TEACHERS'™ PENSION PLAN ONTARIO

PENSION UPDATE

Season's Greetings from EIS!

DECEMBER 2007

2007 HIGHS AND LOWS, AND WHAT'S AHEAD

The end of the year always gives us an opportunity to review, reflect and prepare for the upcoming year.

How did you feel we supported your needs? What did we accomplish this year? What are our key objectives next year?

These are just a few questions we'll answer in our annual wrap-up.

Survey results

Over 80 employers took the time to complete our satisfaction survey. Many also provided additional feedback on what we could do better.

Satisfied with...

4.6 Our relationship

4.2 Online reporting

4.0 Accounts

3.9 Issue Resolution

The overall results are positive, with employers scoring us an average of 4.6 out of 5 on their satisfaction with our relationship.

As we strongly believe that our partnership with you provides us with the greatest opportunity to improve service to members, we are very pleased with this result. However, there is always room for improvement.

Employers' satisfaction with our online reporting system was rated only 4.2 out of 5. The two areas employers told us were the most problematic, scoring a 3.9 and a 4.0 respectively, were Issue Resolution and the Accounts area of TIM.

These results, along with your comments, provide valuable insight into the areas where we need to focus our attention.

2007

This was an exciting, but challenging year.

We continued to see an increase in the adoption of online reporting. A large number of organizations also participated in our pension reporting workshops. The increase in employer use of our online tools is reflected in two key areas: proactive service maintenance (up 7%) and issue resolution (up 19%).

We are also very excited about the preliminary feedback on the new online member priority request resolution (from fax communication). Look for the release of the next phase coming soon.

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Did you get yours?

See page 2 for details

What's inside

GETTING TO KNOW...

TEAM CHANGES FOR 2008

We recently made some structural and leadership changes that will improve our member and employer support capabilities in 2008, and for years to come.

TRADING PLACES: JENNIFER ATKINSON AND CAROLINE SAWTELL

With more than 10 years of experience in Client Services, Caroline joins EIS to lead two regional teams. Jennifer becomes manager in Client Services after many years involved in data management and employer support.

RETURNING MANAGER: GREG CARROLL

Having spent the past year with the business process team, focussed on developing our recent TIM enhancements, Greg returns to lead the other two regional teams.

NEW ROLE: LORIE BISSONETTE

Lorie will now focus full-time on fostering our relationship with you, promoting online reporting tools and pension reporting compliance.

NEW TEAM LEADERS: DANIEL NEWMAN AND ANGELO VOUITSIS

Daniel was previously Senior Analyst in EIS. Angelo joins EIS on a one-year assignment, bringing with him many years of Client Services experience.

Daniel and Angelo replace Lorena Ludena and Rita Panici as team leaders – Lorena starts her maternity leave in January and Rita was recently promoted to manage our Central Records area.

We welcome Caroline and Angelo to the EIS team! ■

Left to right: Angelo, Caroline and Greg

AT YOUR FINGERTIPS

We hope you like our inaugural desktop calendar! Included with this mailing, you can use the calendar to help you organize your Teachers' work.

Scan the monthly reminders on the left, make notes on the right, mark your own important dates every month – how you use it is up to you!

Flip to the back of each month for some important reminders on critical reporting areas (i.e., pensionable salary, re-employment, issue resolution in TIM, etc.).

TELL US WHAT YOU THINK

To help us plan our next calendar, please send us your comments or suggestions. Specifically:

- What do you like?
- What don't you like?
- Was any information missing? If so, what?

We'll take all of your comments and suggestions into consideration when developing next year's version. Thanks in advance for your feedback! ■

Time well spent at workshops

Another season of workshops is in the books – we completed our eighth and final session a few weeks ago in Thunder Bay. A lot of ground was covered in the two-week period, both geographically and through many interesting discussions.

"We always appreciate the interaction and discussions at the workshops," says Lorie Bissonette, Manager of Member Data and Employer Reporting. "It's a great opportunity for us to hear first-hand about the reporting challenges employers face."

Survey says...

When reviewing your feedback, a few common themes emerged:

- **Networking** – you really enjoy spending the day with your colleagues, learning and sharing pension reporting stories.
- **More, more, more** – you would love to see more, possibly shorter, sessions spread throughout the year.
- **TIM talk** – greatest takeaway was learning about latest releases and new functionality. Seeing some real-time, live walkthroughs would help.
- **Be specific** – attendees have varying levels of experience, some prefer general overview while others want specific topics covered in more detail (i.e., issue resolution in TIM).
- **Location, location, location** – many smaller employers prefer a more central Toronto location but appreciate the challenges (i.e., parking).

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Julie Ryan, a workshop presenter, answers questions from participants at the Sudbury session.

Fast facts...

✔ 8 sessions in 7 cities – Trenton, Brantford, London, Ottawa, Toronto (2), Sudbury and Thunder Bay

✔ 180 attendees – 81 boards/employers represented

What participants had to say

"These workshops are great because you always seem to walk away with something.""

Alice Blake, Renfrew Catholic DSB (Ottawa)

"Liked how you took the time to find out our needs/concerns and ensured they were covered throughout the workshop. Nice to walk away with the information we were hoping to gain. Very glad I attended and look forward to putting things into place with the proper understanding as to why it is to be done."

Jody Charette, Missarenda DSAB (Sudbury)

"A very informative workshop. I always learn something new with respect to pension applications and TIM. It's also nice to meet people from other Boards."

Sharon Kennedy, Hastings and Prince Edward DSB (Trenton)

Putting priorities in order

Wow, what a difference TIM makes! After only a few weeks of resolving priority issues online, we're able to respond to service requests from your employees faster than ever.

Since adding priority issues to the redesigned Work Centre, we've seen instant results – the number of outstanding requests for information has dropped significantly (we usually have more than 100 outstanding requests at any given time – we're now fluctuating around 40!).

While we continue to work out some minor performance issues, we're extremely pleased with your response and quick adoption of the new process.

"So far, so good," says Jennifer Atkinson, Manager (now in Client Services). "All of our analysts are working closely with employers to ensure they understand how everything works, and are tracking their comments to help us plan future enhancements."

Four steps to resolving priority issues

1	2	3	4
EIS analyst generates an inquiry	TPP sends email to notify you of a new priority issue	You access Work Centre and select priority issue to resolve	You provide details in response box and submit

Stories from the frontlines

Some of you haven't even needed our help.

"I created an inquiry, and walked away from my desk for a few minutes. I checked TIM before following up with the employer (Kim Wilson, Senior Payroll Clerk, Peel DSB), and saw that Kim had already resolved the issue. She didn't need my help at all!" exclaimed Daniel Newman, Team Leader.

Another employer was so quick resolving their priority issue, they beat our email notification cycle.

We created a priority issue in the early afternoon, after sending our first email run of the day. The issue was resolved within two hours – when the employer received notification later that day, they were somewhat confused. After speaking to them, we determined that they had already completed that task!

Thanks to your feedback, we have already adjusted our notification cycle – we now send these emails every hour.

As we continue to gather feedback and work out the kinks, here are a few important reminders.

- **Don't use back button on your browser** – when you are resolving an issue, use the options under Quick Links to navigate back and forth. If you use your browser to navigate, you may lose unsaved work.
- **Save or submit regularly** – if you are working in TIM and don't perform any action for 30 minutes, you will automatically be signed out and lose any work you have not saved or submitted.
- **Only hit "submit" once** – it may take a few moments for the confirmation page to appear.

What's coming

At press time, we were finalizing our next series of enhancements. You will soon be able to:

- **Initiate correspondence with us** – rather than send or request information about a specific employee by fax, email or Instant Messaging, you will be able to communicate with us through one central location in TIM.
- **Augment unsolicited events with text** – new feature enables you to write and send us specific comments when notifying us of events.

This final release for 2007 will also include the following content:

- revised section 9, *Pension Adjustments* of the handbook,
- one bulletin – 2008 contribution formula, and
- this issue of *Pension Update*.

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2007 RECAP, CONT'D.

Continued from page 1

Reconciliation of the 2005 accounts was unfortunately delayed as we retrofitted our systems to provide more meaningful employer reports from our new accounts receivable system.

Given our efforts to 'catch up' on reconciliation over the past few years, and that passing time doesn't make settling the account any easier, we know that was a source of frustration.

We hope that as the cycle kicks into high gear, employers will find that the changes make reconciliation a bit easier going forward.

2008

In the coming year we have several large projects aimed at providing you with better tools to manage pension reporting.

- **TIM functionality** – one important team will be dedicated to improving functionality and your satisfaction with our online tools.
- **Maternity leave purchases** – we have goals in place to examine more timely capture of ESA and maternity leave purchases made through you.
- **Data quality** – we will further explore opportunities to improve data quality coming into our organization (rather than fixing it after the fact).

SURVEY: SUGGESTIONS FOR IMPROVEMENT

"Issues should have area to explain differences – instead of checking off 'other'."

"When I go into accounts – the breakdown of what I sent does not match what TIM has."

"Ability to run members reconciliation report as needed. Currently have to wait for report from support group."

"Would like to see quicker reconciliation process."

Perhaps the one objective we are most excited about is the plan to review all elements of our reconciliation process and develop a model for the ideal solution to this ever challenging process.

Look for more information and how you can get more involved in this initiative in the new year.

THANK YOU!

Thanks again for your support of all our data management and pension reporting initiatives in 2007.

We look forward to fostering an even more beneficial partnership with you in the year to come. ■

HALTON CATHOLIC DSB MAKES HISTORY: 1ST TO RESOLVE PRIORITY ISSUE IN TIM

Shortly after the new Work Centre was released on Nov. 13, Geri Jansen, Senior Analyst in EIS, called Patti MacArthur, Manager of Payroll Services at Halton, to tell her about the new functionality.

Geri created an inquiry for Halton Catholic DSB and an email was automatically sent to Patti later in the day. The following morning, Geri called Patti to walk her through the new process.

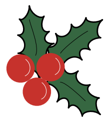
"We had a termination issue – we needed to verify the resignation date," said Patti. "After a few minutes with Geri, the issue was resolved. It was simple." Patti received two more emails that day and was able to resolve them on her own without a problem.

"Our board receives a lot of faxes throughout the day. Some times, the priority request fax would go missing and TPP needed to resend. Then, when we returned marked-up faxes, we were never 100% sure it got to the right person," added Patti.

"Eliminating the fax element saves time and gives us greater confidence that our response is being received and properly recorded."

Briefly

Holiday housekeeping



Hours

For the 2007 holiday season, we will be closed on:

- Tuesday, December 25
- Wednesday, December 26
- Tuesday, January 1

We will also close early (3:00 pm) on both December 24 and 31.

December remittance

This month's remittance is due on Monday, December 31. If your office is going to be closed and you plan to remit early, please contact your team and let them know.

Remember to provide both your back-up information and contributions by noon of the day you make your remittance.

Collective agreements expiring in 2008

Many of your collective agreements are set to expire next year. Once you have signed your new agreement, please send us the details of the settlement as soon as possible.

With details in hand, we'll be able to better interpret your new payroll information and help ensure your employees receive accurate benefits.

Designated employers to pay more in 2008

Next year, employer matching rates will increase more than teachers' rates (1.1% compared to 0.3%). Teacher contributions are being subsidized by the Ontario Teachers' Federation (OTF) – they are using a credit reserve from the 1998-2001 pension negotiations.

2008 Formula

Teachers		Government/Designated Employers	
Up to YMPE	Above YMPE	Up to YMPE	Above YMPE
9.6%	11.2%	10.4%	12.0%

YMPE

$44,900

Maximum pensionable salary

$269,400 (YMPE x 6)

- Do not deduct contributions or report salary once an employee reaches the maximum.
- Continue to report service credit for all employment.
- To achieve correct benefit handling, we will smooth the salary reported from the spring to fall period, and in some circumstances we may need to collect or refund contributions as a result of the pensionable salary cap.

Annual statement season winding-up

Even more members were able to view an online, interactive personal statement of benefits this fall. Here's a look at how this service has grown the past three years:

Year	Total Produced	Total Sent through *i*Access Web	Increase (Sent Online)
2005	185,229	37,890	-
2006	188,084	54,370	8%
2007*	186,593	64,858	7%

* *up to 5,000 additional statements being generated at press time*

As always, thanks for your help – by working diligently in TIM to resolve issues, you enable us to provide your employees with more accurate and up-to-date pension information.

Reconciliation update

As you know, we're behind on our reconciliation initiatives this year. While some of our smaller employers have started reconciling their accounts for the 2005 and 2006 calendar years, many of you are anxious to start.

Thanks for your patience – your team will be contacting you in the near future to establish your specific milestones.

Best practices

While we've delayed our traditional reconciliation kick-off this year, there are several things you can do throughout the year to help make the final process an easier one.

LTIP

- **Verify details for all employees who have an LTIP claim in the reconciliation period – report any differences.**
- **Ensure contributions are applied between minimum and maximum amounts for LTIP service (L90 and L91).**

ESA

- **Apply all payments for quotes that are "in process" or mark complete or waived.**
- **Non-ESA users, send us the missing service, salary and contributions for employees purchasing their maternity leaves through you at the end of each period.**

Contributions

- **Verify large contribution differences (i.e., $25, $50, $100).**
- **Each month, compare our records to your payroll journals and general ledger.**
- **Ensure our records have been updated to reflect cancelled or manual payments.**

Issues

- **Resolve all issues in your Work Centre – can't reconcile a year if issues exist.**
- **If you notice a pattern or you have a problem, call us for assistance.**

Reminders

Help boost *i*Access

The number of members registered for *i*Access Web, the secure members-only portion of our website, continues to grow – we're at 114,030 and counting.

While this growth is critical, it's not our only focus – we want to boost usage as well. Here's how you can help:

- **New hires** – they can call us and instantly register.
- **Current employees** – encourage them to visit regularly and take advantage of tools available. ■

Don't forget about us

Sending email messages continues to be one of our primary means of communication. To ensure our messages get to your inbox, please remember the following:

- **Change in Internet provider (IP)** – if you change your IP, your email address will most likely change as well.
- **Staff changes** – let us know when people leave or no longer deal with pension reporting.

By keeping us in mind when these changes occur, you will help ensure everyone at your organization who should receive our emails, does – whether they are broadcast messages or a personal email from our staff.

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BIG SHOES TO FILL

Jim Leech, former Senior Vice-President of Teachers' Private Capital, has officially stepped into his new position as CEO of the Ontario Teachers' Pension Plan. Mr. Leech joined Teachers' in 2001.

"I'm honoured to be inheriting a thriving and successful organization. I plan to build on our culture of innovation so members can continue to enjoy pension security and top-notch service," Mr. Leech said.

CAREER HIGHLIGHTS TO DATE

- Biggest deal – private equity team recently led the winning bid for BCE, a transaction that will become the largest leveraged buyout in corporate history if approved by regulators next year.
- Greatest professional achievement – building the private capital team into a world-renowned group.

> **"Life is not about promotion and glory. It is about doing work well even when no one sees it, it is about taking responsibility without being asked..., "**
>
> ***Claude Lamoureux,***
> ***Former CEO***

STEPPING DOWN

After 17 years at the helm of Teachers', Claude Lamoureux can now collect his own pension.

Mr. Lamoureux became the first CEO of the pension plan when the government created an independent corporation in 1990 to replace the Ontario Teachers' Superannuation Commission.

Under his leadership, pension assets increased to $106 billion from $19 billion, while client services improved to a top ranking in the world.

"At Teachers', we were never satisfied that we had done as much as we could. We constantly pushed the envelope and tried to improve further," Mr. Lamoureux said.

Another highlight of Mr. Lamoureux's career is co-founding the Canadian Coalition for Good Governance. An outspoken advocate of shareholder rights, Mr. Lamoureux was a key figure in mobilizing institutional investors in their first organized and successful efforts to pursue better governance practices. ■

HOW TO REACH US

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Hours
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