TEACHERS' PENSION PLAN ONTARIO

PENSION UPDATE

SEPTEMBER 2004

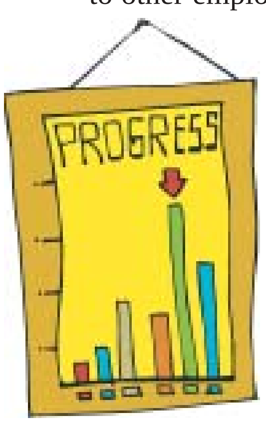
LIVING ON THE EDGE... OF INNOVATION

We're always looking for innovative ways to share information and open lines of communication. Our commitment to technological advancement enables us to offer both you and our members new and exciting services.

MEASURING PERFORMANCE

Our commitment to a strong partnership goes beyond the day-to-day requirements of pension administration. In the very near future, we will share information with you that will not only improve pension service for your employees, but will enable you to monitor your pension reporting results.

For example, would you like to see the quality of your data submission from month-to-month? Do you ever wonder how your Employer Inquiry Form (EIF) volumes and response rates compare to other employers?



Beginning this fall, we will provide you with regular statistics to help you measure your overall effort and impact on pension service to members. You will be able to more easily identify what you already do well and where improvements to systems and processes can be made.

We're currently developing several kinds of measurements for inclusion in our Teacher Information Management (TIM) system. For our upcoming fall release, we will begin displaying monthly results for the following four areas:

1. Immediate service potential
2. Members served
3. Response time
4. Data management

IMMEDIATE SERVICE POTENTIAL

The first statistic will simply identify the percentage of your employees that have the potential to receive immediate service.

This means that no data issues exist and we expect most service requests can be processed immediately. For example, the higher this number, the more members will be able to use personal-planning tools on *i*Access, our secure member website.

Resolving issues in the Work Centre and completing annual account reconciliation drives this number up.

GOAL–INCREASE PERCENTAGE OF MEMBERS WHO HAVE ACCESS TO ONLINE INFORMATION AND IMMEDIATE SERVICE ON THE TELEPHONE.

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WHAT'S INSIDE

WBR—Solution for "small" employers

Although we receive data every pay period for more than 95% of our members, approximately 130 employers still report annually.

While introducing payroll-based reporting (PBR) over the years, many employers with less than 150 employees contributing to the plan expressed an interest in making the switch to more-frequent reporting. However, the cost and effort required to make the change to their payroll system was prohibitive.

After months of development and testing, we now have an online pension reporting alternative for these employers.

KEY BENEFITS

Your employees receive more timely and accurate benefits.

More current data available to our members from our secure website.

Eliminates need to send annual file.

You can review and balance your monthly remittance.

Expectations are established when they occur—at the beginning of the school year rather than reporting at the end of the calendar year.

Reduces our requests for information.

Web-based reporting (WBR)

"You don't have to change your payroll system—you just need to be registered for TIM," explains Catherine Panisales, Project Manager in Employer Information Services.

"All you have to do is call me, send us your employee specific information and we'll begin the transition. Once we receive all of the required information from you, you'll be able to access your employees' data on TIM."

Contact us

We'll be sending our annual-based reporting employers more details in October. In the meantime, you can call Catherine anytime to begin the process.

Phone
416-730-5053 or 1-877-812-7989, ext. 5053

E-mail
catherine_panisales@otpp.com.

■

What you can send now

To kick-start your transition to WBR, you can send us the following information:

- ✔ complete list of employees with their annual rates of pay and full-time equivalency (FTE) percentages
- ✔ payroll schedules

TIM update

Security enhancements

Two new security features further safeguard member information on TIM.

- **Lock-out**—if you try to sign in and fail, you will be locked-out after three failed attempts.
- **Disable access**—if you do not log-in for six months, we will disable your password.

If you cannot access TIM for either of these reasons, please contact us.

Strong passwords

Passwords should be easy to remember but not easy for others to duplicate. For example, we recommend using six to eight characters, including a combination of letters, numbers or special characters.

Reminder—LTIP list

The names of employees receiving long-term income protection (LTIP) benefits only appear on the LTIP list until we have received the maximum contribution amount for a specific school year.

If one of your LTIP employees has disappeared from the remittance list and you would like to see the total amount applied to the 2003/04 school year, please use the LTIP fast path on the homepage to review remittance details. If they are below the maximum amount and their name is not on the list, contact us.

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REMINDERS

SECONDMENT CHANGES NOW EFFECTIVE

The new reporting procedure for employees who take a leave of absence to work under a secondment is now in effect. Effective September 1, 2004, the lending employer is responsible for all pension reporting requirements for seconded employees.

PRIOR TO EFFECTIVE DATE

If you had already reported a secondment and remitted contributions before September 1st, the eligibility requirements for these arrangements were different. In the past, contribution and service reporting may have been submitted by both the lending and borrowing organization.

EXCLUDES UNIVERSITIES

The new secondment policy does not apply to members employed at a university while on a leave of absence. Faculties of Education have specific plan provisions requiring them to remit and pay the matching contributions for teachers employed for them while on leave. ■

REMIT BY NOON

Contributions are due on the last business day of the month in which they are deducted from members' salaries. On the day you make your monthly remittance, it's critical to remit and send us all of your back-up information by 12:00 p.m.

In addition, if you know you are going to remit before the end of the month (i.e., summer, holiday closures), please let us know as soon as you can.

By following these guidelines, our finance area will be able to anticipate how much money to expect each month, and to allocate the funds between our RPP and RCA accounts. ■

SURVEY COMING SOON

EACH FALL, WE SEND OUR PRIMARY CONTACTS A SHORT SURVEY TO HELP US BETTER UNDERSTAND WHAT YOU THINK OF OUR WORKING RELATIONSHIP, REPORTING PROCESSES AND THE SERVICE WE PROVIDE. THE RESULTS OF THESE SURVEYS HELP US FIND NEW WAYS TO IMPROVE OUR SERVICE TO YOU.

WE WILL BE SENDING OUR 2004 SURVEY IN OCTOBER—IF YOU RECEIVE ONE, PLEASE TAKE A FEW MINUTES TO COMPLETE IT AND RETURN IT TO US IN THE POSTAGE-PAID ENVELOPE PROVIDED. THANKS IN ADVANCE FOR YOUR FEEDBACK!

JURY DUTY

Over the past few weeks, several employers have contacted us about last issue's "Q&A" related to jury duty.

The main issue was whether these absences should be considered pensionable or non-pensionable—i.e., should credit and salary be reported as regular employment or is a purchase of credit required under our leave provisions. In response to your questions, we reviewed the nature of these absences and your existing reporting practices.

Employers usually have policies defined in their collective agreements related to short-term prescribed absences. Paid absences of this kind do not require a formal request for a leave to be approved and are universally granted—it applies to all employees.

Some examples of this type of absence include: bereavement, funeral, illness of a family member, graduation, etc.

Given jury duty has the same characteristics as these other short-term paid absences, it should have the same treatment for pension reporting. Therefore, please continue to report regular contributions and service—no additional reporting requirements will be necessary.

We appreciate all the feedback we received to help us better understand the treatment of such absences and regret any inconvenience.

MEASURING PERFORMANCE AND USING

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MEMBERS SERVED

The second measurement will provide you with the total number of times your employees contact us each month for service. We track many different statistics to monitor our own results and set aggressive targets to improve. This will give you some sense of the service your employees receive when they contact us and the drivers to improving this service.

Providing immediate and accurate service to our members drives everything that we do. We will breakdown our measurement into three service categories:

Service	Status of Data	Description
Immediate	No service issues	Member service information determined to be reliable for use in a benefit entitlement.
EIS Involvement *(Member usually receives service within 48 hours)*	Our staff was able to fill in missing detail or resolve issues based on our knowledge of your practices or using information you provide.	Information may be available but not easily understood by our systems–i.e., provided in paper format. Improving your payroll transmission capacity or our ability to recognize formats you use, will decrease our need to be involved in service delivery.
Employer Involvement *(Member experience reliant on employer response)*	Data issues or missing data requires employer to provide information before member can be served.	Reconciling prior year accounts and resolving issues in your Work Centre will reduce our need to contact you for information.

GOAL–QUICKLY RESOLVING ISSUES AND RECONCILING PRIOR YEAR ACCOUNTS WILL DRAMATICALLY REDUCE OUR NEED TO CONTACT YOU WHEN PROVIDING SERVICE TO YOUR EMPLOYEES.

RESPONSE TIME

When we need to contact you to process a member transaction, we will fax you a request for information. We send individual requests and a weekly summary called the *Outstanding Requests by Priority* report. The weekly summary outlines member requests we cannot respond to until we receive information from you and identifies how many days have passed since we sent the original request.

The third measurement will track your average response time to these requests for information. It will show your monthly average and indicate the total number of requests you responded to in each month.

We will also provide a trend line that displays the overall employer response average for your comparison.

GOAL–RESPONDING TO MEMBER SERVICE REQUESTS AS SOON AS THEY ARE RECEIVED.

DATA MANAGEMENT

The fourth measurement will identify the initial state your data is in when we receive it. It is a high level summary—the Work Centre should still be the main driver of your work.

INTERPRETING RESULTS

- Use information as a trending tool for your organization—the focus is not on minor fluctuations, but watching progress over time.
- Identify how 'pension' effective your payroll transmissions are and where opportunities exist.
- Foster understanding of effort to support pension reporting—share results at all levels of your organization.

TECHNOLOGY TO IMPROVE SERVICE

We will breakdown our measurement into two levels:

- Records that did not have any issues
- Records that have had additional validation work completed (either by you or us)

For payroll managers, this chart will provide you with a relevant measure of the value of your day-to-day work. For example, you may be able to see significant gains by improving your pension data. We will also track how your initial data integrity compares to your peer group (broken down by employee population, small to large).

GOAL—DECREASE THE AMOUNT OF VALIDATION WORK REQUIRED TO CLEAN DATA.

Where to find your results in TIM

We will be adding the four measurements described above in mid-October. Each time you sign-in, you'll see a different measurement on the main homepage (we'll rotate the four). To view the other three for your board, just select the link on the main homepage.

IM—Broadening your communication options

You're working in TIM and have a quick question. You want to contact someone on our team but you're not sure if they're at their desk and available. To find out, do you pick up the phone? Send an e-mail? With our upcoming TIM release, you will have one more option—Instant Messaging (IM).

KEY BENEFITS

Enables faster decision-making by bringing people together–spontaneously or in a structured fashion.

Improves response times–you know when you initiate contact that the selected member of our team is available.

Referred to as a natural extension to e-mail by industry pundits, IM technology enables you to talk virtually through the exchange of text-based information in real time—it provides instant, anytime access to your regional team.

General guidelines

We are using Sametime, an IBM product, for our collaboration initiatives (co-browsing to come later this year). When you launch IM after signing-in to TIM, a window will appear with the names of your regional team members. Each name will have one of two symbols beside it:

■ Green square—available

◆ Gold triangle—unavailable

When to use

We don't expect IM to replace your other communication options—it's simply one more way we can use Web technology to improve our working relationship with you. Make it part of your routine—use it to see who is available on your team or to send a secure message to one of your team members.

IM will be included in our up-coming TIM release (mid-October)—watch for specific instructions when we announce the release (e-mail and homepage updates).

TIPS...

- Although there is no text-box limitation, this communication method is only useful when questions and messages are brief.
- Don't hit enter/return on your keyboard while typing—it automatically sends an unfinished message.
- The exchange is not captured or stored, so it is ideal for quick and informal inquiries.
- Not currently intended for member-specific inquiries.

E-statement ready for take-off

By providing you with more efficient and timely ways to send and maintain clean data, we're able to launch new and exciting services for members. Case in point—our new interactive pension statement.

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E-STATEMENT, CONT'D.

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KEY FEATURES

Tool to calculate pension estimates.

Personal messages alert members to missing or inaccurate information.

Ability to update personal profile.

Audio tour of the statement.

We traditionally mail annual statements around this time each year. Beginning this fall, your employees will be able to access their statement online, any time they want—all they have to do is register for *i*Access, our secure member website (approximately 25% are currently registered).

"We've pioneered a new concept in pension statements by turning an annual document into a fluid, interactive experience for teachers," says Rosemarie McClean, Vice-president of Member Services. "The statement is secure, convenient and easy to access and use," adds McClean.

To access the statement, your employees must be registered for *i*Access and have an active e-mail account. Encourage them to register by contacting us directly at 416-226-2700 or 1-800-668-0105. ■

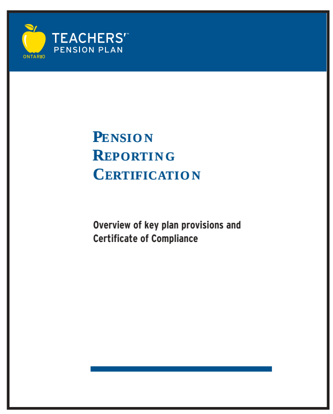
BRIEFLY

INFORMATION AND GOVERNANCE REPORTING

In August, we launched two processes to help us improve data accuracy and ensure your employees receive accurate benefits. Here's an update on what's happened so far.

CERTIFICATION

We sent over 200 letters and brochures across the province—to date, 52 employers have already returned their completed certificates. It's critical for you to complete this review and return the completed certificate as soon as possible.



As we anticipated, our first-time experience producing and mailing the packages did not go off without a hitch. We addressed the package to a senior financial officer at your organization—we reviewed our database and conducted additional research to determine the appropriate person.

In some cases, our assumptions were incorrect. To ensure our records are reliable, please inform us if we should send the package to a different person next year.

PENSIONABLE SALARY REVIEW

We have contacted a number of employers and are currently working with them to ensure they are making the proper exclusions when calculating and reporting pensionable salary. With the assistance of a highly skilled external firm and the co-operation of our employers, this process is proceeding very smoothly.

Certification and pensionable salary reviews will improve confidence in pension reporting and ensure members accrue the benefits to which they are entitled. ■

CPP NOTICE

Your employees are liable to contribute to the Canada Pension Plan (CPP) unless they are receiving a CPP pension. Once they start to draw a CPP benefit, they are issued a CPP Notice of Entitlement. Where this occurs, an individual's contribution rate to our plan is higher (non-liable rate is 8.9% of pensionable salary).

Where members don't inform their employers of a CPP status change, it could wind up costing them in the future. For one member, contributions were deducted at the incorrect rate over eight years and an employer contribution discrepancy (ECD) needed to be issued for $23,000 when we identified the problem!

COPY OF NOTICE

Where possible, please send us a copy of the Notice of Entitlement when your employees provide you with one. We will file it with the employees' other personal documents—it will help us avoid questions and future contribution discrepancies. ■

New this fall—You set workshop agenda

On September 17, we hosted an employer workshop to kick off our 2004 fall campaign. This workshop, created specifically for newly designated private schools or designated organizations, was attended by 11 employers from eight different organizations.

Additional workshops start in October

We're also offering five additional workshops across the province. New this fall, we want you to help us set the afternoon agenda.

North Bay	**October 20**
Toronto	**October 22**
Thunder Bay	**October 26**
Ottawa	**October 29**
Cambridge	**November 5**

There is still limited room available in these workshops. If you're interested in attending, please contact Wendy Walker as soon as possible at 416-730-6177 or 1-877-812-7989. You can also e-mail her at wendy_walker@otpp.com.

When registering, indicate what topics you would like to see covered—we'll collect everyone's requests and develop the agenda accordingly.

Working together

We're conducting the Thunder Bay workshop in co-operation with Ceridian. We'll be participating on the first day of their two-day information session.

Learning the ropes at our employer workshop on September 17

Standing (l to r): Isabelle Frenette (Toronto French School), Kelly Giannoccaro (Greenwood College School), Linda Chan (Toronto French School), Ericka Miranda (Toronto Region Conservation Authority), Majella Hillsdone (Appleby College), Ann Hanna (Toronto Region Conservation Authority), Yvonne Michalek (Bishop Strachan) and Arjuna Kadawathage (Crescent School).

Seated (l t r): Tammy Clark (Crescent School), James Peto (Oakville Christian School) and Gabby Aloi (Catholic Principals of Ontario).

Member purchase deadline

There's a purchase deadline for members fast approaching—if you are a matching employer, it may have an impact on you.

We have identified approximately 2,000 members who had eligible leaves of absence or breaks in service that ended prior to September 1, 2001. To qualify for the purchase, they must have returned to work between September 1, 1996 and August 31, 2001 or still be away from work.

2001 Plan changes

When new buyback rules went into effect on September 1, 2001, these employees were given until December 31, 2004 to complete payments for their purchases. If they miss the deadline, they forfeit their chance to purchase the service.

If you normally match contributions, you are responsible for the matching amount if employees decide to purchase credit before the deadline. If they choose to purchase the service, your required matching portion will appear on one of our upcoming bi-monthly invoices (next one being issued in November).

Reminder

Invoice amounts are due by the end of the month following billing. Interest on unpaid balances will accrue from the original due date on the invoice to the payment date, at the standard rate plus 4%.

TIM UPDATE, CONT'D.

Continued from page 3

We will update the LTIP client list for the 2004/05 school year as soon as the inflation adjustments have been confirmed. We expect you will be able to make LTIP employee remittances for the new school year beginning in October.

TIP...

If you have a September remittance for 2004/05 but your employee was not on the list, remit both the September and October amounts in October.

WHAT'S COMING...

REDESIGNED HOMEPAGE

In addition to the upcoming introduction of performance measurements and Instant Messaging (IM) this fall, you'll see a fresh, new homepage. We're reorganizing the information that appears when you sign in—you'll notice the following changes:

- status summaries to quickly view your board's information (i.e., contributions, data), and
- dynamic quick links to take you to the most used sections. ■

MAKE TIM YOUR HOMEPAGE!

If TIM is the main reason you go to the Internet, why not make the sign-in page the first thing you see when you open Internet Explorer*? Here's how:

- go to TIM sign-in page
- choose **Tools > Internet Options** from your browser
- under "Homepage", choose "Use Current"

** If you don't use Internet Explorer, the set-up may differ.*

How to reach us

Our business hours are Monday to Friday, 8 a.m. to 5:30 p.m.

Please contact us whenever you need assistance or if you experience any technical difficulties while using our web applications.

Employer Information Services
Ontario Teachers' Pension Plan Board
5650 Yonge Street
Toronto, Ontario
M2M 4H5

Employers

Toronto area	(416) 227-7525
Toll-free	1-866-867-9147

Members

Toronto area	(416) 226-2700
Toll-free	1-800-668-0105

E-mail	eisinquiry@otpp.com
Employer Website	employers1.otpp.com
Corporate Website	www.otpp.com

Toronto area	(416) 730-7807
Toll-free	1-800-949-8208