



# HOTLINE



April 3, 2025

## New Definition of Compensation Effective July 1, 2025

In January, Employer Services issued an [Employer Hotline](#) informing employers that the SERS Board had adopted a new Compensation Rule which will go into effect July 1, 2025.

The [new administrative rule 3309-1-02](#) sets forth an expanded definition of SERS-covered compensation, as provided by Section 3309.01(V) of the Ohio Revised Code.

## Compensation Determination Required Documentation

There are significant changes that will require certain documentation for Employer Services to provide compensation determinations.

Paragraph (D) of the new compensation rule refers to one-time lump sum payments that are now considered SERS-covered compensation.

- To be considered compensation in accordance with the new definition, lump sum payments and one-time payments must be provided in a collective bargaining agreement, individual contract, or school district policy.
- To be considered compensation, negotiated contract terms and formally adopted salary schedules must be in place before the payment is earned.

Employer Services will require this documentation to provide compensation determinations.

Please download the [What's In, What's Out, and What's Different](#) chart for a breakdown of the updated Compensation Administrative Rule.

## Upcoming Sound Bite Webinars

Employer Outreach will host several Sound Bite webinars leading up to July 1, 2025. In these short webinars, an Employer Outreach representative will discuss the new compensation rule in detail. Please see the upcoming Sound Bite dates and times listed below and visit the [Training Opportunities page](#) to register.

## Sound Bite: New Compensation Rule Webinar Schedule

- Wednesday, April 23, at 2:00 p.m.
- Thursday, May 15, at 9:30 a.m.
- Monday, June 30, at 2:00 p.m.

*This newsletter is a summary written for use by SERS' employers. It is not intended as a substitute for the Ohio Revised Code or the Ohio Administrative Code or for any state or federal law or regulation, nor will its interpretation prevail should a conflict arise between it and any law or regulation.*

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