TEACHERS' PENSION PLAN ONTARIO

PENSION UPDATE

Season's Greetings from EIS!

DECEMBER 2008

WHAT A YEAR!

We all achieved a great deal in 2008. In addition to reconciling 2005 and 2006, we focussed on TIM reporting and strengthening our partnership.

In addition to our achievements, we were pleased that reporting became a little easier. This was largely due to plan amendments, and also by providing employers with more tools to do their jobs effectively.

For example, the ability to download your Employee Earnings Report in Excel directly from TIM was welcomed with enthusiasm this summer.

SIMPLIFYING MEMBERSHIP

Plan amendments introduced early in the year resulted in simpler membership eligibility rules for designated employers.

The new rules more closely align with those of regular school boards – enabling all qualified teachers to participate in the plan, regardless of the position they hold in their organization.

In addition, all of our employers will benefit from another plan change we recently announced. Beginning in 2009, contributions aren't required for service beyond the re-employment limits.

The key to our success this year was TPP and employer staff's commitment to our goals. We showed yet again that we are all dedicated to providing accurate and reliable information to the teachers of Ontario.

NOT ONE, BUT TWO YEARS!

One really big story in 2008 was the considerable effort that went into reconciling 2005 and 2006 calendar-year accounts.

Part of this success can be attributed to a renewed focus on developing a strong understanding of how TIM can work for employers.

Additional reasons – 154 employers attended one of our six workshops this year. Our staff also visited 24 employers at their offices to provide guidance and assistance.

Visits and workshops not only foster better relationships, but also help us identify opportunities for change and improvement.

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KEY STATS

↑ 12%
AVERAGE # OF DAILY SESSIONS

↑ 19%
USE OF INSTANT MESSAGING

↑ 50%
ISSUE RESOLUTIONS

↓ 75%
DOCUMENTS RECEIVED VIA FAX/EMAIL/PAPER

4.7 (out of 5)
EMPLOYER SATISFACTION

TAKE A PEEK INSIDE

SEE PAGE 6 FOR DETAILS

WHAT'S INSIDE

Plan changes affect reporting processes, pages 2 and 3

10 years of EIS, page 4

How corporate strategy directs all that we do, page 5

RE-EMPLOYMENT CHANGES

CONTRIBUTIONS, NOT LIMITS, REMOVED

New rules take effect January 1.

Since announcing the plan changes affecting re-employment, some of the most common questions we've received have concerned the limits.

While your requirement to deduct and remit contributions for re-employment over the limits is being removed, re-employed pensioners are still bound by the limits.

WHAT'S NEW STARTING JANUARY 2009

Contributions not required
You are not required to deduct and remit contributions for re-employment over the 95 or 20 day limits.

Change to eligibility requirements for recalculating pensions
Retired members can choose to have their pensions recalculated only if they:

- return to work in education for the first time after December 31, 2008;
- notify us before their first day of work (can't request retroactively); and
- will work for the equivalent of a year or more.

Maximum age limit removed
Re-employment limits apply to all pensioners regardless of their age.

WHAT HASN'T CHANGED

- **Re-employed pensioners are still responsible for keeping track of the number of days they teach. They must notify us if they exceed the 95-day or 20-day limit.**
- **Pensioners who work in the month following the month in which they exceed the re-employment limit will have their pension suspended for as long as they work. This applies even if they work for only part of a day.**

TRACKING DAYS

WHILE IT IS THE RESPONSIBILITY OF THE RE-EMPLOYED PENSIONER TO KNOW WHERE THEY STAND, YOU MAY BE ASKED TO CONFIRM DAYS WORKED.

YOUR ASSISTANCE ADVISING EMPLOYEES HOW DAYS ARE DEFINED FOR THEIR POSITION WILL ENCOURAGE PLAN COMPLIANCE.

Q I hired a retired teacher who informed me that she would like to have her pension recalculated. She is returning to work for the first time on January 5, 2009 and doesn't plan to work past the end of this school year. Should I start deducting contributions in January?

A No, as she does not meet all three requirements to have her pension recalculated.

While she has properly informed you and has not been re-employed before, she is not planning to work for the equivalent of a year or more.

Q Who is responsible for ensuring pensioners don't teach over the limits and continue to collect their pension?

A Pensioners are responsible for notifying us when they exceed their limit. They must also contact us directly once they stop working to have their pensions reinstated.

Collectively, we are obligated to ensure we provide members with the information they need to comply with pension plan restrictions. This is critical to ensuring all of our members receive the benefits to which they are entitled.

DESIGNATED EMPLOYER CHANGES

WAIVER DEADLINE PASSED

Three-month window now closed.

In our last issue (September 2008, page 3), we featured a chart highlighting the new eligibility guidelines for designated employers.

PLAN CHANGE EFFECTIVE SEPTEMBER 1, 2008

All employees with valid teaching qualifications automatically became members of the Teachers' pension plan, regardless of their employment position.

This plan change primarily affected employees working at designated private schools; specifically, those with valid teaching qualifications working in a non-teaching capacity (i.e., administrative, support staff, etc.).

FEW FORMS RECEIVED

Employees that were ineligible to contribute prior to September 1, 2008 had until December 1, 2008 to complete and return a waiver form if they didn't want to join the plan.

We only received five waiver forms before the deadline.

ENROL AND REMIT FOR ALL

Designated employers should now be remitting contributions for all employees who have valid teaching qualifications. If we did not receive a copy of the signed waiver form by December 1, employees are no longer eligible to waive their plan membership.

Also, all new employees with valid teaching qualifications, hired to work in any capacity, must be enrolled as soon as they begin to work for a designated employer. ■

NO CHANGE TO ELIGIBILITY REQUIREMENTS

The following are not affected by this plan change:

- ✔ **Regular school boards**
- ✔ **Designated organizations (except for SEVEC and OECA)**
- ✔ **Ontario government ministries**
- ✔ **Toronto and Region Conservation Authority**
- ✔ **Faculties of education (except for University of Windsor and Nipissing University, both designated employers)**

VIEW FROM THE TOP

Investment architect retiring.

Big shoes to fill: Neil Petroff, left and Bob Betram, right.

After 18 years at Teachers', Bob Bertram is calling it a career. Neil Petroff, currently Group Senior Vice-President, Investments, will take over as Executive Vice-President, Investments and Chief Investment Officer, on January 1.

Bob built Teachers' investment group from a one-man operation to a world-class team. He managed the pension fund's growth to more than $100 billion from $19 billion.

"Bob brought a vision to Teachers' that investment results could be delivered as well, or better, in-house," said Jim Leech, President and CEO of the Ontario Teachers' Pension Plan. "His success has changed the way pension plans the world over now invest their funds." ■

REFLECTING ON A DECADE OF EIS

2008 marks the "official" 10th anniversary of EIS.

What do EIS and the movie Titanic have in common? They both made a name for themselves in 1998.

Originally established in 1997 to provide service to our 12 payroll-based reporting employers, Employer Information Services (EIS) has been building relationships with all employers for the past 10 years.

As 2008 comes to a close, let's take a look back at how things have changed over the past decade.

SURVEY, THEN AND NOW

"Employees annual earnings report – now sent on disk, I find it hard to do on disk. Then you send a copy of the report I sent on disk in carbon copy for review. I prefer the sheets of information rather than disk." Anonymous, November 1998

How many of you remember those days? Even though you were frustrated by disks and paper 10 years ago, you were still reluctant to switch to online reporting.

We conducted a survey in 1999 to gauge your interest – only 14% of you expressed interest in reporting through the Web. Today, almost all reporting is done online through TIM.

While technology has solved many reporting problems and challenges, we always have to be on our toes and look for ways to improve pension reporting.

Here's a recap of the key systems' enhancements and reporting changes over the past 10 years. ■

FROM THE BEGINNING

Original EIS staff (l to r): Imelda Kwa, Janet Robinson, Geri Jansen, Mila Babic and Lorie Bissonette. Absent when photo was taken: Carrie Crompton.

10 YEARS OF MILESTONES

1998
- 19,600 members reported on payroll basis (PBR)
- Priority codes added to faxes
- LTIP top-ups collected directly from members

1999
- Workshop program and employer handbook

2001
- Online – ESA application
- Plan changes, including permanent 85 factor and free top-up for LTIP members
- Employer excellence award

2002
- TIM and *i*Access Web (members)

2003
- TIM – SIN search, LTIP
- PBR hits 150,000 members

2004
- TIM – Web-based reporting (WBR) for smaller employers, Instant Messaging (IM)
- Annual pension reporting compliance program

2005
- TIM – employee records, events, purchase verification, ECDs and account summary

2007
- TIM – priority issues in Work Centre and employee-specific correspondence
- Contributions increase for the first time in 16 years (as announced in June 2006)

2008
- TIM – download Employee Earnings Report in Excel

Goal setting critical to success

Always looking for new ways to "wow" our members.

Our mission is to provide the teachers of Ontario with retirement security and outstanding service. While we are very proud of our track record, we always want to raise the bar and find new ways to 'wow' our members.

Redefining our vision

TPP conducts formal strategic reviews every few years. We carefully consider our environment and the opportunities that may exist to provide our members with even better service in the future.

As a result of our strategic planning review in 2007, we redefined our vision for member service, which we dubbed $e=(mc)^3$. Our equation stands for excellence equals more customization, more counselling and more choice.

Influences EIS direction

Earlier this year, we conducted a similar analysis of our employer reporting and data management systems. Its purpose? To ensure our business practices are well positioned to support TPP's new approach to member service.

Specifically, we wanted to identify opportunities to optimize our systems and processes to achieve even greater efficiency. But not at the expense of quality – we still need to deliver the highest quality of data to our members.

We assessed the environmental influences, sought feedback from staff and employers, and created a long-term plan. As a result, we will introduce new models for employer support, data validation, career event reporting and reconciliation.

However, it won't be quick or easy. Changing our approach to these fundamental processes will take us several years of planning and development.

One, or two, steps at a time

When we are done, our validation systems will be more robust and better preserve the information reported by employers.

We will rely on your input to determine the best time to deliver issues, as well as the appearance of the validation interface. By focussing on employment concepts rather than pension lingo, the enhanced system will be easier for you to use.

Career event reporting (leaves of absence, termination of employment, etc.) is critical to achieving enhanced counseling and customization for our members.

We've found that the best source for this information may not be the payroll extract in all circumstances. So we will be looking for other alternatives to capture career events in a way that will require less effort, achieve better reporting results, and provide greater transparency between our organizations.

As we have clearly heard from our employers, reconciliation needs to be faster and remittance tracked more easily.

Each year, we will establish objectives to focus on advancing one or two elements of this new strategy.

EIS team at your service

To make a smooth transition to this new world of pension reporting, our dedicated and knowledgeable team will provide their full support.

We will continue to focus our attention on understanding your business and how we can better help you. This attention to your needs will be evident whether we are in the field visiting your offices and conducting workshops, or when we are contacted via TIM.

Exciting years ahead

Thank you for all of your support. Together we are embarking on an exciting journey that will dramatically improve our efficiency and pension reporting experience! ■

BRIEFLY

HOLIDAY HOUSEKEEPING

HOURS

For the 2008 holiday season, we will be closed on:

- Thursday, December 25
- Friday, December 26
- Thursday, January 1

We will also close at 3 pm on both December 24 and 31.

DECEMBER REMITTANCE

This month's remittance is due on Wednesday, December 31. If you are closing your office and 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.

2009 CONTRIBUTION FORMULA

YMPE

$46,300

MAXIMUM PENSIONABLE SALARY

$277,800 (YMPE x 6)

■

IT'S BACK!

Your feedback reflected in 2009 calendar.

Thanks to everyone who provided us with comments since our inaugural calendar landed on your desks last year at this time.

The biggest changes this year:

- Snapshot of previous and next month replaces lined note section on each monthly page, and
- All content that appeared on the back of monthly pages now appears in two banks of tabs.

As always, your feedback is welcome and appreciated.

■

NAMES AND FACES

For printing purposes, we omitted the names of the people pictured on the back of the cover. Here's a "who's who" of all the friendly faces you'll see in the 2009 calendar (starting at the top-left, pictured left to right):

1. Carrie Crompton (TPP) and Adrienne Lemieux (Sudbury Catholic DSB)
2. Joelle Yung (TPP), Sherrill Knight (St. Andrew's College) and Geri Jansen (TPP)
3. Pension reporting team from Conseil des écoles catholiques de langue francaise du centre-est: Chantal Chouinard, Colette Roberge Plouffe, Karine Landry, Nathalie Mercier, Manon Charbonneau, Danielle Grenon and Nancy Pagé
4. Caroline So (TPP) and Linda Winchester (Simcoe County DSB)
5. Dianna Veloso (TPP), Jennifer D'Andrade (Dufferin-Peel Catholic DSB) and Aurora Fernandez (TPP)
6. Mark Norman, Pat Datema (both from Avon Maitland DSB) and Fernando Ayala (TPP)

Workshop recap

Week-long blitz across Ontario this fall.

Thanks to more than 100 of you who took the time out of your busy schedules to attend this year's fall workshop sessions.

During the first week of October, we covered a lot of ground – literally and figuratively.

Fast facts...

- ✔ 3 cities – North Bay, Toronto and Trenton
- ✔ 107 attendees – 49 boards, schools or organizations represented

We headed north first, held two concurrent sessions at home for a day and then traveled east to spend time talking pensions.

We were pleased that the over-whelming majority of you (98%) were satisfied with the workshops. Additionally, 90% agreed that their knowledge and/or skills increased as a result of their attendance.

Feedback consistent

The most common feedback from the survey was consistent with previous sessions: you were grateful for the refresher on your pension reporting responsibilities and enjoyed the many networking opportunities.

We'll be offering our next series of workshop sessions next spring. Stay tuned for details. ■

Not too late

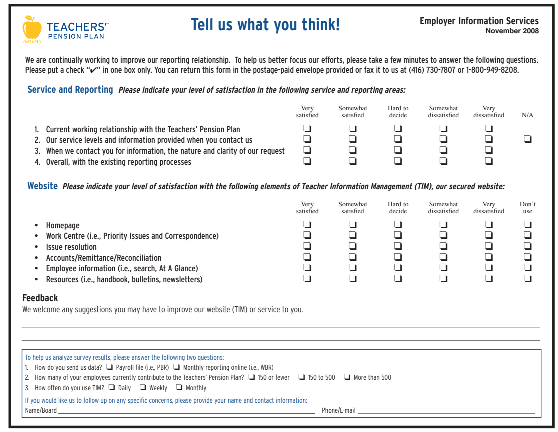
Your opinion counts.

Thanks to everyone who has returned a survey.

As usual, we sent one copy to each organization. While the returns have gone from a flood to a trickle, we're always interested in what you have to say.

If you find the survey lying around your desk as you clean up for the holidays, take a few minutes to complete and fax it to us.

It's never too late to tell us what you think! ■



TEACHERS' PENSION PLAN ONTARIO

Tell us what you think!

Employer Information Services
November 2008

We are continually working to improve our reporting relationship. To help us better focus our efforts, please take a few minutes to answer the following questions. Please put a check "✔" in one box only. You can return this form in the postage-paid envelope provided or fax it to us at (416) 730-7807 or 1-800-949-8208.

Service and Reporting *Please indicate your level of satisfaction in the following service and reporting areas:*

	Very satisfied	Somewhat satisfied	Hard to decide	Somewhat dissatisfied	Very dissatisfied	N/A
1. Current working relationship with the Teachers' Pension Plan	❑	❑	❑	❑	❑	
2. Our service levels and information provided when you contact us	❑	❑	❑	❑	❑	❑
3. When we contact you for information, the nature and clarity of our request	❑	❑	❑	❑	❑	
4. Overall, with the existing reporting processes	❑	❑	❑	❑	❑	

Website *Please indicate your level of satisfaction with the following elements of Teacher Information Management (TIM), our secured website:*

	Very satisfied	Somewhat satisfied	Hard to decide	Somewhat dissatisfied	Very dissatisfied	Don't use
• Homepage	❑	❑	❑	❑	❑	❑
• Work Centre (i.e., Priority Issues and Correspondence)	❑	❑	❑	❑	❑	❑
• Issue resolution	❑	❑	❑	❑	❑	❑
• Accounts/Remittance/Reconciliation	❑	❑	❑	❑	❑	❑
• Employee information (i.e., search, At A Glance)	❑	❑	❑	❑	❑	❑
• Resources (i.e., handbook, bulletins, newsletters)	❑	❑	❑	❑	❑	❑

Feedback
We welcome any suggestions you may have to improve our website (TIM) or service to you.

To help us analyze survey results, please answer the following two questions:
1. How do you send us data? ❑ Payroll file (i.e., PBR) ❑ Monthly reporting online (i.e., WBR)
2. How many of your employees currently contribute to the Teachers' Pension Plan? ❑ 150 or fewer ❑ 150 to 500 ❑ More than 500
3. How often do you use TIM? ❑ Daily ❑ Weekly ❑ Monthly

If you would like us to follow up on any specific concerns, please provide your name and contact information:
Name/Board ____________ Phone/E-mail ____________

Look familiar?

Personal statement of benefits wrap-up

189,458 Total produced → **80,593*** Sent through iAccess Web* → ***24% increase** compared to 2007

Typical questions asked by employers

Q Do I need to report PAs for employees who began receiving long-term income protection (LTIP) benefits after September 1, 2001?

A Yes, you are required to report pension adjustments (PAs) for all employees receiving LTIP benefits.

Even though a plan change removed your requirement to send us contributions for their service while on LTIP, these employees will be receiving a future benefit from our plan for their period on LTIP. The PA is a value related to the future value of a pension and must be reported on a T4.

2008 RECAP, CONTINUED

Continued from page 1

All of that effort translated into increased use of TIM on a daily basis. We have seen the average number of daily sessions increase by 12% to 160.

To help employers work through their day-to-day challenges, our staff provides online support via Instant Messaging (IM). Usage of IM is also up, this year by 19%.

But that's not all. We reduced the amount of documentation coming into our office by fax/email/paper by 75%! How did this happen?

The quick adoption of TIM's correspondence function, released in December 2007, was a big reason. Employers also submitted more than 40,000 issue resolutions (increase of more than 50%), and 30,000 service changes.

FAX/EMAIL/PAPER
↓ 75%!

PRELIMINARY SURVEY RESULTS

We are also excited to see that employers continue to value the service we provide to them.

Overall employer satisfaction with our relationship, communication quality and reporting processes is tracking at an all-time high of 4.7 (maximum of 5). TIM satisfaction is now 4.4 compared to 4.2 in 2007.

We also greatly appreciate your feedback on what we can do better – thanks! The areas you specifically identify will be carefully considered as we plan our goals for 2009.

Partnering with employers to find better data solutions is critical to providing the best service possible to our members. ■

HOW TO REACH US

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Hours
8 am to 5:30 pm, Monday to Friday

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