross amount of the retirement benefit for the previous calendar year, 2) the amount of state and federal income tax withheld from the retirement benefit, and 3) the federal taxable amount of the retirement benefit for the year. The information contained in a member's Form 1099-R is used in completing the member's state and federal income tax return.

At retirement, retirees receive by email a link to complete both a Form W-4P Withholding Certificate for Periodic Pension or Annuity Payments and the Oklahoma State Tax Withholding Form approximately two weeks before their retirement becomes effective. These forms must be completed before OPERS benefits begin. Retirees may complete these forms in the future should they wish to change their tax withholdings.

CHAPTER 16: POST-RETIREMENT EMPLOYMENT

16.1 INTRODUCTION

Some retired OPERS members choose to return to the work after they retire. Returning to work with an employer that does not participate in OPERS does not affect the retiree's benefit. However, returning to work for an OPERS participating employer who participates may affect the retiree's benefits. An OPERS retiree cannot enter into any employment agreement with any OPERS participating employer a period of at least one year following the retirement date.

- If a retiree returns to work with an OPERS participating employer during the first month after the retirement date, their retirement will be canceled.
- If a retiree returned to work with an OPERS participating employer, the member will be required to waive their retirement benefits [See *Waiver of Retirement Benefits While Working* on the following page] or wait one year. This also applies to contract employees and those employed through a third party.
- It is a direct violation of Internal Revenue Service (IRS) provisions for an employer to make an agreement with an employee permitting the employee to retire and then be rehired by the same employer. Such a retirement is considered a sham retirement under IRS guidelines.
- If a retiree returns to work with a participating OPERS employer, they must participate in OPERS by paying retirement contributions no matter how many hours the retiree works or the nature of the work (temporary, seasonal, permanent, etc.).⁸ Participation must begin on the first day of the return to employment. Retirees will also be required to complete the Post Retirement Employment form upon returning to work.
- A retired member continues to accrue service credit while they work for a participating employer. The additional credit may increase their retirement benefits.

OPERS accumulates reported earnings based on the date the earnings are received or paid, not the date the work took place. Earnings paid on December 31, 2024, are added to the earnings of calendar year 2024. Earnings paid on January 1, 2025, are added to earnings for calendar year 2025 even if all the work took place in 2024.

⁸ A member does not have to participate in OPERS if they are an independent contractor employed by a participating OPERS employer. The determination of whether or not a member is an independent contractor for the purpose of participation in OPERS will be made solely by OPERS. Errors in participation must be paid by the employer.

Upon returning to work for an OPERS participating employer, the retiree must choose to either: A) continue receiving benefits, or B) waive the receipt of monthly benefits.

A. Continuation of Retirement Benefits While Working

A retiree who returns to work with a participating OPERS employer may continue to receive their benefits while working. If the retiree is younger than their full Social Security retirement age, benefits will cease when their salary exceeds the allowed earnings during the calendar year.. The retiree's benefit will restart at the beginning of the next calendar year and continue until their salary meets the allowed earnings restriction for that calendar year or until their employment terminates. The allowed earnings are established by the Social Security Administration yearly.

Current earnings limits can be found at opers.ok.gov/returning-to-work.

Each month a retiree works for a participating OPERS employer and contributes to OPERS, the retiree accrues service credit. Every additional 12 months of full-time-equivalent service accrued will increase the retiree's benefits. The retiree's benefit will be automatically increased effective January 1st of each year if they have accrued 12 months of full-time-equivalent service as of the end of the previous fiscal year (July 1st through June 30th). Increased benefits are based upon the compensation earned and hours accrued with the participating OPERS employer during the time the additional service credit was accrued. The retiree is not required to cease employment or make application to receive the increased benefits.

B. Waiver of retirement benefits while working

A retiree can decide to stop receiving their retirement benefits while employed with a participating OPERS employer. There are no IRS earnings limitations apply and the retiree may retire for a second time after accruing 36 consecutive months of full-time-equivalent service credit. All the retiree's service credit (before and after retirement) will be recomputed based upon the law governing OPERS at the time of the retiree's **second** retirement. When the retiree retires the second time, they may also re-select a retirement option. Retirees who return to work and waive their benefits but do not work the 36 months required to re-retire will receive additional benefits calculated under the method used for retirees who received benefits while working (Choice A). **IMPORTANT:** Members electing the Medicare Gap Benefit Option may not waive benefits and retire a second time.

16.2 POST-RETIREMENT EMPLOYMENT ELECTION (FORM 515-117B)

Any retiree returning to work for a participating employer shall make contributions to OPERS and the employer shall make the required employer contributions. Contributions must be paid on all reemployment salary earned. This includes all seasonal, temporary, and part-time work with a participating employer. The retirement coordinator is required to complete and submit a [Post Retirement Employment form](#) immediately. On this form, the retiree must elect to either waive the receipt of retirement benefits while they are working or choose to receive benefits while working.

**PARTICIPATING EMPLOYERS ARE REQUIRED BY LAW TO NOTIFY OPERS
WHEN A RETIREE RETURNS TO WORK. COMPLETE FORM 515-117B.**

16.3 CONTRACT EMPLOYMENT

Retirees may contract with OPERS participating employers as independent contractors. All independent contractors must submit a copy of their independent contractor agreement to OPERS office for pre-approval prior to entering the contract⁹. Though neither the Post Retirement Employment form nor retirement contributions are necessary for contract employees, In order for OPERS to approve the Retiree's Independent Contractor Agreement, the retiree must be in a true contract labor situation, with no health insurance benefits, no retirement benefits, no paid leave or holidays, no Workers' Compensation coverage and must pay self-employment Members will not receive OPERS service credit for independent contractor agreements.

16.4 STATUS OF POST-RETIREMENT EMPLOYMENT (FORM 515-178)

The Post Retirement Employment form must be completed, signed by the retiree and the coordinator, and submitted to OPERS at the conclusions of a retiree's reemployment. The form must be submitted promptly to ensure the retiree's benefits are not disrupted.

⁹ 1974 OK AG 151

CHAPTER 17: BENEFICIARY DESIGNATIONS

When a new employee is enrolled in OPERS, they must designate a primary and a contingent beneficiary on the Beneficiary Designation-form. The designation of a beneficiary is extremely important because it allows OPERS to funds upon the member's death.

Please encourage members to keep their beneficiary designations current

The member must provide complete legal names, addresses, and their relationship to the beneficiary for the designated beneficiaries. It is also important members keep their beneficiary designation current. Members can also use the [Beneficiary Designation form](#) to update or change their beneficiaries during their career. Members may name one or more beneficiary. For multiple beneficiaries the funds will be distributed in equal proportions unless the member designated otherwise.

OPERS members are encouraged to designate adults as beneficiaries. If a member names a minor as a beneficiary, OPERS will follow the Uniform Transfers to Minors Act when making payments to minor or their custodians. Please contact OPERS for additional information.

Should a member be eligible to retire at their death and the member is married, OPERS will offer the surviving spouse the survivor benefit under Option B. . If the spouse elects a survivor benefit, the named beneficiaries will not receive any funds. If the spouse does not elect to receive a survivor benefit they must be a named beneficiary to receive any funds.

17.1 BENEFICIARY DESIGNATIONS: RETIRED MEMBERS

Retired members designate a person or persons as beneficiaries for the \$5,000 death benefit. The member should complete the Beneficiary Designation-Retiree Death Benefits at retirement and may make changes at any time after their retirement by completing a new form and submitting to OPERS. A member wishing to designate a funeral home as primary beneficiary may do so by using the Beneficiary Designation: Funeral Home-Retiree Death Benefits form. A retiree who elected Option C can change their Option C beneficiaries at any time using the Beneficiary Designation-Option C Survivor Benefits.

17.2 TRUST AS BENEFICIARY

Members may designate a trust as beneficiary. The member must sufficient name the trust and the date of the trust on the Beneficiary Designation form. Additionally, the member must supply copy of the signed and notarized Memorandum of Trust must also be provided with the beneficiary designation form. Though a member can designate a trust as beneficiary for accumulated contributions or the Death Benefit, the member cannot name a trust as a joint annuitant under Option A or B at retirement.

17.3 CHANGE OF DESIGNATION OF BENEFICIARY

Certain events in life may create the need for a change of beneficiary such as marriage, divorce, birth of children, death, etc.

To change a beneficiary, the member must complete the *Beneficiary Designation-Active or Vested Member Death Benefits* (Form 515-116AV) form should be carefully completed, providing the Social

Security numbers of all designated beneficiaries, and signed and dated. OPERS must receive the form for the changes to be effective.

A change of a member's insurance or deferred compensation beneficiary has no effect on the OPERS beneficiary.

17.4 DIVORCE

Divorce voids the designation of a spouse as the member's beneficiary. Should the member wish to name a former spouse as beneficiary, the member will need to complete a new *Beneficiary Designation-Active or Vested Member Death Benefits* form, dated **after** the date of the divorce decree, naming the former spouse as beneficiary.

CHAPTER 18: DEATH OF AN ACTIVE OR VESTED MEMBER

OPERS provides for two types of death benefits upon the death of an active or vested member:

- A. *If a member is vested or eligible to retire the time of their death*, a monthly survivor benefit is available to the legal surviving spouse and is available only if no benefits previously have been paid. The spouse will be offered survivor benefits in the form of Option B regardless of whether the member named their spouse as a beneficiary. Retirement benefits may begin when the deceased member would have been eligible for normal or early retirement. If the spouse declines the survivor benefit or the member was not married at the time of death, the member's accumulated contributions will be paid as a lump-sum distribution to their named beneficiaries.
- B. *If the member is not vested or eligible to retire at the time of death*, a lump-sum distribution of their accumulated contributions will be paid to the named beneficiaries.

Note: If a member is making a purchase through the installment payment plan at the time of death, the member's survivor has the option to pay the remaining balance within six months. (See [9.6 Installment Payment Plan](#).)

18.1 TAXATION OF DISTRIBUTION OF A MEMBER'S ACCUMULATED CONTRIBUTIONS

Distribution of accumulated contributions to a member's designated beneficiary is subject to taxation. If a beneficiary elects direct payment of the taxable amount, OPERS is required to withhold 20% federal tax and 4.75% state tax for Oklahoma residents. Nontaxable contributions are not subject to federal and state income tax withholding.

If the beneficiary elects to roll over the contributions to a traditional IRA or inherited traditional IRA, the taxation of the taxable amount is deferred until the contributions are ultimately distributed. A rollover to a Roth IRA or inherited Roth IRA is taxable to the beneficiary, but OPERS does not withhold the tax. Spouse beneficiaries may elect to roll over the benefit to a traditional IRA, and inherited traditional IRA, a Roth IRA or an inherited Roth IRA. Non-spouse beneficiaries may only roll over the benefit to an inherited traditional IRA or an inherited Roth IRA.

18.2 EMPLOYER CERTIFICATION

In the event of the death of an active member, contact OPERS **as soon as possible**. The Retirement Coordinator must complete the Employer Certification, Death of an Active Member as soon as possible.

18.3 PROBATE WAIVERS

If a member dies, leaving no living beneficiary or having designated their estate as beneficiary, OPERS may require the judicial appointment of an administrator or executor for the member's estate prior to payment of any benefits or unpaid contributions. This requirement may be waived for payments in an amount of \$25,000 or less. Contact OPERS for additional information on this process.

CHAPTER 19: BENEFITS UPON THE DEATH OF A RETIRED MEMBER

19.1 \$5,000 DEATH BENEFIT

Upon the death of a retired member, OPERS will pay \$5,000 to the designated beneficiary of the member or to the estate of the member if there is no surviving or named beneficiary. This death benefit will be paid in addition to Option A, B, or C payments to a joint annuitant or beneficiary, if applicable.

Once OPERS receives the death report, OPERS contacts the named beneficiaries with instructions and forms to claim the benefits.

Distribution Election

- A. Paid directly to me (less withholding)** – This payment is subject to mandatory federal tax withholding and state withholding for Oklahoma residents. For more information and current withholding rate visit opers.ok.gov/death-benefits.
- B. Disclaim to a funeral home** – Under this option, the beneficiary will not receive the death benefit, instead OPERS will pay the death benefit directly to the designated funeral home. Beneficiaries have the option to disclaim this death benefit. OPERS must receive appropriate forms within nine months of the death of the OPERS member.
- C. Roll over the benefit** - If the beneficiary elects to roll over the benefit to a traditional IRA or inherited traditional IRA, the taxation of the benefit will be deferred until it is ultimately distributed. A rollover to a Roth IRA is taxable, but OPERS does not withhold the tax. Spouse beneficiaries may elect to roll over the benefit to a traditional IRA, an inherited traditional IRA, a Roth IRA or an inherited Roth IRA. Non-spouse beneficiaries may only roll over the benefit to an inherited traditional IRA or inherited Roth IRA. Beneficiaries should consult with a tax advisor for additional information.

19.2 ADDITIONAL DISTRIBUTIONS

Additional circumstances may result in distributions payable upon the death of a retiree.

Benefits cease on the last day of the month in which the death occurred. If the retiree elected to receive the Maximum retirement benefit and the benefit has not already been paid to the member, the benefit will be paid to the member's estate, or to the member's beneficiary if there is no estate.

If a member retired under the Maximum options and the amount of contributions paid into OPERS by the deceased retiree are in excess of the total benefits received before death, OPERS will pay the difference to the named beneficiaries. An *Application for Payment of Accumulated Contributions in Excess of Retirement Benefits Paid* will be sent to the retiree's beneficiary.

A joint annuitant under retirement options A or B, or a beneficiary under option C will begin to receive a benefit only when OPERS receives a certified copy of the deceased retiree's death certificate. The

amount and duration of the benefit to be received will depend upon the option elected. (See [Error! Reference source not found.](#)[Error! Reference source not found.](#).)

19.3 APPLYING FOR RETIRED MEMBER DEATH BENEFITS

Upon the death of a retired member, the member's next of kin must contact OPERS. OPERS will supply an Application for Death Benefits to the member's designated beneficiary. The designated beneficiary must send the completed *Application for Death Benefits* along with any requested documents (e.g. certified death certificate) to OPERS.

CHAPTER 20: HAZARDOUS DUTY PROVISIONS

20.1 MEMBERSHIP

For the purpose of this chapter, the term “member” or “hazardous duty (HD) member” refers to certain job classifications provided below. These members are eligible for the benefits described in the following paragraphs. For the complete and detailed description of benefits, please refer to the *Member Handbook*.

Department of Corrections (DOC):

- Correctional Security Officer
- Correctional Security Manager
- Correctional Chief of Security
- Probation & Parole Officer
- Fugitive Apprehension Agents

Oklahoma Military Department Firefighters (see section 20.9)

Grand River Dam Authority Lake Patrol Officers, Q50 (see 20.10)

County Deputy Sheriff (see section [20.11](#))

County Jailer (see section [20.11](#))

Licensed Emergency Medical Personnel (see section [26.14](#))

Each new OPERS member begins participation on the first day of the month immediately after the beginning date of employment, provided all three requirements in [Chapter 3: Eligibility](#) are met.

A DOC employee who was in one of the DOC job classifications listed above on June 30, 2004, or was first hired into one of these classifications after June 30, 2004 and has at least five years of participating service in one of these classifications must continue to participate in the hazardous duty benefit provisions of the retirement system after promotion, transfer, or reclassification to another position in DOC. The continued participation in the hazardous duty plan is mandatory, not optional, and must continue as long as they are employed by DOC¹⁰.

If the DOC HD employee was first hired as a state employee on or after November 1, 2015 and has less than five years of participating service before being transferred to a non-hazardous duty position within DOC, the employee must be enrolled into the mandatory Pathfinder Defined Contribution plan.

20.2 CONTRIBUTIONS

The county/local employer currently contributes to OPERS an amount equal to 16.5% of each member’s compensation per month. Each HD employee contributes 8% of their compensation per month to OPERS.

¹⁰ OAC 590:10-8-1 et seq.

The contribution rate shown below is required for a maximum of 20 years of hazardous duty participating service. After a member has contributed at the higher rate for 20 years, they will begin contributing at the non-hazardous duty rate.¹¹

State Hazardous Duty Contribution Rates

Member	Employer	Total
8%	9.5%	24.5%

County/Local Hazardous Duty Contribution Rates

Member	Employer	Total
8%	16.5%	24.5%

20.3 PURCHASE OF INCENTIVE CREDIT

Active, participating members of OPERS may purchase no more than two years of age and/or participating service combined. The requirements to qualify for the purchase of incentive credit can be found in [Chapter 9: Reinstating, Purchasing, and Transporting Service Credit](#). A HD member cannot purchase incentive service towards becoming eligible to retire with 20 years of hazardous duty service. A member can purchase incentive age and/or service credit (at the non-hazardous duty rate) to use toward early retirement or normal retirement.

20.4 ELIGIBILITY FOR RETIREMENT

The type of retirement chosen by a member, whether normal, early or disability, may not be changed after the member's date of retirement. The only exception is the change from early to disability retirement for qualifying members.

Normal Retirement

Members become eligible for full, unreduced retirement benefits by meeting certain age and service requirements depending on when membership in OPERS began.

- A. **Twenty full years** of full-time-equivalent employment in the Hazardous Duty plan; or

¹¹ Oklahoma Military Department firefighters continue to contribute 8% and accumulate hazardous duty service after 20 years.

20.5 RETIREMENT BENEFIT CALCULATION FOR HAZARDOUS DUTY MEMBERS

The benefit formula for those hazardous duty members retiring on or after January 1, 2004, is:

$2.5\% \times \text{Final average compensation} \times \text{Years of service (not to exceed 20)} = \text{yearly gross benefit.}$

Any years a member has in excess of 20 as a hazardous duty member would be added to this formula at a computation factor of 2%.

OPERS will use the highest three out of the last 10 years of participating salaries to calculate benefits for both hazardous duty service and non-hazardous duty service¹².

(Note: Only full years of credited hazardous duty service will be computed at the 2.5% level. Any months in excess of a full year will be added to the service calculated at the 2.0% level.)

20.6 RETIREMENT BENEFIT CALCULATION FOR FORMER HAZARDOUS DUTY MEMBERS

Former hazardous duty members who retire from a non-hazardous duty position have their benefits calculated with a bifurcated formula. The benefits are then added together to determine the total benefit. The final average compensation used to calculate all service credit (both 2.5% and 2.0%) will be the highest three out of the last 10 years of participating service.

20.7 IN-THE-LINE-OF-DUTY BENEFIT

A monthly benefit shall be paid to the qualified survivors a DOC HD employee who is killed or mortally wounded during the performance of their duties for DOC. The monthly benefit is paid to the surviving spouse for their lifetime. Benefits may be payable to the surviving children of the deceased employee. Contact OPERS for additional information.

20.8 FUGITIVE APPREHENSION AGENTS (FAA)

Effective July 1, 2002, “fugitive apprehension agents” are included in the hazardous duty provisions for the Department of Corrections. These employees began contributing at the higher rate and will have their FAA service after July 1, 2002, calculated at 2.5%. They may convert their FAA service prior to July 1, 2002, to 2.5% by paying the difference between their paid contributions and what they would have paid at the higher rate, plus 10% interest compounded annually. This conversion can be purchased any time before retirement.

20.9 OKLAHOMA MILITARY DEPARTMENT (OMD) FIREFIGHTERS

OMD firefighters beginning employment on or after July 1, 2002 are considered “hazardous duty” members. OMD firefighters have several unique retirement provisions.

- A. After reaching 20 years of hazardous duty service, they continue to pay 8% contribution rate and accumulate years of service at a 2.5% computation factor.

¹² For members who join on or after July 1, 2013, final average compensation will be calculated using the highest five of the last ten years instead of the highest three years.

- B. OMD firefighters may not continue in the hazardous duty provisions if they transfer to a different, not HD position within their employer.
- C. OMD firefighters are not entitled to the “in the line of duty” benefit, as described in section 25.9.

20.10 GRAND RIVER DAM AUTHORITY LAKE PATROL OFFICERS

Grand River Dam Authority (GRDA) Lake Patrol Officers who began employment on or after July 1, 2016 are considered “hazardous duty” members.

20.11 COUNTY DEPUTY SHERIFFS AND JAILERS

Deputy sheriffs and jailers who are hired by a participating county as deputy sheriff or jailer for the first time on or after November 1, 2020, participate in the hazardous duty plan. Deputy sheriffs and jailers hired prior to November 1, 2020 begin participating in the hazardous duty plan as of November 1, 2024. All previous service will be calculated at the regular 2% computation factor at retirement. These members may purchase prior service as a county deputy sheriff or jailer in whole or part to convert prior service to hazardous duty service. [Certain deadlines apply.](#)

20.12 LICENSED EMERGENCY MEDICAL PERSONNEL

Licensed emergency medical personnel (emergency medical responders, technicians, and paramedics) who are hired by a participating employer for the first time on or after November 1, 2024, will participate in the hazardous duty plan. Members hired in these positions prior to November 1, 2024, will continue to participate in OPERS as a regular state or local government member.

CHAPTER 21: LEGISLATIVE SESSION EMPLOYEES

Employees of the Oklahoma House of Representatives, the Oklahoma State Senate, and the Legislative Services Bureau who work only during legislative sessions (legislative session employees) may elect to participate in OPERS.¹³ The decision to participate in OPERS is irrevocable, meaning a legislative session employee who chooses to participate in OPERS must participate during all subsequent regular legislative sessions. An employee who chooses not to participate in OPERS is prevented from participating as a session employee during all subsequent sessions.

Each legislative session employee who chooses to participate in OPERS may only during regular legislative sessions (February through May). Legislative session employees cannot participate during extraordinary legislative sessions or interim periods.

Legislative session employees are generally treated like regular state and local government employees with the following exceptions:

- A. **Service Credit** – Participation for a full regular legislative session is counted as six months of full-time participating service.
- B. **Retirement Eligibility** - Session employees become eligible for full, unreduced retirement benefits by meeting one of the following depending on when membership in OPERS began:
 - For members who initially joined OPERS **before November 1, 2011**, normal retirement benefits are attained at 62 with six full regular legislative sessions or under the Rule of 80/90.
 - For members who initially joined OPERS **on or after November 1, 2011**, normal retirement benefits are attained at age 65 with six full regular legislative sessions or under the Rule of 90.
- C. **Vesting** - A legislative session employee must have eight full regular legislative sessions in order to vest.
- D. **Unused Sick Leave** – Legislative session employees do not qualify for unused sick leave service credit.

¹³ Legislative session employees with no prior OPERS service first hired after November 1, 2011 will be enrolled in Pathfinder.

CHAPTER 22: ELECTED OFFICIALS

22.1 MEMBERSHIP

Statewide elected and county elected officials are eligible for membership in OPERS. Municipal elected officials (e.g. city clerks) cannot participate in OPERS as elected officials, but can participate as non-elected members if they meet the non-elected member eligibility requirements.

For a statewide elected official first elected before November 1, 2015 or a county elected official, participation in OPERS is not mandatory, but must be elected within 90 days after taking office. The elected official must complete Form 515-157, *Participation Election Form for Elected or Appointed Officials*. On this form, an elected official will indicate if they wish to participate in OPERS. Any elected official who does not complete and timely submit this form will be defaulted into OPERS participation. Should an elected official not complete the participation election form within the allowed 90 days, the retirement coordinator must contact OPERS immediately. Elected officials must be enrolled online.

Choosing or defaulting into participation in OPERS is irrevocable for elected officials. Elected officials begin participation in OPERS on the first day of their term of office. Elected officials must continue membership throughout the term of office or any subsequent terms of office or any employment with a participating OPERS employer thereafter. The contribution rate chosen by the elected official cannot be changed while they hold office.

Participation is mandatory for state elected officials first elected after November 1, 2015, with prior OPERS service.

A member who has retired from OPERS and is returning to work as an elected official must participate in OPERS. They cannot opt out of participation in the elected position. See sections on Retirees returning to work.

22.2 CONTRIBUTIONS

Officials elected prior to November 1, 2011, select a contribution rate and corresponding computation factor to determine the official's future retirement benefits. Officials elected on or after November 1, 2011 may only participate at the indicated contribution rate and computation factor. The contribution rates are given in the following table.

State Elected Official and Employer Contribution Rates

	OPERS CODE	ELECTED OFFICIAL RATE	EMPLOYER RATE	TOTAL CONTRIBUTION
Members first elected or appointed before November 1, 2011	A	4.5%	9.5%	14.0%
	B	6.0%	9.5%	15.5%
	D	7.5%	9.5%	17.0%
	Q	8.5%	9.5%	18.0%
	E	9.0%	9.5%	18.5%
	Y	10.0%	9.5%	19.5%
Members first elected or appointed on or after November 1, 2011	S	3.5%	9.5%	13.0%

Elected officials initially elected or appointed between November 1, 2010, and October 31, 2011, may only participate at the 4.5% or 10.0% contribution rates and 1.9% and 4.0% computation factors, respectively

County/Local Elected Official and Employer Contribution Rates

	OPERS CODE	ELECTED OFFICIAL RATE	EMPLOYER RATE	TOTAL CONTRIBUTION
Members first elected or appointed before November 1, 2011	A	4.5%	16.5%	21.0%
	B	6.0%	16.5%	22.5%
	D	7.5%	16.5%	24.0%
	Q	8.5%	16.5%	25.0%
	E	9.0%	16.5%	25.5%
	Y	10.0%	16.5%	26.5%
Members first elected or appointed on or after November 1, 2011	S	3.5%	16.5%	20.0%

Elected officials initially elected or appointed between November 1, 2010, and October 31, 2011, may only participate at the 4.5% or 10.0% contribution rates and 1.9% and 4.0% computation factors, respectively

22.3 INCREASE OF CONTRIBUTION RATE

An elected official may increase the contribution rate paid on elected service which occurred prior to December 1, 1999. The contribution rate may only be increased to the level the official is currently paying. The elected official is required to pay the cost for the difference in contribution rates plus 10% interest per year. Elected Officials may make payment in a lump sum or through amortized payments over a period of up to 60 months with an annual interest rate of 7% (See [9.6 Installment Payment Plan](#)), or by a pre-tax rollover or transfer from a qualified plan or IRA. For the amount of payment required and payment method details, contact OPERS.

22.4 2.5% STEP-UP

Members first elected or appointed to office on or after November 1, 2011, may make an irrevocable election to increase or “step-up” their benefit computation factor from 2.0% to 2.5%. For more information about Step-Up, see [13.7 The 2.5% Step-up Program](#).

22.5 CREDITED SERVICE

Prior Service Credit

Prior service is the period of a member's employment with an eligible employer before the employer's entry date into OPERS and certain military service. The monthly benefit paid for prior service is equal to the benefit paid for all other service provided the official has at least six full years of participating service or at least six years of participation as an elected official if elected or appointed after July 1, 1990.

Unused Sick Leave from Non-Elected Service

Elected officials do not accrue sick leave and are therefore, unable to use unused sick leave toward their retirement. However, elected officials who previously participated in OPERS in a non-elected position, may use unused sick leave from that position toward their retirement benefit calculation.

Retirement Coordinators must complete the [Employer Certification of Separation Form](#) for employees who move from a non-elected position to an elected position, even if the position is with the same county. This form records the amount of unused sick leave the employee had before becoming an elected official.

For more information on how unused sick leave counts toward service credit [see 7.5 Unused Sick Leave](#).

Military Service

A maximum of five years of credited service will be granted for honorable active wartime military service prior to membership in OPERS. For a detailed explanation of the creditable periods of military service, see [Chapter 8: Military Service Credit](#). The monthly benefit paid for military service is equal to the benefit paid for all other service provided the official has at least six full years of participating service or at least six years of participation as an elected official if elected or appointed after July 1, 1990.

Eligible military service is free for members joining OPERS prior to July 1, 2000. Members joining OPERS after June 30, 2000, may purchase eligible military service at actuarial cost.

Repayment of Withdrawn Contributions

An elected official may choose to repay contributions through an installment payment plan for a reinstatement of previous service lost through a withdrawal from OPERS. Payments can be amortized over a period of up to 60 months with interest at an annual percentage rate of 10%, paid in a lump sum, or paid by rollover or transfer of pre-tax funds from a qualified plan or IRA.

Transport of Service Credit from Oklahoma Teachers' Retirement System

An elected official may transport service credit from the Oklahoma Teachers' Retirement System in the same manner as described in Section [9.5 Transporting Service from the Oklahoma Teachers' Retirement System](#).

22.6 ELIGIBILITY FOR RETIREMENT

Normal Retirement

Members become eligible for full, unreduced retirement benefits by meeting one of the following depending on when membership in OPERS began:

- A. Members who were initially elected or appointed **before November 1, 2011**
 - **Age 60** – Full, unreduced retirement benefits on the first day of the month coinciding with or following the official's 60th birthday with six years of full-time-equivalent participation as an elected official; or
- B. **80 Points** – Full, unreduced retirement benefits when the sum of the official's age and years of service equals 80. Members who were initially elected or appointed **on or after November 1, 2011**
 - **Age 62** – Full, unreduced retirement benefits on the first day of the month coinciding with or following the official's 62nd birthday with 10 years of full-time-equivalent participation as an elected official; or
 - **Age 65** – Full, unreduced retirement benefits on the first day of the month coinciding with or following the official's 65th birthday with eight years of full-time-equivalent participation as an elected official.

Officials elected or appointed prior to July 1, 1990, must have a minimum of six full years of participating service, which includes elected service, earlier service as a regular employee, or transferred service to retire as an elected official. However, those who are elected or appointed to office after July 1, 1990 and before November 1, 2011, must have six years of service as an elected official to retire as an elected official. Those elected or appointed after November 1, 2011 must have at least eight years of service as an elected official to retire as an elected official.

Early Retirement

Members become eligible for permanently reduced (early) retirement benefits by meeting one of the following depending on when membership in OPERS began:

- A. Members who were initially elected or appointed **before November 1, 2011**
 - **Ages 55 to 60** – Reduced retirement benefits on the first day of the month coinciding with or following the member's 55th birthday or any subsequent month up to **age 60** provided the member has at least 10 years of participating service. (See table 6, titled *Early Retirement Reduction Factors – Elected Officials*)
- B. Members who were initially elected or appointed **on or after November 1, 2011**
 - **Ages 60 to 65** – Reduced retirement benefits on the first day of the month coinciding with or following the member's 60th birthday or any subsequent month up to **age 65** provided the member has at least 10 years of participating elected service.

The percentage of reduction is determined by the official's actual age in years and months at the time of retirement.

22.7 RETIREMENT OPTIONS

Elected officials will select a retirement option when they retire. The retirement options available to elected officials include those described in [Error! Reference source not found.](#)[Error! Reference source not found.](#)

not found. with one exception. An elected official's Maximum Benefit plan includes a one-half survivor benefit to the spouse. This one-half survivor benefit is payable to the official's surviving spouse, provided:

- A. The elected official had six full years of participating service as an elected official if elected or appointed after July 1, 1990 or eight years as an elected official if elected or appointed after November 1, 2011; and,
- B. The official was married to the spouse for three continuous years preceding death.

Effective November 1, 2017, remarriage of the spouse will not disqualify him or her from receipt of the survivor's benefit under the Maximum Benefit plan.

22.8 ELECTION OF A VESTED BENEFIT

An elected official who has six full years or eight full years¹⁴ of participating service and permanently terminates employment with any participating employer may elect a vested benefit or may elect to withdraw their accumulated contributions without interest. If the member returns to a non-elected position in the future, they can only retire under the plan provisions for that position. This may mean different eligibility requirements and benefit options.

22.9 SURVIVOR BENEFITS

OPERS provides for two types of death benefits upon the death of an active or vested elected official.

- A. Benefit 1 is 50% of the Maximum Benefit the official would have received at retirement if they had at least six or eight¹⁵ full years of participating service as an elected official and was married to their spouse for three continuous years immediately preceding death.
- B. Benefit 2 is Option B and will be offered to the spouse at the official's death, if the official was eligible to vest or to retire at the time of death.
- C. Benefit 3 is a lump-sum payment equal to the accumulated contributions paid to the designated beneficiaries. This benefit is only applicable if the official is **not** eligible to vest or retire at death, has no surviving spouse, or the surviving spouse declines a monthly benefit.

22.10 RETIREMENT APPLICATION

There is one version of the application for all members of OPERS, including elected officials. The form is completed in the same manner as the regular *Retirement Application* (See [Chapter 11: Retirement Application](#) .) with the following exceptions:

Part 3: TYPE OF RETIREMENT requires six full years of participation as an elected official if the individual became an elected official after July 1, 1990, or eight full years if elected or appointed after November 1, 2011.

¹⁴ if elected or appointed on or after November 1, 2011

¹⁵ if elected or appointed on or after November 1, 2011

Part 4: TYPE OF BENEFIT consists of four different types of benefits as for all non-elected members, but please note, the maximum monthly benefit for elected officials includes an automatic 50% survivor benefit for the spouse of an elected official.

22.11 CALCULATION OF RETIREMENT BENEFITS: ELECTED OFFICIALS

Generally, the same guidelines for calculation of member benefits will be followed in determining the benefits for elected officials with the exceptions explained below. (See also [Chapter 13: Calculation of Retirement Benefits](#).)

To calculate the benefit, the highest annual compensation earned as an elected official and upon which full retirement contributions have been paid will be multiplied by the computation factor for which contributions have been made. (See [State Elected Official and Employer Contribution Rates](#)

	OPERS CODE	ELECTED OFFICIAL RATE	EMPLOYER RATE	TOTAL CONTRIBUTION
Members first elected or appointed before November 1, 2011	A	4.5%	9.5%	14.0%
	B	6.0%	9.5%	15.5%
	D	7.5%	9.5%	17.0%
	Q	8.5%	9.5%	18.0%
	E	9.0%	9.5%	18.5%
	Y	10.0%	9.5%	19.5%
Members first elected or appointed on or after November 1, 2011	S	3.5%	9.5%	13.0%

Elected officials initially elected or appointed between November 1, 2010, and October 31, 2011, may only participate at the 4.5% or 10.0% contribution rates and 1.9% and 4.0% computation factors, respectively

County/Local Elected Official and Employer Contribution Rates.) The result is then multiplied by the number of years of elected credited service and divided by 12 months.

As mentioned in [Chapter 13: Calculation of Retirement Benefits](#), legislation has been enacted changing the way retirement benefits are calculated for elected officials:

- A. An elected member elected before August 22, 2008, and had non-elected service prior to becoming an elected official, will have all service calculated using the applicable elected benefit computation factor.
- B. An elected member who became a member of OPERS before August 22, 2008, but became an elected official on or after August 22, 2008, will also have all service calculated with the applicable elected computation factor. However, the member's annual retirement benefit may not exceed the member's highest annual compensation.
- C. An elected member who first became a member of OPERS on or after August 22, 2008, will receive a retirement benefit which is the sum of two separate calculations: non-elected service will be calculated using the non-elected computation factor and elected service will be calculated using the applicable elected computation factor.
- D. An elected member first elected or appointed to elected office on or after November 1, 2011, participates at the same contribution rate and their benefits calculated using the same computation factor as other state and local government employees.

- Members first joining between November 1, 2011 and July 1, 2013, the final average salary is the average of the compensation during the highest three years out of the last 10 years of participating service prior to retirement.
 - Members joining on or after July 1, 2013, the final average salary is the average of the highest five years out of the last 10 years of participating service prior to retirement.
- E. Credited service for elected officials first elected or appointed on or after November 1, 2011, shall be based on actual years and months of credited service without rounding.

Listed below are the retirement benefit computation factors for each contribution category an elected official may select.

Contribution Rate/Computation Factor Table

	OPERS CODE	ELECTED OFFICIAL RATE	RETIREMENT BENEFIT COMPUTATION FACTOR
Members first elected or appointed before November 1, 2011	A	4.5%	1.9%
	B	6.0%	2.5%
	D	7.5%	3.0%
	Q	8.5%	3.4%
	E	9.0%	3.6%
	Y	10.0%	4.0%
Members first elected or appointed on or after November 1, 2011	S	3.5%	2.0%

Elected officials initially elected or appointed between November 1, 2010, and October 31, 2011, may only participate at the 4.5% or 10.0% contribution rates and 1.9% and 4.0% computation factors, respectively.

22.12 PARTICIPATING SERVICE AS A NON-ELECTED EMPLOYEE

The retirement benefit of a member who has service credit as an elected official, but is retiring as a non-elected member, will be calculated in two parts, elected and non-elected, and then be added together to form one benefit. **f an elected official returns to participation as a non-elected official prior to retirement, they will not be eligible to retire as an elected official under the elected official eligibility provisions and will not have an opportunity to receive the Maximum benefit with the one-half survivor annuity.**

CHAPTER 23: GLOSSARY OF RETIREMENT TERMS

The following words and phrases shall have the following meanings, unless a different meaning is plainly required by the context:

2.5% Step-Up - Allows members to increase their retirement benefits by paying an additional contribution each pay period.

Accumulated Contributions - The sum of all employee contributions by a member to OPERS, which are credited to the member's account.

Actuarial Cost - a technique which uses actuarial assumptions to measure the present value of future pension benefits and pension plan administrative expenses, and that assigns the cost of such benefits and expenses to cost accounting periods. The actuarial cost method includes the asset valuation method used to determine the actuarial value of the assets of a pension plan.

Actuary - The actuary or firm of actuaries employed by the Board at any given time to monitor the income and benefit structure of the System for the purpose of keeping the retirement fund sound and financially solvent.

Beneficiary - Any person, other than a joint annuitant, named by a member to receive any benefits as provided by the laws governing the System. An eligible OPERS beneficiary does not have to be a natural person such as a trust or a funeral home.

A. Primary beneficiaries: Individuals or entities who will receive funds upon the member's death.

B. Contingent beneficiaries: These individuals or entities only receive benefits in the event that all primary beneficiaries are deceased.

Board - The governing body of OPERS known as the Oklahoma Public Employees Retirement System Board of Trustees.

Compensation - All salary and wages, including amounts deferred under deferred compensation agreements entered into between a member and a participating employer, but exclusive of payment of overtime, payable to a member of the System for personal services performed for a participating employer

Coordinator, Retirement - The individual designated by each participating employer through whom OPERS transactions and communication shall be directed.

Credited Service - The sum of participating service and prior service.

Defined Benefit - a guaranteed, lifetime retirement benefit based on salary, years of service, and a contribution factor.

Defined Contribution (Pathfinder Plan) - members will choose a contribution rate which will be matched by their employer up to 7%, and members select and change their investments.

Early Retirement Date - The date on which a member may retire with permanently reduced retirement benefits.

Elected Official - A person elected to a statewide office in the legislative or executive branch of state government or a person elected to a county office (on or after July 1, 1988) for a definite number of years and an individual who is appointed to fill the unexpired term of an elected state official. County superintendents of schools are not considered elected officials for OPERS purposes.

Eligible Employer - The state and any county, county hospital, city or town, conservation districts, emergency medical districts, and any public or private trust in which a county, city or town participates and is the primary beneficiary, whose employees are covered by Social Security and are not covered by or eligible for another retirement plan authorized under the laws of the State of Oklahoma which is in operation on the initial entry date.

Employee - Any officer or employee of a participating employer, whose employment is not seasonal or temporary and whose employment requires at least 1,000 hours of work per year and whose salary or wage is equal to the monthly minimum wage for state employees. Employee does not include:

- A. A person who is currently a contributing member of the United States Civil Service Retirement System; or,
- B. A person who is currently a contributing member of another retirement plan authorized under any other law of the State for the same employment (other than an elected official).

Entry Date - The date on which an eligible employer joins OPERS. The first entry date pursuant to the statutes governing OPERS is January 1, 1964. All subsequent entry dates are the first day of January of a given year.

Executive Director - The managing officer of OPERS employed by the Board.

Final Average Compensation - The average annual salary, including amounts deferred under deferred compensation agreements entered into between a member and a participating employer and longevity payment. **Only salary for which the required contributions have been made may be used in computing the Final Average Compensation.**

Form 1099-R - A federal tax form distributed to individuals who received some type of payment from OPERS during the calendar year.

Full-time-equivalent employment (FTE) - A member's actual employment with a participating employer of OPERS. A member earns FTE for work on which retirement contributions are paid. All part-time work or periods of leave without pay are prorated in relation to full-time employment.

Hazardous Duty Member - A specific member classification with different retirement provisions as described in [Chapter 20: Hazardous Duty Provisions](#).

Joint annuitant - An individual designated by an OPERS member to receive a lifetime retirement benefit under Option A or Option B after the death of the member.

Leave of Absence - A period of absence from employment without pay, authorized and approved by the employer not to exceed two years.

Medicare Gap Option - An option allowing most OPERS members who are under age 65 at retirement to make an irrevocable election to temporarily increase the amount of their monthly retirement benefit.

Member - An eligible employee or elected official who is in the System and is making the required employee or elected official contributions, or any former employee or elected official who shall have made the required contributions to the System and has not received a refund or withdrawal.

Military Service - Service in the Armed Forces of the United States in time of war or national emergency, as defined by the Oklahoma Statutes, from which the member was honorably discharged.

Mortally Wounded - Death ultimately caused by injuries inflicted during the performance of an Officer's duties with the Oklahoma Department of Corrections.

Normal Retirement Date - The date on which a member may retire with full retirement benefits as provided by the System.

Participating Employer - An eligible employer who has agreed to make contributions to OPERS on behalf of its employees.

Participating Service - The period of employment after the entry date for which credit is granted a member. Part-time employment or any leave without pay is prorated.

Prior Service – Any periods prior to the member's OPERS entry date which qualifies as OPERS service and can be granted credit.

Retiree - A member who has retired.

Retirement Benefit - A monthly retirement payment.

Separation Dates –

- A. Last Date Physically on the Job – is the last day an employee physically performed their job with the participating employer. This date may never be after the last date on payroll and/or termination date.
- B. Last Date on Payroll – is the employee's last paid day for physically performing their duties or for any paid leave.
- C. Separation Date – is usually the last date on payroll, but not always. A termination date can never be before last date on payroll. The separation date can come after the last date on payroll when using unpaid leave, disability insurance or FMLA.

Social Security - Refers to the old-age survivors and disability section of the Federal Social Security Act.

System - The Oklahoma Public Employees Retirement System (OPERS) as established by an act of the Oklahoma State Legislature in 1963.

Termination Credit - allows an eligible OPERS member to retain the same normal retirement date had the member's position not been terminated by a reduction-in-force (RIF).

Total Disability - A physical or mental disability approved for disability benefits by the Federal Social Security Administration or Railroad Retirement Board.

Unused Sick Leave – Accrued Sick Leave hours that are banked and are not planned to be used.

Vesting - Refers to when a member acquires a future interest in a retirement benefit. To vest with OPERS, a member must have at least eight years of credited service, six full years of which must be full-time-equivalent employment with a participating employer.

Withdrawal - If a member terminates employment for an OPERS participating employer a member may withdraw their accumulated contributions. Employer contributions are not eligible for withdrawal.

