

OCTOBER 2010

NEW WORLD OF ABSENCE REPORTING IS HERE!

It's a new school year, and there's a new way of doing things. Enhanced functionality in TIM coincides with buyback plan changes, including our takeover of pregnancy and parental leave administration.

People want everything instantly these days. Most of the great inventions of our times aim to make everyday tasks more convenient and information more accessible. Think microwave ovens (convenient) and Google (accessible).

In a recent article, Google CEO Eric Schmidt said the next step in technology is the same that it has always been – augmenting humanity to handle information that a human brain couldn't otherwise keep up with, and just make things work.

At Teachers', we also want to “just make things work.” By focusing on improving tools and process efficiency, we can better anticipate our members' needs and provide them with the best service possible.

REACHING THE NEXT LEVEL OF SERVICE

Your employees' pensions can be worth more than their homes. It's an incredibly valuable asset that deserves our attention. We need to do everything possible to ensure

their pension “experience” is a positive one.

“The changes to TIM, along with several member-related processes, are the most significant we have undertaken in years,” exclaims Mila Babic, Director of EIS. “While we are proceeding with great care, a change of this magnitude doesn't happen quickly or easily.”

Continued on page 2

TOP 3 REASONS TO REPORT ABSENCES

1. Update real time. Report absences and verify details in the present, not years later when members decide to purchase. This also helps maximize the interest-free period for your employees.
2. Become more transparent. Employers, members and TPP will all see the same information.
3. Generate customized reports to manage all employee absences.

WHAT'S INSIDE:

Follow the buyback process from start to finish, [page 2](#)

Find out what we're doing to get ready for re-employment changes in 2012, [page 5](#)

Revised insert replaces re-employment insert sent in June



FROM BEGINNING TO END: BUYING BACK AN ABSENCE

Continued from page 1

HELPING US ALONG THE WAY

We never go too far without getting your input.

“Members are fortunate that the team effort between TPP and the Boards is strong,” said Patti MacArthur, Manager of Payroll Services at the Halton Catholic District School Board.

Patti was one of 15 employers that volunteered to spend the day with us for a focus group in July. We shared our client service strategy and previewed the new Absences section in TIM.



In addition to helping ensure we were on the right path with our TIM development, employers provided valuable insight into the current absence trends amongst their employees and the unique challenges they face when it comes to reporting leaves of absence. Two things became very clear:

- **No two payroll systems are alike** – all have different options, which means payroll practices vary from employer to employer.
- **One size does not fit all** – it’s impossible to design systems to capture every unique scenario.

EMPLOYER REPORTS ABSENCE EVENT

- Member is notified of buyback opportunity

NEW REPORTING PROCESS

In the new world of absence reporting, you don’t have to provide your employees with quotes to purchase credit. You simply need to advise your employees that we will contact them directly to provide them with information about purchasing and accruing credit during their absence.

However, you will still need to advise employees that they can continue to contribute while on leave for your own compliance needs under the *Employment Standards Act* (i.e., confirm their rights). This is especially important if you normally match contributions, as your obligation to match member purchases remains the same in the new buyback process.

ADDING ABSENCE EVENTS

As soon as you know that an employee is going to be taking

a leave of absence, go to the Employee Absence Record to provide the details. The sooner you create an absence record, the faster we can provide your employees with all of the information they need to buy back credit for their absence.

Once you’ve reported the event and informed your employee that we will contact them (see page 6), we’ll take it from there. We will provide them with the estimated cost in their iAccess Web Buyback Centre.

The Buyback Centre displays the dates of the upcoming leave, as well as the estimated cost, payment options, tax implications and deadlines. Members can also see the expected benefit to their future pension and the earliest possible date they can retire with an unreduced pension—with and without the purchase.

Continued on page 3

BUYBACK PROCESS BEGINS

- Cost generated
- Information is posted online

MEMBER LOGS ONTO iACCESS WEB

- Sees buyback opportunity
- Obtains more information to help them decide

From a pension reporting perspective, the only time you will need to worry about their absence is when things change. For example, if they plan to extend an absence, or if for some reason the absence didn't occur at all, you will need to update the information in TIM.

WHAT WE'VE LEARNED SO FAR

It's been two months since we launched the new Absences section. The majority of questions we have received so far concern extended leaves and one-day absences.

While most payroll practices treat extended leaves as two separate events, TIM requires you to extend the original absence, not create a new one. Why?

When designing the new buyback process, our goal was to create a seamless experience for our members. For example, when they extend a leave of absence, working with one absence period has financial and tax benefits: it extends the deadline by which they have to complete payment as well

as their tax-free payment period. In addition, when they go to iAccess Web to investigate their buyback options, they will see one absence period in their Buyback Centres, not two.

One-day absences are quite common but don't require the same level of attention from a reporting perspective. Since long-term absences (i.e., greater than 10 days) have a greater

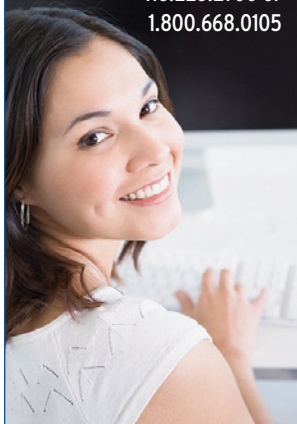
impact on your employees' buyback experience, please make them a higher priority when working in TIM.

"We recognize the reporting challenge for employers and are currently working to find a better solution for extensions and one-day absences," explains Catherine Panisales, Manager in EIS. "We encourage all

Continued on page 4

NOW IS THE TIME, IT'S ALL ONLINE

CLIENT SERVICES
416.226.2700 or
1.800.668.0105



With more processes moving online, including buying back credit for absences, encourage your new hires to register for iAccess Web, our secure member website.

The sooner they become familiar with the website and all it has to offer, the more likely they will be to perform a transaction online.

The fastest way to register is to contact our Client Services department directly. They can be reached at 416.226.2700 or 1.800.668.0105.

MEMBER MAKES PAYMENTS

- Buyback process completed
- Service is added to their record

employers to continue providing feedback on these and any other issues they encounter when using the new tools.”

NEED YOUR FEEDBACK

In the coming months, we will be contacting all of our employers to get feedback on the new absence reporting functionality. We'll also be asking you about the recently released enhancements for service

validation (new issue and expanded resolution page).

Whether it's a phone call or a visit to your office, we want to confirm that the enhancements have delivered the intended benefits to you and your employees.

As we move closer to Whole Data Whole Service, we look forward to getting your perspective and working together to realize the full potential of the new model.

QUICK TIPS

- ✓ **TREAT EXTENDED ABSENCES AS ONE EVENT – CHANGE END DATE OF ORIGINAL LEAVE, DON'T CREATE NEW ABSENCE RECORD.**
- ✓ **FOCUS ON CURRENT ABSENCES GREATER THAN 10 DAYS – REPORTING ABSENCES AS SOON AS YOU KNOW ABOUT THEM GIVES YOUR EMPLOYEES MORE TIME TO CONSIDER PURCHASING WITHIN INTEREST-FREE PERIOD.**
- ✓ **VERIFY ABSENCES – FOCUS ON THOSE “NOT YET” VERIFIED TO HELP RESOLVE ISSUES.**

CHEERS FOR NICOLE ROY!

It didn't take long for you to jump on board.

Within hours of launching the new Absences section in TIM, Nicole Roy of the Conseil scolaire public du grand nord de l'Ontario submitted the first-ever absence event. In the first month, employers reported more than 1,000 absences!

We'd also like to acknowledge the Algoma DSB for going above and beyond. Melanie Robson, Payroll Clerk, has already reported more than 200 absences using the new tool, including those dating back to the 2005/06 school year.

While we encourage employers to focus on reporting current absences, kudos to Melanie for taking the initiative to use the new section to report most of Algoma's absences of the past several years. By being proactive, Algoma's employees will have more information in their Buyback Centres on iAccess Web.

CHECKING IN ON RE-EMPLOYMENT

ONE DOWN, TWO TO GO.

As you know, the Ontario Teachers' Federation (OTF) and Ontario government agreed to several amendments concerning re-employment in education earlier this year. The first of the three amendments, an expanded definition of re-employed pensioner, became effective September 1, 2010.

DOES IT COUNT?

There is always a learning curve when you try new things. Interpreting and implementing the expanded definition for re-employment was no different.

"We continue to receive calls from employers and members requesting clarification of what service counts toward re-employment limits," says Lorie Bissonette, Manager in EIS.

It's important to remember that any work performed directly as your employee counts toward

re-employment limits. Where work is performed through self-employment or a third-party, it may not be as clear. Rather than review each individual member situation, we will ask for your help.

"Our goal is to evaluate, in the most neutral way possible, how employers across Ontario treat a variety of employment positions," adds Lorie. "Your feedback helps us establish whether or not re-employment rules apply."

In the survey, we ask employers if they control the working conditions for the positions: it is a key to determining whether the service counts toward re-employment limits. We continue to monitor the inquiries we receive from both members and employers and when necessary, we will survey school boards to help eliminate ambiguity.

Position	Re-employment?
Software training	Yes
Training teachers/principals on educational programs	Yes
Training, coaching, mentoring principals or supervisory officers	Yes
Marketing	No

OUT WITH THE OLD, IN WITH THE NEW

PLEASE DISCARD THE SPECIAL INSERT THAT WAS INCLUDED WITH THE JUNE 2010 ISSUE OF PENSION UPDATE. WE HAVE REVISED THE Q&A REGARDING SCHOOL TRUSTEES TO CONFIRM THEY ARE EXCLUDED FROM RE-EMPLOYMENT RULES.

GETTING READY FOR 2012

With our survey process firmly in place, we've shifted gears to focus on the final two plan changes: a new 50-day limit and requirement for employers to report re-employment service.

Of the three plan changes, the requirement to report re-employment service has the greatest impact on the way we work today. In addition to preparing your systems to gather and send re-employment service, we need to develop internal processes to receive your information and make it available for members. The plan partners have also requested statistics to help track re-employment trends.

Thanks to the prospective effective date, we have hit the ground running to ensure we are all ready for September 2012. Here's what we've been working on so far:



- **Workshops** – dedicated time to discuss expanded definition and potential reporting challenges.
- **Ontario Association of School Business Officials (OASBO)** – brainstorm session with the Payroll & Benefits Committee held in October with follow-up discussions to be held in November.
- **Designated employers** – we will consult directly with this group of employers to determine future needs/requirements.

NEW WORLD OF ABSENCE REPORTING

QUICK TIPS TO HELP YOU EXPLAIN THE BUYBACK PROCESS TO YOUR EMPLOYEES.

The buyback process has moved online for everyone: you, your employees and Teachers'.

That doesn't mean you still don't have some paperwork at your end.

INFORMATION TO EMPLOYEES

We know that many employers follow a standard protocol when their employees are planning a leave of absence. For many, this includes

a letter reviewing the various things they need to know regarding their absence. This may include how to maintain health and dental coverage, or purchase optional insurance coverage while on leave.

When it comes to pensions, there are only two things you need to tell your employees:

- You will report the absence to us, and

- It's important that they sign-on to iAccess Web (or call Teachers' if they are not registered) for purchase information.

We've come up with some wording that you may wish to drop into any existing letter templates you currently use. Feel free to use whatever you'd like, space permitting.

WORDING SUGGESTION

YOUR PENSION

Now that you've decided to take a leave of absence, don't forget about your pension!

The benefit of 'buying back' an absence is significant, as it allows you to maximize the actual time you have contributed to your pension.

We will inform the Teachers' Pension Plan about your upcoming absence through our regular reporting process. If you are registered for iAccess Web, the

plan's secure member website, you can go online (www.otpp.com) to investigate your buyback options for your leave of absence. If you're not registered, call Teachers' directly at 416-226-2700 or 1-800-668-0105.

Teachers' will provide you with the estimated cost in your iAccess Web Buyback Centre. Go online to review your payment options, tax implications and deadlines.

You can also see the expected benefit to your future pension and the earliest possible date you can retire with an unreduced pension—with and without buying back. Please visit iAccess Web or contact Teachers' directly if you have any additional questions.

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



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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.