TEACHERS' PENSION PLAN ONTARIO

PENSION UPDATE

JUNE 2010

Record year for excellence!

Simcoe County DSB earned honours three consecutive years; Hastings and Prince Edward DSB and Rainbow DSB each won their third award. And for the first-time, two web-based reporting employers earned top honours: Royal St. George's College and Greenwood College School.

It appears that our employer group loves a challenge!

Despite the fact that our criteria for excellence was tougher than ever, this year we presented Employer Service Excellence (ESE) awards to five different employers, the most ever! We recently honoured our top-performing employers at our annual recognition event.

"If anyone ever tells you your work isn't important, you tell them otherwise," exclaimed Mila Babic, Director of Employer Information Services before presenting this year's winners with their awards.

"The contributions we collect, and the service information you report, helps long-service members get a benefit that's close to $1,000,000!"

Kelly Giannoccaro of Greenwood College School (left) shared the spotlight with Andrew Whiteley and Sandra Skinner of Royal St. George's College.

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Three cheers for our three-time winners!

Proudly showing off their hardware are (l to r): Mary Fitzpatrick and Jody Levesque from Rainbow DSB; Arlene Dagenais from Hastings and Prince Edward DSB; Joanne Gemus and Shelley Dahmer from Simcoe County DSB.

What's inside: Special insert

Review the upcoming re-employment plan changes and find out the answers to some recently-asked questions

See some of the people who attended our annual employer recognition event, page 3

Rising to the challenge

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Gains in all areas

Pension reporting results improved significantly in 2009.

Almost one-quarter of payroll-based reporting (PBR) employers respond to priority issues in one day or less. In addition, 13 more employers reached the 97% milestone last year—the overall percentage of employees with no data issues, enabling us to process most service requests immediately. Also, incoming data from close to 30% of PBR employers had an error rate of less than 3%!

No news was good news!

Joanne Gemus, Manager of Payroll and Benefit Services at Simcoe County DSB, was worried.

"We didn't hear anything in April so we didn't think we had won anything," said Joanne, pictured below (*left*) with Shelley Dahmer, Payroll Co-ordinator. "I kept checking the website to see if there was any news."

Three's a charm: *The EIS management team (Lorie Bissonette, Greg Carroll, Rita Panici, Catherine Panisales and Mila Babic) congratulates Arlene Dagenais (second from left) of Hastings and Prince Edward DSB.*

Coming up rainbows: *Jody Levesque (left) and Mary Fitzpatrick (right) leave the stage after picking up their ESE award for Rainbow DSB. Nine years ago, Rainbow was the first-ever employer recognized for excellence. They were also honoured last year.*

Great Leaps for Simcoe Muskoka Catholic DSB

Congratulations to Jo-Anne Flood and Pam Mogridge at Simcoe Muskoka Catholic DSB for their huge improvement in two key areas of pension reporting in 2009:

- ✔ **Reduced their response rate to priority issues to one day, an improvement of 7 days from 2008!**
- ✔ **99% of their employees have no data issues, an improvement of 18%!**

In addition, Jo-Anne and Pam continue to complete reconciliation earlier and earlier every year. Great job ladies!

CELEBRATING A YEAR OF SUCCESS

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The team at Simcoe County just keeps doing what has made them a top performer three consecutive years: they use TIM regularly to keep on top of things, always try to reconcile as early as possible, and are always a proactive partner.

One thing made their continued excellence last year even more impressive: they completed an IPPS implementation and conversion and didn't miss a beat!

NOT ONE-HIT WONDERS

Hastings and Prince Edward DSB, and Rainbow DSB have been two of our top performers for the last decade.

The highlight of Hasting's success, who was first honoured for their excellence in 2002, is there commitment to getting things right *before* paying their employees. Arlene Dagenais, Manager of Payroll & Benefits, and her team review reporting discrepancies and send resolutions for all issues in their Work Centre prior to running their payroll.

For Rainbow DSB, our first-ever winners, they are always one of the first employers to complete reconciliation. Like all of the other top-performing employers, Jody Levesque, Payroll Administrator, is a big believer in TIM. She signs in at least twice per week to ensure she stays on top of things.

MAKING HISTORY

"With my retirement around the corner, I wanted to do something

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MEET SOME OF THE TOP EMPLOYERS OF 2009

Manyi Heng, Jackie Wong (Montcrest School), Aurora Fernandez, Ericka Miranda (Toronto and Region Conservation Authority) and Julie

Jennifer Kimball and Sue Heuving of Albert College flank Janet Robinson.

Julie Gray and Kathy Fernell of Upper Canada DSB with Rosita Ng Cheong.

Brad Nordien (Peel DSB), Brett Taylor, Ivan Gojmerac and Milan Petrovic.

2009 EXCELLENCE, CONTINUED FROM PAGE 3

that no one has ever done before—reconcile a year before it was over," explained Andrew Whiteley, Director of Finance and Operations at Royal St. George's College. Sure enough, he closed the college's account on December 19, 2009.

And that was a key reason Andrew became one of the first WBR employers to receive an ESE award.

Sharing the WBR spotlight with Andrew and Sandra Skinner from Royal St. George's College is Kelly Giannoccaro, Vice-Principal, Finance & Operations from Greenwood College School. Kelly consistently achieves all goals and is a very active partner. She regularly comes up with new ways of doing things.

When Andrew reconciled 2009, he phoned Kelly to tell her that he just did something she'll never do. "I never knew you could!," said Kelly. It didn't take her long to catch up as she was one of our first employers to reconcile in January this year.

3 KEY STATS TO EXCELLENCE

- ✔ SAME-DAY RESPONSE RESOLVING PRIORITY ISSUES.
- ✔ 97% OR MORE OF YOUR EMPLOYEES HAVE NO DATA ISSUES.
- ✔ INCOMING DATA HAS LESS THAN 3% ERROR RATE.

VALUABLE PARTNERS

Big or small, PBR or WBR, the one thing all of our winners have in common is their commitment to partnership—they all work extremely closely with their EIS teams and are never afraid to ask questions and propose solutions.

With more than six months left in 2010, there is still lots of time for everyone to roll up their sleeves and focus on the three key stats to reporting excellence. By doing this, you too may become one of our exceptional employers.

Congratulations to all of our 2009 winners!

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HOW TO REACH US

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

E-mail
eisinquiry@otpp.com

Employer Website (TIM)
employers1.otpp.com

Corporate Website
www.otpp.com

Toronto area
416.227.7525

Toll-free
1.866.867.9147

Toronto area
416.730.7807

Toll-free
1.800.949.8208

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.

TEACHERS' PENSION PLAN ONTARIO

PENSION UPDATE

Special Insert: June 2010 (Revised)
Re-employment Plan Changes

Re-employment rules are changing

The Ontario Teachers' Federation (OTF) and the Ontario government recently announced changes to the plan's re-employment provisions. Here's a quick review of the new rules, a reminder about valid resignations, followed by some common Q&As since the announcement.

Summary

- **Expanded definition of re-employed pensioner (September 1, 2010).**
- **Employers to report re-employment service (September 1, 2012).**
- **Single-tier limit of 50 days (September 1, 2012).**

Effective September 1, 2010

Expanded definition of re-employed pensioner

The definition of "re-employed pensioner" will expand to include any work for compensation. Therefore, if you hire a pensioner for either a teaching or non-teaching position, whether done on an employment, self-employment or third-party basis, they will be subject to re-employment rules.

This revised definition will make it clear and eliminate uncertainty as to what is considered re-employment.

Effective September 1, 2012

Employers to report re-employment service

Keeping track of re-employment service will be shared among all parties involved—pensioners, employers and Teachers'. The prospective effective date will enable you to ensure your systems are prepared for this new reporting requirement.

While employers will report all re-employment service, no contribution remittance will be required.

New single-tier limit of 50 days

The limit for re-employment is changing to 50 days per school year throughout a pensioner's retirement. Under current limits, pensioners can work in education for up to 95 days in each of the first three school years in which they return to work. After that, they can work 20 days each school year.

Valid resignations

A valid resignation must occur for a member to be eligible to draw their benefit and before any arrangement to return to employment can be considered.

What makes a resignation valid?

- **Your Board of Trustees has approved the formal resignation and it has been accepted without conditions.**
- **You have paid, or have made arrangements to pay, any retirement gratuity the member is eligible to receive.**
- **Employee benefits associated with the original position have ceased.**
- **Any implications arising from terminating employment are invoked.**
- **The member has no arrangement in place to return to employment in education.**

While employees can return to work before their first pension payment, there must be a valid resignation before they can become re-employed.

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Typical questions asked by employers

Q Do re-employment rules now apply for employment arrangements where pensioners are hired through a third party?

A Re-employment rules have always applied to these types of work arrangements that involved teaching. The expanded definition of "re-employed pensioner" will now include all re-employment, teaching or non-teaching, whether done on an employment, self-employment or third-party basis.

Q What is considered the first year of re-employment where pensioners are hired through a third party?

A If they hadn't previously used any of their three years with a 95-day limit, they will start to count re-employment and have a 95-day limit as of September 1, 2010. Effective September 1, 2012, they will have a 50-day limit.

It's different for pensioners who had already used some of their 95-day limit years before their third-party arrangement. They will have a 95 or 20-day limit, whichever is applicable, until the end of the 2011/12 school year. Beginning in the 2012/13 school year, they will have a 50-day limit.

Q Will pensioners working as school board trustees fall under the new rules?

A No. Since school trustees are publicly-elected, they are providing services for the public rather than an employer who participates in the plan.

Therefore, pensioners working as school trustees do not have to count their service as trustees toward their re-employment limit.

Q When the second set of changes becomes effective on September 1, 2012, do I have to deduct and remit contributions?

A No, you still will not be required to deduct and remit contributions for pensioners. The new requirement only requires you to report the re-employment service.

Q What kind of work counts toward the limit?

A Any services provided for which pensioners are entitled to compensation counts toward the limit. If they work as a volunteer and the position or duty is normally compensated, they and their employer can't forgo payment to circumvent re-employment rules.

Q How do I determine what counts as a day when tracking re-employment?

A Credit accrual is the same for active members and pensioners—determine what constitutes a working day for someone in a specific position and ensure consistent reporting.

Also, be sure to include paid non-working days such as sick days and professional development days when tracking re-employment service.

Q Do pensioners have to do anything differently once the new rules become effective?

A No, their responsibilities will remain the same as they are today:

- Let their employer know they are collecting a pension when they accept a job.
- Track the number of days they work.
- If they work within the limits, no further action is required.
- If they work after the month in which they exceed the limit, notify us. We will suspend their pension for as long as they work, even if they work for only part of a day.