

**ACTION REQUESTED:**  
**Employer support critical**  
**for pension legislation**  
**See enclosed kit**

# Outreach

PUBLIC EMPLOYEES RETIREMENT SYSTEM



## Enhanced employer experience: *Account representatives are employers' one-stop shop*

Employer Outreach has a functional concept to enhance the employer experience when working with OPERS. Each employer has been assigned a specific employer account representative—your single point of contact for questions on all OPERS interactions, including account summaries or billings, issue resolution, retirement contribution and reporting questions, and up-to-the minute change-management information.

### Operational excellence—Value proposition for employers

Personalized expertise is provided by employer account representatives. The employer account representatives are empowered to work through their assigned employers' issues or questions from taking the initial call to communicating the ultimate resolution information. What, exactly, does this mean for employers?

- One call will initiate your resolution—no need to figure out what department will have the information you need.

- We understand the business of pensions can be complicated—you will not be bounced from department to department as you gather the information you need to piece together a solution—your account representative will handle it all.

### Providing individualized

**expertise:** *Who's working with you?*

As an overview, here are the employer account representatives matched to the employer groups each will have the responsibility of serving.



Paul Puccetti	Lisa Rundag	Eric Wilson
County	Cities	Housing Authorities
Hospitals	Libraries	Miscellaneous
State	Villages	Townships
Universities		Transit Authorities

These individuals have an assigned service standard of returned calls from the queue within one business day. They are committed to meeting that standard—let us know how we're doing.

*(Continued on page two)*

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## Enhanced employer experience *(continued)*

### Phone calls queued more efficiently

As part of this enhanced employer experience, the on-hold call technology will be upgraded to provide better service. Virtual-hold technology allows you to enter a prompt for an automatic call back from your dedicated employer account representative—without losing your place in the queue.

This means the never-ending game of voice mail tag can be eliminated—saving you time because a voice mail isn't necessary (and so often a voice mail leaves incomplete information requiring a call back anyway). Opting for the call back will be the most efficient way to reach your account representative because:

- You keep your place in the call line—this is important during times of heavy call volume because voice mails are not necessarily answered as received—voice mails are processed only after all calls in the queue are handled.
- Your call will be routed directly to your account representative's line so that your call back will be from the person who knows you and your organization the best.
- When away from the office during lunch hours, calls will be directed to the account representative's personal voice mail to ensure you know your questions are being addressed in a timely and professional manner.

As part of the service experience, Employer Outreach's call options have changed for the better—meaning you'll get the answers you need quicker. Take a look at the call options below to make sure you're in the know for routing your calls (although you'll also be prompted accurately when you call in). 

## Where does your call go?

### Here's how the new call tree looks when you call the employer-specific call center.

- **Hint:** Remember, using the virtual hold option keeps you in line and saves you time—no wandering.

When you call and insert the first four digits of your employer code when prompted, your call will be routed to your organization's dedicated employer account representative.

- **Hint:** Know your digits.

The wait time for your employer account representative is calculated by the system (instantly analyzing how many are in the queue ahead of you and calculating average call length); when longer than four minutes, you will be offered the virtual hold option.

- **Hint:** Virtual hold saves you time because when you accept virtual hold, you keep your place in line and then receive an automated call back when your employer account representative is available.

Employers who choose to remain on active hold are still in line, but now have tied up their time (and their phone) throughout the on-hold time.

- **Hint:** After a designated wait time, you will be offered the personal voice mail box of your designated account representative—but at this point you will lose your place in the queue—your call will be returned when all in line (virtual or reality) are handled.

Not sure what to do? Virtual hold is always the most efficient way to leave your name and number for a call back.

- **Hint:** If your employer account representative is at lunch or in a meeting, you'll be routed to their personal voice mail box.

## Large earnings project: Proactive outreach, narrower definitions

In March, OPERS launched enhancements for reporting large earnings, meaning reporting contributions for those employees receiving larger-than-normal earnings in a given pay period.

OPERS has always required an explanation for any significant increase in earnable salary. In the past, large earnings inquiries were frequently an issue for employers, resulting in the reporting of employee income for retirement contributions that was not considered to be earnable salary.

Any outstanding large earning inquiry has and will prevent certain actions on your employees' accounts—including blocking refunds and finalization of retirement benefits. Unresolved large earnings inquiries will also cause an incomplete *OPERS Personalized Annual Statement* because it will not include an account value with information that may be inaccurate. An unresolved large earnings inquiry could jeopardize the accuracy of future retirement benefit estimates.

### Changes you'll see

Recognizing the importance of providing accurate information more swiftly, Employer Outreach got to work to smooth out this process. As of March, employers will find the large earnings inquiry process more accurate for OPERS and employers to identify issues—and timelier with enhanced communications processes as issues are resolved.

Here are the changes effective in March:

- Large earnings are now more specifically defined on the basis of a daily wage rate.
- Employers will have the ability to allocate large earnings for up to three different reasons; information will be required up front for each specific reason to help minimize the need to reject employer responses.
- Large earnings responses requiring breakdowns or refunds of unauthorized contributions can be submitted and accepted via an automated system—eliminating time needed for sending paper forms.


Because the new process provides narrower definitions for an automatic review of earnable salary, we anticipate any large earnings questions going forward will be clarified quickly.

### Proactive notification to employers

As part of this process enhancement, OPERS will proactively send an email notification of pending large earnings inquiries to those employers using ECS for online reporting—no longer will employer organizations need to sign on to ECS to learn of an issue (losing important time for resolution). Of course, to do this expeditiously, it's critical for ECS users to ensure they have a valid email address in their ECS profile.

### Moving forward

Based on employer feedback, we believe the changes to the large earnings process will ultimately prove to be positive for employers. As we implement these changes, keep these tips for success in mind:

- We anticipate the number of large earnings inquiries will increase due to the change in the method of using the daily wage rate—however, this method will alert both employers and OPERS to potential issues much quicker than the previous thresholds.
- For a large earning issue to be considered resolved, your responses to large earnings inquiries must be complete and accepted by OPERS.
- Remember to use a *Report of Retirement Contributions—Supplemental*, when appropriate, to avoid large earning inquiries for disability payments, retroactive salary increases, settlement agreements, and OPERS-approved conversion payments. 

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## Employer Resources

### **Employer Compliance Review Program, update on pilot**

Helping employers establish and maintain accurate and compliant retirement contribution processes and records is the main goal of the Employer Compliance Review Program. This is a win-win for you and your employees. Simply put, the program provides a review and a report with operational improvements (if necessary) so that your organization does not encounter out-of-compliance issues that might be extremely costly.

The program was rolled out fourth quarter 2011; since that time, dozens of employer organizations have asked for a review. Because these reviews are time-intensive, this number represents the target we were hoping for in the pilot.

#### **What have we found?**

The results of any Employer Compliance Review cannot be revealed to other employers, but information in aggregate is useful to share as an incentive for additional employers to request a voluntary review. Here are the statistics:

- Approximately 70 percent received an all-clear from the review.
- Nearly 20 percent uncovered inaccurate employee records, meaning employers were erroneously paying retirement contributions on ineligible salary.
- Fewer than 10 percent had significant issues. These are issues for which fines could be assessed and must be reported to the state auditor.

#### **What can we do for you?**

Contact Employer Outreach as soon as possible to schedule your Employer Compliance Review.

#### **Conversion plan reminders**

Conversion plans are the mechanism by which employees convert unused vacation, sick or personal leave into cash. Any employer who intends to withhold retirement contributions from these funds must have the conversion plan reviewed and approved each year by OPERS prior to making the payments and withholding retirement contributions.

It's important employers realize this is an annual approval, with a requested March 31 deadline each year. We know conversion plans are an important incentive for your employees, but retirement contributions on conversion plan payments are governed by very specific laws. Our goal is to keep you compliant with the law. To do so, OPERS must review and approve employer conversion plans—each year. However, please note that OPERS approval is required only if you plan to withhold retirement contributions on the conversion payments.

Non-compliance can mean that your employees are making retirement decisions based on erroneous information—a situation you can avoid for them and your organization when you follow correct procedures.

#### **Look of online accounts has changed**

Effective in March, your employees who are accessing their online accounts have seen a new look. The changes were made to enhance the user experience. However, we ask employers to reassure employees that the account accuracy and integrity has been protected.

#### **Calling all new administrators...**

Many organizations install new administrators during the second quarter of the year. If this sounds like your organization, this message is for you. Employer Outreach offers a variety of training options during the second and third quarters specifically geared to help onboard new administrators. It's always a good idea for any new employee to start off on the right track—encourage any new administrator (or even a seasoned administrator seeking a skills update) to:

- Review the training offerings available through OPERS—either online or one-on-one can be arranged.
- Consider signing up for the Employer Compliance Review Program (see above) to ensure you have a point-in-time accuracy check for procedures.
- Contact Employer Outreach to introduce yourself to your dedicated account representative (see related article on page one).

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**Employers are a significant asset for deploying accurate retirement information to employees and retirees.**

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# Employer Resources

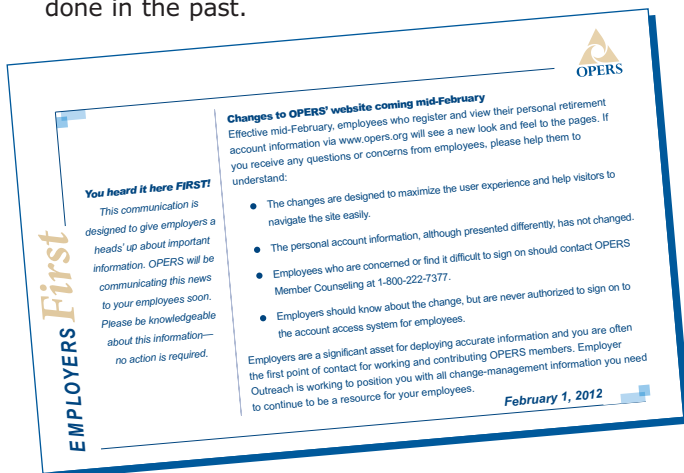
## Connecting with employers—

*Employers First* initiative begun in February

In the coming 24-36 months, OPERS will be making important changes to streamline our business process—ultimately to achieve greater efficiencies and to provide better service. As we evolve, we recognize we need to ensure employers get change-management information slightly ahead of the OPERS member population (your employees). Employers are a significant asset for deploying accurate retirement information to employees and retirees—so we want to position you with accurate, timely information to handle questions—and so the aptly named *Employers First* initiative was conceived.

### What this means to you

To keep employers in the loop, you'll receive quick-hit advance updates so that you are positioned to know what's going on when your employees contact you. Material communicated via the *Employers First* postcards will be informational in nature. As always, when an employer-specific operational change is required, an *Employer Notice* will be issued to ensure the changes required are fully explained—as we have done in the past.



The first *Employers First* communication was sent in February. As with all *Employer Outreach* information, the card was deployed using employer preference—either via U.S. mail or electronically via *Employer Outreach's EDEC* program.

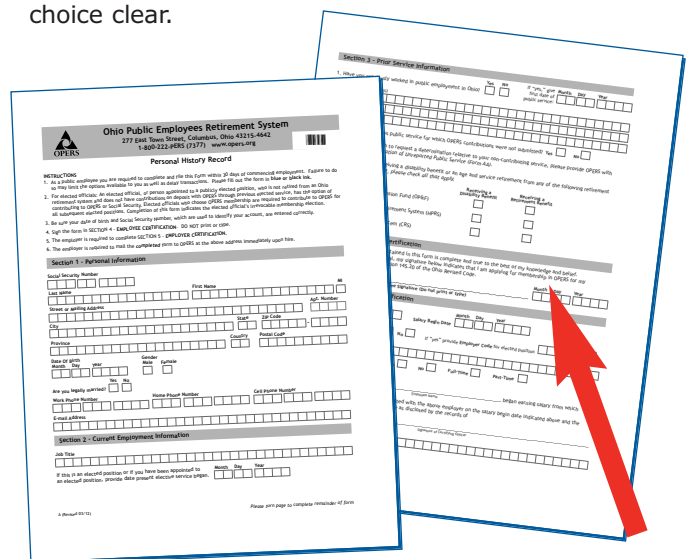
## Clarification on OPERS membership for elected officials

Does your organization have elected officials on its *Report of Retirement Contributions*? If yes, take a moment to review this information to ensure you are compliant.

- If not previously OPERS members, elected officials have the option of making contributions to OPERS.
- Once the elected official either signs the paper *Personal History Record*, (PHR, Form A) or the *Elected Official Membership Letter* indicating application for OPERS membership and the form is sent to OPERS, that choice of membership is irrevocable.

### What this means to employers

Employers must begin to report, withhold and remit retirement contributions for any elected official who activates OPERS membership by signing the PHR or membership letter. Sometimes, the *Personal History Record*, (PHR, Form A) is simply included in all new employee paperwork. Remember, for elected officials, the paper PHR should only be given to the individual for signing if the intent is to choose OPERS membership for the elected position. To help you and your elected officials understand this distinction, OPERS has added language on the paper PHR, Form A to make their choice clear.



Detailed employer information regarding elected official membership can be found on our website, [www.opers.org](http://www.opers.org), under the Employers section, click on the Publications link, then *OPERS Employer Guide: Special Instructions for Elected Officials* link.

## Meet Marianne Steger, Director—Health Care

Marianne Steger speaks employer fluently. In fact, she chose to come to OPERS because she viewed the position of health care director as, “A real opportunity; I’ve worked collaboratively with public employers on keeping health care costs down and quality up for most of my career. It was a natural extension of my work to guide health care for OPERS’ 221,000 public employee retirees and their dependents.”

### Career highlights and education

OPERS’ health care couldn’t be in better hands. Steger has spent her 30-year career in the human resources,



Marianne Steger

public policy, and health care arenas for a number of organizations within the state of Ohio. In addition to her career accomplishments, she has been an active contributor to multiple professional organizations and is now recognized nationally as an expert in public employee benefit and health care plans.

As just one example, she recently served as a voting director for the International Foundation of Employee Benefit Plans (IFEFP). In 2011, she served as the chair of the Public Sector board for the IFEFP.


Steger earned her graduate degree in labor relations at University of Massachusetts, and her undergraduate degree in labor studies at Rutgers University. A believer in ongoing educational growth, she has continued her professional education by earning the Certified Employee Benefits Specialist designation from the Wharton School, University of Pennsylvania in 2006.

### Steger’s style? Open communication and accessible information

Steger has issued an open invitation to all employers to engage in two-way communication with her and the entire OPERS health care team. “Employer groups are a priority for us to engage with in two-way conversation—we want to listen to your concerns and make sure you have all the information you need to help your employees become our retirees.”

She recognizes the overall importance of retirement health care to employers to serve as a drawing card to recruit new talent and to help provide a secure retirement for long-time employees. She notes, “We are mindful that retirement health care decisions will impact employee retirement decisions—and those decisions impact all employers.”

Steger encourages all employers to fully understand how the proposed pension legislation and ongoing health care reform initiatives work together. Only through comprehensive understanding will employers make the right organizational decisions—and be in the position to assist employees to make sound retirement decisions. She urges employers to use every OPERS communication avenue available to become knowledgeable. Steger points out, “While not a guaranteed benefit, we know the importance of health care to retiree financial security. OPERS is committed to developing ways to improve health care delivery, while tackling escalating costs. We really want employers to be aware of and supportive of these OPERS initiatives.”

As always, complete and up-to-the-minute information regarding OPERS’ health care and pending benefit legislation initiatives can be found on the OPERS website, [www.opers.org](http://www.opers.org). 

## Mailbox



**Q:** *As an employer, can I attend an OPERS Education Fair just to determine how best to market the concept within my organization?*

**A:** The short answer is yes. As an OPERS member, you’re welcome to register to attend an Education Fair. As an employer, we would appreciate your assistance encouraging employees to attend an Education Fair as they get closer to retirement.

If you’re scheduling as an employer, please know scheduling system requirements may prevent you from scheduling if you do not meet the necessary thresholds. If you do not personally meet the eligibility requirements but would still like to attend an Education Fair in person, please contact Employer Outreach at 1-888-400-0965. Also, remember that we offer the same presentations as online webinars and those are open to all.

More information including schedules for Education Fairs, webinars and recorded video seminars can be found on the OPERS website at [www.opers.org](http://www.opers.org).

## Info to Go

### Annual statement updates— what every employer should know

Your employees need accurate, timely financial information upon which they can rely to make important retirement decisions. The *OPERS Personalized Statement of Estimated Benefits* is one of your employees' more important resources for personalized retirement financial data. Here's what you need to know about annual statements to help your employees:

**Regarding accuracy:** Did you realize employers directly affect the accuracy and timeliness of their employees' annual statement? ALL employers must realize annual statements will be inaccurate or not issued if:

- Social Security number is incorrect,
- A large earnings inquiry has been posted and remains unresolved, or
- Your account is delinquent.

If you have any of the above issues outstanding, contact Employer Outreach immediately to resolve.

**Regarding personalized data:** Each year, Employer Outreach is contacted by employers and employees about a perceived inaccuracy on a statement. Remember the total salary for 2011 shown on the annual statement may differ from the total salary shown on W-2 forms. Here's why:

- Not all salary is subject to retirement contributions, and
- W-2 forms show all wages paid in 2011, while the OPERS annual statements will only show wages earned during 2011.

**Regarding annual statement delivery:** The annual statement is delivered to your employees on a staggered basis—with the secure online delivery option delivered earliest. Here's the complete schedule:

All annual statements delivered via U.S. mail will be mailed by the end of April:

- Mailings are sorted in batches by home zip code, pension plan type, and other variables.

- Because of the staggered delivery, it is possible that employees who work together will receive their statements at different times; statements are not sorted by employer entity.

### For annual statements delivered electronically:

- These are available to employees who are registered on MBS, and who have chosen to receive statements electronically. Employees will have access to electronic statements in early March.

### GASB updates


The Government Accounting Standards Board (GASB) continues to review and propose changes to accounting standards. Employers are encouraged to review all communication from OPERS regarding any proposed changes and the impact these changes may have on employer entities. While OPERS fully supports changes that enhance the transparency of and full disclosure for public entities to the tax-paying public, changes that may result in less substantive or confusing information will not be supported. As always, OPERS works to continue to be an important employer resource.

### Limit changes for 2012

As a reminder, the compensation and contribution limits for 2012 have changed. Following is a brief review of 2012 limits, more detailed information is provided on the *Employer Notice* posted December 9, 2011. The notice is archived on the OPERS website.

Compensation limit defines the amount beyond which no further retirement contributions may be deducted from an employee's earnable salary for a given year.

The compensation limits for 2012 are:

- \$250,000 for employees or elected officials establishing OPERS membership on or after January 1, 1994.
- \$375,000 for employees or elected officials establishing OPERS membership prior to January 1, 1994. 

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 for pension legislation  
 See enclosed kit

## OPERS' Board of Trustees—dedication, service, commitment

OPERS is governed by an 11-member Board. The Board is ultimately responsible for the administration and management of all OPERS activities, including oversight of investment activities. All Board members serve dual positions on OPERS' Board of Trustees and the Ohio Deferred Compensation's Board of Trustees—this is important to note because the time commitment for Board members is considerable, a minimum of two days every month. There is no compensation for serving on the OPERS Board of Trustees. However, expenses incurred while serving the System are reimbursed.



**2012 OPERS Board of Trustees**

*Seated front row:* John W. Maurer, Helen Youngblood, James Tilling

*Second row:* Sharon Downs, Charlie Adkins, Lennie Wyatt, Matthew Schulz, Ken Thomas, Chair, Kimberly Russell, Robert Blair, Cinthia Sledz, Vice Chair

OPERS' Board of Trustees has an impressive tradition of service, diligently guiding OPERS throughout its history.

Year in and year out, this group meets monthly and has exhibited vision, wisdom and leadership in steering OPERS through times of economic growth and times of economic challenge. No one can predict the future, but agreed-upon wisdom indicates the challenges ahead will require those serving on the OPERS Board to continue this outstanding tradition—clearly, the important work of this Board will continue to grow in significance.

### **Employees and employers have representation**

All contributing members, your employees, and retirees have a voice in the System's governance.

Here's how: The Board is made up of two retiree representatives and five individuals who are elected by the specific employee group each represents.

Employee groups are:

- College/university employees,
- State employees,
- Miscellaneous employees,
- County employees, and
- Municipal employees.

The Board is completed by three individuals with investment expertise who are appointed by Ohio's governor, treasurer, and jointly by the Ohio Legislature. The director of the Ohio Department of Administrative Services serves on the Board as a function of office.

### **Changing face of the Board**

Although 2012 is not an election year for the OPERS Board of Trustees, the face of the Board will be changing. This year, two of the three appointed members of the Board have an expiring term of office. Lennie Wyatt's term ends in September and James Tilling's term will end in November. Their input has been invaluable to the System during their years of service—years hallmarked by significant change and economic challenge. Their unwavering dedication—as with all members of the Board—is recognized and deeply appreciated. ▲