

On May 11, 2015, HR distributed an email regarding the upcoming changes to STRS contributions and mitigating rate. On Friday, June 19, 2015, STRS announced the [mitigating rate would not be changing](#) effective July 1, 2015. The following is an excerpt from the STRS June Board News:

**Board Amends Prior Action on Mitigating Rate**

*The mitigating rate, established by law, is a portion of the employer contribution that is used by the retirement system to offset the negative impact of participation in a defined contribution plan. At its April 2015 meeting, the Retirement Board approved a 1% increase in the mitigating rate for STRS Ohio’s Defined Contribution (DC) Plan participants. The increase was to be phased in over two years beginning July 1, 2015, and by operation of law would have also applied to higher education faculty who participate in an alternative retirement plan (ARP).*

*A recent legislative initiative sought to modify STRS Ohio’s increase in the mitigating rate for ARP participants. To provide an opportunity for STRS Ohio to work with the legislature on a long-term agreement on the mitigating rate, the Retirement Board voted at its June meeting to amend its April 2015 action regarding changes to the defined contribution program that pertained to increasing the mitigating rate. The board action means the mitigating rate for DC Plan and ARP participants will remain for now at 4.5%.*

Please see the revised chart below reflecting:

1. Employee contribution increases on July 1, 2015 and July 1, 2016
2. No increase to the mitigating rate

Contributions	STRS Defined Benefit & Combined Plans			ARP & STRS DC Plan		
	Current	July 2015	July 2016	Current	July 2015	July 2016
Employee Contribution to your Retirement Account	12.0%	13.0%	14.0%	12.0%	13.0%	14.0%
WSU Contribution to your Retirement Account	14.0%	14.0%	14.0%	9.5%	9.5%	9.5%
Total Contribution to your Retirement Account	26.0%	27.0%	28.0%	21.5%	22.5%	23.5%
WSU Contribution to STRS Mitigating Rate	--	--	--	4.5%	4.5%	4.5%
Total Contribution	26.0%	27.0%	28.0%	26.0%	27.0%	28.0%

If you have any questions about this information, please contact STRS at (888) 227-7877.