

Sec. 3307.65 (7896-56). Creation of funds; board may accept gifts and bequests.

The funds hereby created are "the teachers' savings fund," "the employers' accumulation fund," "the annuity and pension reserve fund," "the guarantee fund," "the survivors' benefit fund," and "the expense fund."

*** (A) The teachers' savings fund *** is the fund in which shall be accumulated contributions from the compensation of contributors for the purchase of annuities.

The accumulated contributions of a contributor returned to him upon his withdrawal, or paid to his estate or designated beneficiary in the event of his death as provided in *** sections 3307.01 to 3307.72, inclusive, of the Revised Code, shall be paid from the teachers' savings fund. Any accumulated contributions forfeited by a failure of a teacher or his estate to claim the same *** shall be transferred from the teachers' savings fund to the guarantee fund. The accumulated contributions of a contributor shall be transferred from the teachers' savings fund to the annuity and pension reserve fund in the event of his retirement.

*** (B) The employers' accumulation fund *** is the fund in which shall be accumulated the reserves for the payment of all pensions payable as provided by *** such sections. The amounts paid by employers on account of their normal contributions and their deficiency contributions shall be credited to the employers' accumulation fund.

Until the deficiency contribution *** has been discontinued, upon the retirement of a contributor, an amount equal to his annuity reserve shall be transferred from the employers' accumulation fund to the annuity and pension reserve fund and a pension equal to his annuity shall be paid therefrom. The remainder of any pension granted to him shall be paid directly from the employers' accumulation fund until the pension reserve thereon *** has been fully accumulated and the deficiency contribution *** has been discontinued. Thereupon, the full reserve on all pensions theretofore payable from the employers' accumulation fund shall be transferred from said fund to the annuity and pension reserve fund and said pensions shall thereafter be paid from the annuity and pension reserve fund. Upon the retirement of a contributor thereafter, the full amount of his pension reserve shall be transferred from the employers' accumulation fund to the annuity and pension reserve fund.

*** (C) The annuity and pension reserve fund *** is the fund from which shall be paid all pensions and annuities, or benefits in lieu thereof, on account of which reserves have been transferred from the teachers' savings fund or the employers' accumulation fund ***.

When the deficiency contributions have ceased to be payable, the full amount of the pension reserves on the pensions then directly payable from the employers' accumulation fund shall be transferred from said fund to the annuity and pension reserve fund. The annuity and pension reserve fund then and thereafter shall be the fund from which shall be paid all annuities and all pensions, and all benefits in lieu thereof, which are payable as provided in *** sections 3307.01 to 3307.72, inclusive, of the Revised Code. Upon the retirement of a contributor, then and thereafter,

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his accumulated deductions shall be transferred from the teachers' savings fund to the annuity and pension reserve fund, and an amount equal to his full pension reserve shall be transferred from the employers' accumulation fund to the annuity and pension reserve fund.

*** (D) *The guarantee fund is *** the fund used to facilitate the crediting of uniform interest on the amounts in the various other funds with the exception of the expense fund, and to provide a contingent fund out of which special requirements of any of the other funds may be covered. All income, interest, and dividends derived from the deposits and investments authorized by *** such sections shall be paid into the guarantee fund.*

The *state teachers* retirement board *** may accept gifts and bequests. Any funds that may come into possession of the *state teachers* retirement system in this manner or which may be transferred from the teachers' savings fund by reason of lack of claimant or because of a surplus in any fund created by this *** section or any other moneys whose disposition is not otherwise provided for *** shall be credited to the guarantee fund.

The interest allowed by the *** board to each of the funds *** shall be paid to such funds from the guarantee fund. Any deficit occurring in any fund which would not be automatically covered by the payments to that fund as otherwise provided by *** sections 3307.01 to 3307.72, inclusive, of the Revised Code, shall be met by payments from the guarantee fund to such fund. Should the amount in this fund in any year be insufficient to meet the amounts payable therefrom, the amount of such deficiency, with regular interest added thereto, shall be assessed by the *** board in the succeeding years among the employers on the basis of the amount of the normal contributions paid by them, and the amounts so assessed shall be payable by such employers in the same manner and out of the same funds as their normal contributions are made and shall be credited to the guarantee fund.

*** (E) The expense fund *** is the fund from which shall be paid the expense of the administration of *** sections 3307.01 to 3307.72, inclusive, of the Revised Code, exclusive of amounts payable as retirement allowances and as other benefits as provided in *** such sections.

*** (F) The survivors' benefit fund *** is the fund from which shall be paid the survivors' benefits provided by section *** 3307.49 of the Revised Code.