

**GASB 68 FAQs**  
**Supplemental**  
**OPERS Consolidation of the Combined Plan into the Traditional Plan**

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**How should the OPERS Consolidation of the Combined Plan into the Traditional Plan be accounted for?**

In May of 2025 OPERS distributed an [Employer Notice](#) indicating the December 31, 2024, Schedules of Collective Pension Amounts and Employer Allocations will reflect the consolidation of the Combined Plan into the Traditional Pension Plan. This consolidation was effective January 1, 2024. When using a measurement date of no earlier than the end of the prior fiscal year, this consolidation will be reported as part of the measurement period reflected in the 2025 calendar year reports.

OPERS Actuary Report (*GASB Statements No. 67 and No. 68 Plan Reporting and Accounting Schedules – Defined Benefit Allowances December 31, 2024*) identifies the accounting treatment used by OPERS when preparing these schedules. OPERS did not account for this consolidation through a restatement, rather, the consolidation was reported through current year activity. (Note: Throughout the rest of this FAQ, “Actuary Report” will refer to the Actuary Report identified in this paragraph.)

Explanation of the steps related to the January 1, 2024, consolidation begins on the next page. These steps are limited to:

- This January 1 consolidation was accomplished by adjusting the prior year end balances through current year activity.
- Consolidating the net pension asset and deferred outflows/inflows of the combined plan reported at the end of the prior year with the traditional plan.
- Continuing accounting for the unamortized balances of deferred outflows/inflows for the combined plan at the end of the prior year within the traditional plan (after the consolidation).

Note: Prior to the consolidation, OPERS had three pension plans: the traditional plan, the combined plan and the member directed plan. Effective January 1, 2024, the traditional plan and the combined plan were consolidated into the traditional pension plan (traditional plan) which includes the legacy combined plan division. This consolidation had no impact on the member-direct plan.

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*Step one, movement of the net pension asset reported in the combined plan at the end of the prior year to reduce the net pension liability of the traditional plan. This movement will be part of the current year activity.*

Page 28 of the December 31, 2024, Actuary Report includes the *Traditional Plan Required Supplementary Information (RSI) – Schedule of Changes in Net Pension Liability and Related Ratios Multiyear*. This RSI schedule shows the adjustment to the “Total Pension Liability” and to the “Plan Fiduciary Net Position” for the consolidation of the combined plan with the traditional plan. These adjustment amounts are included as part of the respective “Net Change” amounts. The beginning balance amount for 2024 ties to the ending balance amount for 2023. (Note: The beginning net pension asset of the combined plan can be calculated as follows: \$689,926,253 - \$997,307,777 = (\$307,381,524))

Fiscal year ending December 31,	2024*	2023	2022
<b>Total Pension Liability</b>			
Adj. to BOY Total Pension Liability	\$ 689,926,253	\$ -	\$ -
Service Cost	2,362,790,793	2,193,264,121	2,036,978,549
Interest on the Total Pension Liability	8,459,634,202	8,212,662,793	7,945,892,790
Benefit Changes	6,218,189	-	-
Difference Between Expected and Actual Experience	707,112,784	258,121,347	1,432,196,758
Assumption Changes	-	-	-
Benefit Payments	(7,462,949,092)	(7,214,319,566)	(7,020,851,312)
Refunds	(543,351,679)	(498,263,802)	(520,523,234)
<b>Net Change in Total Pension Liability</b>	<b>4,219,381,450</b>	<b>2,951,464,893</b>	<b>3,873,693,551</b>
<b>Total Pension Liability - Beginning</b>	<b>124,735,222,963</b>	<b>121,783,758,070</b>	<b>117,910,064,519</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 128,954,604,413</b>	<b>\$ 124,735,222,963</b>	<b>\$ 121,783,758,070</b>
<b>Plan Fiduciary Net Position</b>			
Adj to BOY Plan Fiduciary Net Position	\$ 997,307,777	\$ -	\$ -
Employer Contributions	2,511,068,473	2,308,781,808	2,174,135,884
Employee Contributions	1,754,585,548	1,649,642,459	1,553,362,013
Pension Plan Net Investment Income	8,559,276,258	9,999,892,353	(13,216,998,465)
Benefit Payments	(7,462,949,092)	(7,214,319,566)	(7,020,851,312)
Refunds	(543,351,679)	(498,263,802)	(520,523,234)
Pension Plan Administrative Expense	(55,898,356)	(58,589,761)	(54,378,488)
Other	124,214,334	123,955,518	119,308,024
<b>Net Change in Plan Fiduciary Net Position</b>	<b>5,884,253,263</b>	<b>6,311,099,009</b>	<b>(16,965,945,578)</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>98,554,813,299</b>	<b>92,243,714,290</b>	<b>109,209,659,868</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 104,439,066,562</b>	<b>\$ 98,554,813,299</b>	<b>\$ 92,243,714,290</b>
<b>Net Pension Liability - Ending (a) - (b)</b>	<b>24,515,537,851</b>	<b>26,180,409,664</b>	<b>29,540,043,780</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	<b>80.99 %</b>	<b>79.01 %</b>	<b>75.74 %</b>
<b>Covered-Employee Payroll<sup>^</sup></b>	<b>\$ 17,788,718,275</b>	<b>\$ 16,289,992,131</b>	<b>\$ 15,338,942,757</b>
<b>Net Pension Liability as a Percentage of Covered-Employee Payroll</b>	<b>137.82 %</b>	<b>160.71 %</b>	<b>192.58 %</b>
<b>Notes to Schedule:</b>			

<sup>^</sup> Reported by the OPERS Staff to GRS.

\* Effective January 1, 2024, the Combined Plan of OPERS was incorporated into the Traditional Plan of OPERS.

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Page 29 of the December 31, 2024, Actuary Report includes the *Combined Plan Required Supplementary Information (RSI) – Schedule of Changes in Net Pension Liability and Related Ratios Multiyear*. This RSI schedule shows the adjustment to the “Total Pension Liability” and to the “Plan Fiduciary Net Position” for the consolidation of the combined plan with the traditional plan. These adjustment amounts are included as part of the of the respective “Net Change” amounts. The beginning balance amount for 2024 ties to the ending balance amount for 2023. (Note: The beginning net pension asset of the combined plan can be calculated as follows: \$689,926,253 - \$997,307,777 = (\$307,381,524))

Fiscal year ending December 31,	2024*	2023	2022
<b>Total Pension Liability</b>			
Adj. to BOY Total Pension Liability	\$ (689,926,253)	\$ -	\$ -
Service Cost	-	30,041,607	29,727,065
Interest on the Total Pension Liability	-	44,413,758	39,499,752
Benefit Changes	-	-	-
Difference Between Expected and Actual Experience	-	(7,191,344)	14,079,668
Assumption Changes	-	-	-
Benefit Payments	-	(6,643,108)	(6,240,288)
Refunds	-	(5,346,138)	(6,263,001)
<b>Net Change in Total Pension Liability</b>	<b>(689,926,253)</b>	<b>55,274,775</b>	<b>70,803,196</b>
<b>Total Pension Liability - Beginning</b>	<b>689,926,253</b>	<b>634,651,478</b>	<b>563,848,282</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ -</b>	<b>\$ 689,926,253</b>	<b>\$ 634,651,478</b>
<b>Plan Fiduciary Net Position</b>			
Adj to BOY Plan Fiduciary Net Position	\$ (997,307,777)	\$ -	\$ -
Employer Contributions	-	55,411,208	60,507,524
Employee Contributions	-	-	-
Pension Plan Net Investment Income	-	97,424,074	(120,677,932)
Benefit Payments	-	(6,643,108)	(6,240,288)
Refunds	-	(5,346,138)	(6,263,001)
Pension Plan Administrative Expense	-	-	-
Other	-	(13,879,428)	(14,838,487)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>(997,307,777)</b>	<b>126,966,608</b>	<b>(87,512,184)</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>997,307,777</b>	<b>870,341,169</b>	<b>957,853,353</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ -</b>	<b>\$ 997,307,777</b>	<b>\$ 870,341,169</b>
<b>Net Pension Liability - Ending (a) - (b)</b>	<b>-</b>	<b>(307,381,524)</b>	<b>(235,689,691)</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	N/A	144.55 %	137.14 %
<b>Covered-Employee Payroll<sup>^</sup></b>	<b>\$ -</b>	<b>\$ 461,780,755</b>	<b>\$ 467,038,533</b>
<b>Net Pension Liability as a Percentage of Covered-Employee Payroll</b>	N/A	(66.56)%	(50.46)%
<b>Notes to Schedule:</b>			

<sup>^</sup> Reported by the OPERS Staff to GRS.

\* Effective January 1, 2024, the Combined Plan of OPERS was incorporated into the Traditional Plan of OPERS.

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*Step two, as part of current year activity, move the combined plan deferred outflows/inflows identified in the audited schedules/actuary report at the beginning of the year to combine with the traditional plan*

Page 15 of December 31, 2023, Actuary Report provides the detail of the ending balances of deferred outflows/inflows for the Combined Plan.

**C. Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expenses**

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
1. Differences between expected and actual experience	\$ 12,456,163	\$ 30,401,844	\$ (17,945,681)
2. Assumption Changes	11,407,626	-	11,407,626
3. Net Difference between projected and actual earnings on pension plan investments	112,748,420	62,755,102	49,993,318
<b>4. Total</b>	<b>\$ 136,612,209</b>	<b>\$ 93,156,946</b>	<b>\$ 43,455,263</b>

*Step three, in the current year, amortize the full amount of the combined plan deferred outflows/inflows identified in step two. This amortization will recognize the remaining balance of the deferred outflows/inflows as part of current year pension expense.*

Page 11 of December 31, 2024, Actuary Report provides the detail for the amortization of deferred outflow/inflows recognized in current year pension expense as follows:

**B. Outflows and Inflows of Resources by Source to be Recognized in Current Pension Expense**

	Outflows of Resources	Inflows of Resources	Net Outflows/(Inflows) of Resources
1. Differences between expected and actual experience	\$ 665,941,682	\$ 17,945,681	\$ 647,996,001
2. Assumption Changes	11,407,626	0	11,407,626
3. Net Difference between projected and actual earnings on pension plan investments	4,174,618,582	3,549,267,889	625,350,693
<b>4. Total</b>	<b>\$ 4,851,967,890</b>	<b>\$ 3,567,213,570</b>	<b>\$ 1,284,754,320</b>

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Page 14 of December 31, 2024, Actuary Report provides the detail for the above amounts.

**Outflows and Inflows Recognition Detail  
Fiscal Year Ended December 31, 2024**

**Traditional Plan**

Year Established	Initial Amount	Initial Recognition Period	Current Year Recognition	Remaining Recognition	Remaining Recognition Period
<b>Deferred Outflow (Inflow) due to Differences Between Expected and Actual Experience on Liabilities</b>					
2015	\$ (322,322,455)	3.1673	\$ -	\$ -	0.0000
2016	45,537,308	3.0856	-	-	0.0000
2017	(441,595,703)	2.9546	-	-	0.0000
2018	(331,476,115)	2.8942	-	-	0.0000
2019	(242,316,671)	2.5555	-	-	0.0000
2020	(942,678,845)	2.5076	-	-	0.0000
2021	759,846,701	2.4022	-	-	0.0000
2022	1,432,196,758	2.4769	275,753,818	-	0.0000
2023	258,121,347	2.4356	105,978,546	46,164,255	0.4356
2024*	(17,945,681)	1.0000	(17,945,681)	-	0.0000
2024	707,112,784	2.4880	284,209,318	422,903,466	1.4880
<b>Total</b>			<b>\$ 647,996,001</b>	<b>\$ 469,067,721</b>	
<b>Deferred Outflow (Inflow) due to Assumption Changes</b>					
2015	\$ -	3.1673	\$ -	\$ -	0.0000
2016	5,328,800,352	3.0856	-	-	0.0000
2017	-	2.9546	-	-	0.0000
2018	3,416,977,040	2.8942	-	-	0.0000
2019	-	2.5555	-	-	0.0000
2020	-	2.5076	-	-	0.0000
2021	1,863,883,428	2.4022	-	-	0.0000
2022	-	2.4769	-	-	0.0000
2023	-	2.4356	-	-	0.4356
2024*	11,407,626	1.0000	11,407,626	-	0.0000
2024	-	2.4880	-	-	1.4880
<b>Total</b>			<b>\$ 11,407,626</b>	<b>\$ -</b>	
<b>Deferred Outflow (Inflow) due to Differences Between Projected and Actual Earnings on Plan Investments</b>					
2015	\$ 5,760,887,442	5.0000	\$ -	\$ -	0.0000
2016	(495,643,807)	5.0000	-	-	0.0000
2017	(6,919,843,547)	5.0000	-	-	0.0000
2018	8,644,125,772	5.0000	-	-	0.0000
2019	(7,827,772,587)	5.0000	-	-	0.0000
2020	(3,935,843,858)	5.0000	(787,168,770)	-	0.0000
2021	(8,231,280,844)	5.0000	(1,646,256,169)	(1,646,256,168)	1.0000
2022	20,623,126,320	5.0000	4,124,625,264	8,249,250,528	2.0000
2023	(3,762,339,437)	5.0000	(752,467,887)	(2,257,403,663)	3.0000
2024*	49,993,318	1.0000	49,993,318	-	0.0000
2024	(1,816,875,315)	5.0000	(363,375,063)	(1,453,500,252)	4.0000
<b>Total</b>			<b>\$ 625,350,693</b>	<b>\$ 2,892,090,445</b>	

\* Effective January 1, 2024, the Combined Plan of OPERS was incorporated into the Traditional Plan of OPERS. Remaining Deferred Outflows and Inflows in the Combined Plan as of December 31, 2023 are fully recognized into the Traditional Plan's 2024 calendar year Pension Expense (i.e., a 1-year recognition period).

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***Step four, in the current year, determine how you will amortize the remaining balance of the deferred outflows/inflows for the change in proportionate share for the combined plan.***

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One approach is to amortize these amounts following the same approach OPERS used for the system-wide amounts. This amortization will recognize the remaining balance of the deferred outflows/inflows as part of current year pension expense.

Another approach is to amortize the remaining balance over the remaining service life.

This step only addresses the balance at the end of the prior year. See the second paragraph under additional comments to address the change in proportionate share for the current year.

There should be a cohesive approach for the prior year balance and the current year amounts. Materiality may also be a consideration. Your approach should be available for your auditors to review.

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***Step five, the deferred outflow payments subsequent at the beginning of year for the combined plan should be included with the beginning payments subsequent for the traditional plan, so you have beginning payments subsequent for the consolidated traditional pension plan***

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***Additional Comments***

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The consolidation should be done using the combined plan proportionate share percentages at the end of the prior year.

When calculating the current year change in proportionate share for the traditional pension plan, the change in proportionate share between the beginning combined plan and the ending traditional pension plan will need to be factored into the calculation process. This type of situation is not specifically addressed in GASB 68; therefore, the rationale used for amortizing this change in proportionate share for the beginning combined plan and the ending traditional pension plan should be available for your auditors to review. If you use the approach identified in the OPERS employer notice, this will also need reviewed by your auditors. Materiality may also be a consideration.

Once all steps are completed, you should be able to tie from the net pension liability for the traditional plan (excluding the combined plan) at the beginning of the year to the net pension liability for the traditional pension plan (including the legacy combined plan division) at the end of the year.