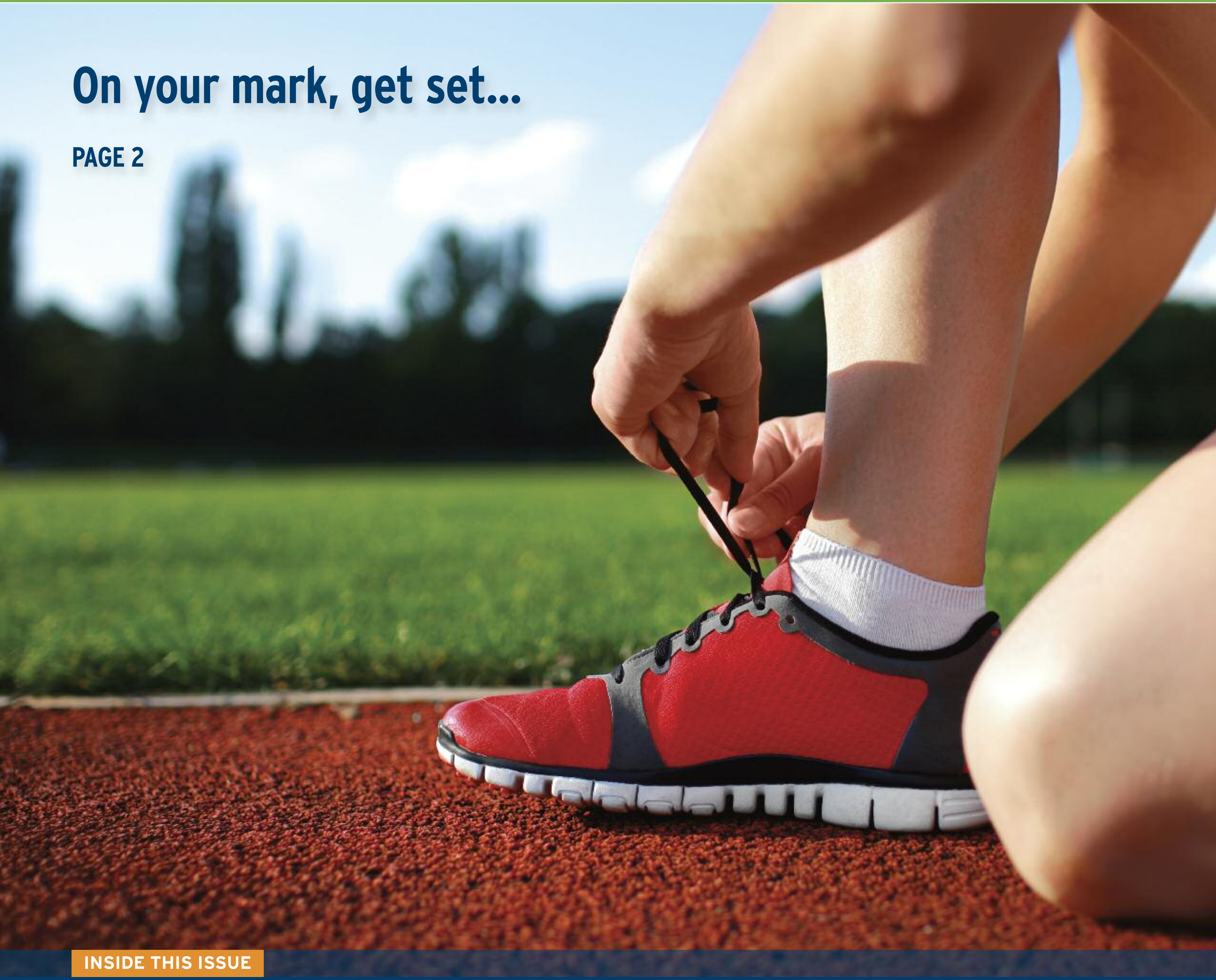
TEACHERS' PENSION PLAN ONTARIO

PENSION UPDATE

INFORMATION FOR EMPLOYERS

MARCH 2012



On your mark, get set...

PAGE 2

INSIDE THIS ISSUE

READY FOR THE REAL THING

Mandatory re-employment reporting is quickly approaching

With another tax season in the books, now is a great time to ensure you are ready for re-employment reporting before it becomes mandatory in September.

Project recap

With the help of eight employers, we have spent the past six months testing the new re-employment reporting system. Over the test period, we received more than 1,100 re-employment records.

Data for more than 85% of our members is reported through the five payroll systems that participated in our pilot project: IPPS.net, Ceridian, SAP, SDS and ROSS. Independent payroll systems will require more extensive testing. Here's a status report on the development and implementation of re-employment reporting:

- Ceridian, SDS and ROSS have successfully completed the test phase. If you use one of these systems, you should contact your system administrator to begin the implementation phase. Please contact us to let us know when you plan to begin sending re-employment service.
- Our three IPPS.net testers have sent us test files and are close to finalizing their preparation for re-employment reporting.
- SAP, used by our French-language school boards, is still working through the development process.

Rest assured that we will delete all re-employment test data we receive between now and September 1. When mandatory re-employment reporting kicks in, all of our controls and processes will be set to handle 50 days of re-employment.

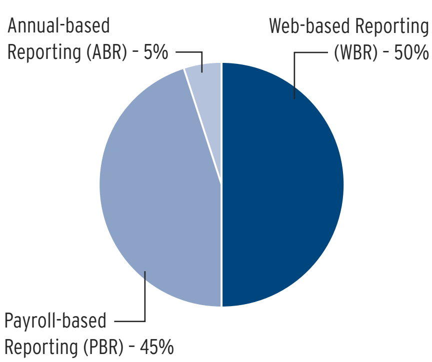
Payroll changes more than just re-employment

When we began developing the new file specification for reporting re-employment service (field position 313), it was a great opportunity to do some additional housekeeping. To improve efficiency, we updated several file specifications to more closely reflect today's world of reporting.

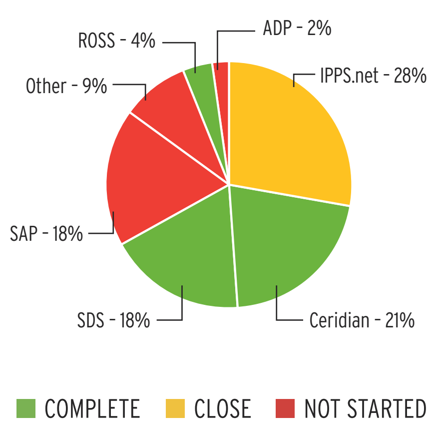
For example, there are now only four events that you can report through your payroll file. While you are preparing your systems and processes for re-employment reporting, it's a good time to incorporate the other minor changes as well.

If you employ pensioners that are not paid from your payroll (e.g., self-employed or hired by a third party), you will need to add re-employment events directly in TIM on an individual basis.

Employer reporting methods:



PBR systems (employer usage):



Important

To complete your certificate of compliance for the 2011/12 school year, you will be required to confirm that you have made all changes necessary (i.e., systems, processes) to begin re-employment reporting in the 2012/13 school year.

Next few months

Getting re-employment reporting up and running for September will be one of our primary focuses for the next few months. Lorie Bissonette, Manager in Employer Information Services (EIS), has been leading the re-employment project and will continue to oversee its progress.

"We want to ensure a smooth transition before re-employment reporting becomes mandatory," says Lorie. "It's important for everyone to practice this new requirement in the months ahead to help avoid any problems in the fall."

If you have any questions or concerns regarding your preparations, please contact Lorie directly. You can also contact Julie Wu, Team Leader in EIS.

Lorie Bissonette
416-730-6327 or 1-877-812-7989, x-6327

Julie Wu
416-730-6576 or 1-877-812-7989, x-6576

FOCUS FOR...

PBR–reporting re-employment events prior to Sept. 1, 2012. Populate field position 313 with a Y or N and provide salary, service credit and rate of pay.

WBR–ensure controls and processes are in place to begin re-employment reporting on Sept. 1, 2012.

As discussions get underway, keep us in mind

Things to keep in mind during contract negotiations

With collective agreements set to expire in August, contract discussions will heat up over the next few months.

From a pension perspective, the government has indicated they want to review pensions to examine the long-term viability of the plan. While we don't have any additional information on what this may mean, we will carefully monitor and share information as it becomes available.

During negotiations

Though you may not have the Teachers' Pension Plan on your mind during collective bargaining, it's critical that you consider the impact these new agreements may have on your employees' pension benefits.

As you look for creative ways to manage your budget and negotiate agreement terms, keep in mind that payments such as perquisites related to employment, expense allowances and benefit credits (i.e., lump-sum payments for non-used benefits) are not pensionable.

NOT SURE?

Please check the employer handbook or contact us if you are unsure of the pensionable status of new compensation arrangements or allowances.

BRIEFLY

New design

To help improve efficiency, we recently redesigned our suite of newsletters. We began with *Pensionwise* for active teachers and then *Pension News* for pensioners. The redesign of *Pension Update* was the final piece of the puzzle.

By reconciling the three different designs into one identity, we save both time and money. We hope you like the new look!

Excellence awards coming soon...

We're pouring over last year's stats and narrowing down the field. Watch your inbox to see who will be recognized for 2011's best pension reporting results.

Work Centre continues to evolve

We recently launched the second phase of our redesigned Work Centre in TIM.

The first phase featured a new approach to managing your work—we took the guessing out by more clearly identifying urgent, priority and outstanding items. The second phase continued that theme: we redesigned the Employee At A Glance page so you can easily identify all of the outstanding work for that employee.

Feedback
Your feedback is always valued and welcome. While we can't incorporate every suggestion, our goal is to make improvements that will benefit as many users as possible.

Online news launched for members

To kick off the new year, we launched an online news section on our corporate website (www.otpp.com).

"Keeping our members informed is a vital part of good service," said Rosemarie McClean, Senior Vice-President, Member Services. "Pension News Online is our way of evolving how members get the information they want and need."

As our members spend more time online, our new page will respond by delivering expanded content with greater frequency than our newsletters. Members will find stories they may not see in print, and features that enhance their news experience. In addition, we'll be refreshing the section with videos, polls, quizzes and other interactive features in the coming months.

If you're interested in checking it out, you can find Pension News Online under the Member Info section at www.otpp.com.

How to reach us

Employer Information Services

Ontario Teachers' Pension Plan

5650 Yonge Street
Toronto, Ontario
M2M 4H5

E-mail
eisinquiry@otpp.com

Employer Website (TIM)
employers1.otpp.com

Corporate Website
www.otpp.com

Phone
Toronto area: 416.227.7525
Toll-free: 1.866.867.9147

Fax
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.