Talk to us: Feedback from employer focus groups

Two employer focus groups were conducted in July, gathering employer input on two topics: Electronic Distribution of Employer Communications (EDEC) and online forms. For the EDEC topic, additional phone surveys were conducted to augment the focus group data.

Both EDEC and online forms projects were rolled out to employers during 2007. In an effort to increase employer participation, these projects were selected as the topics to get additional, valuable, employer input. With employer feedback, additional marketing communication strategies can be developed so that those employers who are interested in the projects can sign up and participate. Here are the highlights:

Regarding EDEC:

- *Are you aware of this program?*
  Yes 47%   No 42%

- *If aware, how did you find out about it?*

Employer Outreach newsletter	17%
Employer Notice	3%
Word of mouth from another employer	3%
Don't know	7%

- *Which advantages are important to you:*

Eco-friendly	47%
Quicker distribution internally	40%
Easy archiving	38%
Faster distribution	31%

  Other captured comments:
  – EDEC would provide for smoother transition when others take this job
  – U.S. mail is unreliable
  – Gets to the right people quicker
  – Saves postage and paper
  – Can choose to internally send only pertinent information

Specific reservations about EDEC

Of special interest to Employer Reporting were the specific reservations employers voiced. Here are some of those reservations, with the Employer Reporting response:

- *Fear of increased frequency of communications*
  Employer Reporting stands by its original commitment to you; we send only necessary, employer-specific communications.

- *Concern that critical information will be missed; priority banner requested*
  If there is a critical, time-sensitive communication, electronic distribution is your best bet—no printing and mailing delays. That being said, the idea for an urgent banner for electronic distribution is a good one. We'll convert the paper *Urgent Employer Notice* to be used as necessary. If there is something you need to open right away, you'll know.

Regarding online forms

More than 75% of participating employers were aware of the online forms projects. Here are the most-often voiced concerns and the Employer Reporting response:

- *Personal History Record (PHR) is just not convenient enough. Some data needs to be data entered twice: once for our system, then again for OPERS.*
  Some employers are solving the double-input problem by working with their IT group to create a file from their human resources system that includes the required PHR data. That file can then be transmitted automatically to OPERS via the ECS system. This eliminates the problem of having to re-input data. We'll

work with any employer to help make this happen, just contact your Employer Outreach representative.

- *Heard a lot about the launch, but nothing about how to actually use it.*
  We understand. You can expect more information about which forms are available, and how to use them, as well as regional ECS demos in the coming months. In the mean time, contact Employer Outreach and we'll be happy to walk you through the process. We think you'll like the PHR online option…especially with the information about signatures (below).

What about signatures?

When using electronic forms, your signature is not required. The agreement you signed at the initial ECS registration provides for authentication of your signature electronically each time you submit data to OPERS via ECS.

Large vs. Small: Employer needs are different

Employer Reporting has a goal of building a working partnership with all employers—but we recognize that different employers have different needs. Bear in mind that Employer Reporting works with more than 3,200 employer entities and the diversity within that group is amazing.

Employers are divided into two groups: large (more than 500 employees), and small (fewer than 500 employees). These employer groups are vastly different with distinct personalities, skill sets and defined needs. Between the groups and within the groups, Employer Reporting works to treat each employer individually, while answering the needs of all.

As an overview, it's important to understand that each month 3,200 employers report for more than 350,000 active contributors, your employees. (In addition, OPERS manages 160,000 inactive accounts and provides benefits for 140,000 retirees.)

Interestingly, there are more small employers (2,600) but they process fewer employees (52,000). The large employers are fewer in number (600), but they process the bulk of employees (298,000).

With those figures in mind, let's look at the incredible spectrum of the employer audience —from large to small.

The long…
It may be that our best-known employer is The Ohio State University. With more than 20,000 employees who contribute to OPERS, OSU exemplifies the large employer profile. Employees of large employers who handle all things related to OPERS tend to:

- Be highly specialized, resulting in in-depth knowledge about their jobs,

- Prefer electronic communications and electronic processing of reports, enabling them to work more efficiently to…

- Process large reports each month (so investing in technology gives large employers economies-of-scale savings).

…and the short of it

Many of you don't know about Orange Township, Delaware County, just outside of Columbus. With 35 employees, Orange Township typifies the profile of the small employer. Small employers will frequently have:

- One person (sometimes a part-time person) to handle all aspects of reporting, payroll, finance and all the document processing that comes with those functions,

The Ohio State University—20,000 employees reported each month

- Indicated a preference for paper reporting and print communications,

- Fewer employees to report each month.

Tomato, tomahto
Although different in many ways, there are some similarities that appear to be universal.

Employers, large and small:

- Care about their employees,

- Recognize that a secure retirement is an important benefit,

- Are governed by the same codes, laws, legislation, deadlines, and

- All must process the same OPERS forms and handle the same responsibilities.

Keeping in mind the different needs of employers, Employer Reporting constantly looks for communication methods and reporting vehicles that will allow all employers—no matter how large or small—to handle contribution reporting effectively, efficiently and accurately.

The original Orange Township Hall—35 employees reported each month

Accurate *Personal History Record* is critical

Accurate completion and timely filing of required forms is always important. However, an inaccurate *Personal History Record* (PHR or form A) may cause delays that could make a critical difference in your employee's decision in selecting an OPERS retirement plan.

The PHR is significant because it triggers the mailing of the OPERS *Retirement Plan Selection Kit.* This kit contains important information that will help your employees make essential decisions about their financial future in terms of their choice of OPERS retirement plans.

A closer look
Here are some critical errors and how each error could penalize your employee:

- **Critical error: No *Personal History Record* sent for a new employee.**

   Result: Receiving the completed PHR at OPERS is the action that triggers the mailing of the *Retirement Plan Selection Kit* to the new employee. This kit has important information to help employees make an informed decision about which retirement plan to select. Therefore, please remember: No PHR = no kit = no information = no initial plan selection decision.

- **Critical error: Late submission of PHR (more than 30 days from the date of hire).**

   Result: If the PHR is sent several weeks after a person is hired, it reduces the amount of time an employee has to make the important retirement plan

decision. The PHR is due at OPERS within 30 days of the date of hire. The sooner the PHR is sent in, the more time an employee has to consider options.

- **Critical error: PHR is received, but has inaccurate or missing address.**

   Result: OPERS can't send a *Retirement Plan Selection Kit* without an address, meaning your employee may not be aware of the opportunity to learn about making a retirement plan selection.

- **Critical error: Inaccurate information**

   Result: Accuracy in all information is important, but here's a specific example of what can happen if the information in the First Date Salary Earned field is inaccurate. This date should reflect the first day worked and earning pay. The information entered in the First Date Salary Earned field becomes the exact date from which the employee's 180-day clock starts ticking. That's the time available for a new employee to review the three retirement plans, discuss the information with family or their financial advisors, and then make an informed selection. If a plan selection is not made on or before the 180th day, the employee is automatically defaulted to the Traditional Pension Plan.

At that time the employee still has three different opportunities to switch plans:

When PHR is submitted electronically, no signatures are necessary.

- Prior to reaching five years of service credit,

- After five years, but with less than 10 years of total service credit, and

- After reaching 10 years of total service credit.

However, making the right choice initially is important as plan changes may be subject to certain restrictions.

Online solution available
All employers are encouraged to take advantage of tools available to make the filing of the PHR easier and more efficient —the PHR can now be accessed and completed online via the Employer Contribution System (ECS). Online filing of the PHR is secure and efficient—and will help ensure your employees have the information and time they need to make the right pension plan choice for their personal circumstances.

Talk to us: Feedback from employer focus groups

In addition, Employer Reporting will get the necessary employee signature. We'll send a letter directly to newly hired employees when we receive the electronic PHR. This letter requests the employee to complete the personal information that was formerly captured on the paper PHR by your employee.

You're invited
Because employer input is critical, additional focus groups are slated in 2008. We encourage you to participate if you receive an invitation. Your thoughts, concerns and input are important to us—and with your feedback, we can make the changes necessary to make services more valuable to you.

Info to Go

Outdated forms?

Some of the forms required at OPERS, especially those used by employers, can change frequently due to technology upgrades or legislated requirements. Using old or outdated forms can lead to annoying delays for you, for OPERS, and for your employees.

Remember…the OPERS Web site will always have the most up-to-date forms posted online, ready for you to download and use.

Some forms can be accessed and completed online—you don't even need to print. Forms available for online completion include

the *Personal History Record* (PHR or form A) and some ARP forms.

So, whether you're downloading or accessing online, visit the OPERS Web site at **www.opers.org** to ensure you're using the most recently available form. This quick check will save you time in the long run by avoiding delays, repeated work and having to resubmit forms.

Online survey for Web site—input requested

From October 1 through the end of December, employers are encouraged to participate in the online Web Site Satisfaction Survey. OPERS wants your assessment of the re-designed Web

site so that we can further refine the site to meet your needs. When you sign on, simply follow the prompts to give us your opinions.

Pick-up plan resolutions

As a reminder, OPERS is requiring that all employers who offer pick-up of tax-deferred contributions must have their pick-up resolutions reviewed by OPERS. This project must be completed by January 1, 2009; the date by which the Internal Revenue Service (IRS) requires compliance. Employer Reporting has established a calendar for review by employer type.

The first group to be reviewed was townships. Any township that offers tax-deferred employee contributions should have submitted its pick-up resolution by August 1.

The next employer group on the schedule is villages. Any village that offers tax-deferred employee contributions must submit its pick-up resolution no later than October 1, 2007.

Service purchase reporting changes roll out

All employers were sent the *Service Purchase Reporting Kit* in July. We urge you to remember these important implementation dates:

• August: July's *Report of Service Purchase Deductions* should have been submitted on the new form.

• November: ECS available for electronic submission of *Report of Service Purchase Deductions* via data entry or file transfer.

• First Quarter 2008: Test site open for ECS-reporting employers to submit test files in the required format.

All ECS-reporting employers will be required to submit *Reports of Service Purchase Deductions* electronically via ECS. (More details to follow).

# Announcing: A new resource to help your employees select the right retirement plan

How to Select Your OPERS Retirement Plan, a one-hour, interactive, Internet-based seminar is available to your employees until December 1, 2007.

OPERS has created this free Internet-based seminar to complement the information found in the selection kit. Targeted to newly hired employees, this interactive seminar provides the opportunity for participants to ask questions.

Action requested
An employee-oriented email announcement has been produced that's a simple turnkey action for employers.

- Simply contact your Employer Outreach representative to request the email announcement.
- When you receive the Internet seminar information, forward it to employees who have been hired within the last five months. Then,
- Archive the file so that…
- On an ongoing basis, you can forward the information to new employees within one week of their hire—until December 1, 2007.
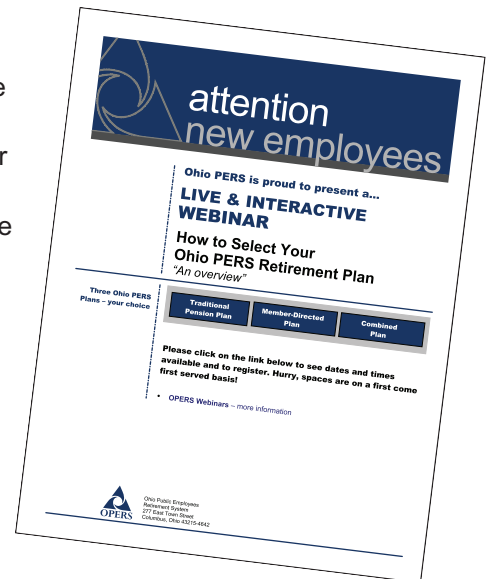
On-site Seminars

High price of popularity: Group Education provides on-site seminars

It seems OPERS is in the position of having too many dates to the dance. In other words, as much as we would like to, we simply cannot accommodate every request received to provide speakers for retirement education seminars, benefit fairs and presentations.

Improving the odds
The OPERS Group Education office really wants to accommodate every employer's request. However, with more than 3,200 employers requesting seminars, there are some constraints on our resources—especially in the time frame requested.

Here are some tips to improve your odds of getting the exact date you want:

Time, time, time
It's a simple equation—the more advanced notice you can give Group Education—the better the chances are of getting the date you want.

- If you're looking for an OPERS representative to be a speaker for a general presentation or to staff a booth at a benefit fair, a 60-day notice greatly enhances your odds of making sure that happens.

- If you're looking for an OPERS-sponsored, full-day, on-site seminar such as the very popular PLAN (for mid-career employees), RAP (for those within five years of retiring) or the half-day Retirement Readiness (for those within 18 months of retiring), we're requesting you give OPERS a six-month window and ensure attendance of 45.

Options, options, options
As with anything in life, having options that everyone can live with makes things go more smoothly. To that end:

- When you submit a request, make sure you give us the choice of a few different dates.

- When possible, aim for scheduling your on-site program during the middle of the week (Tuesday-Thursday). The subject-matter experts who come to your worksite for presentations are also the professionals who handle one-on-one counseling. Typically, Mondays and Fridays are the most popular days for individual appointments.

No one understands the importance of a well-planned retirement better than the Group Education unit. They want to help you—and your employees. For further information about each of the available seminars, how to help employees schedule an individual counseling session or to find out more about the services offered through the OPERS Group Education group, call the Group Education office at 1-800-222-7377.

Employer Spotlight: *Where in the world is...*

The season of fall represents back-to-school for many Ohio homes and some Ohio public employers. This quarter's spotlight shines on the 24 institutions of higher learning represented in the ranks of OPERS-contributing employers.

Non-teaching employees as well as students who are enrolled in classes and working for one of these institutions are eligible for membership in OPERS. Although not teachers, these are the administrators and staff who handle all aspects of the business of education and who ensure the facilities and grounds are conducive to the learning process.

Number of college and university employees who are OPERS members: Approximately 53,000.

Membership to OPERS for non-teaching employees available since: 1935

Where in the world are the 24?

Most people are surprised that Ohio has 24 state-assisted institutions of higher learning. *How many can you name?*

Medical College of Ohio at Toledo

Cleveland State University

Cuyahoga County Community College

University of Akron

Kent State University

Bowling Green State University

University of Toledo

James A. Rhodes State College

Lorain County Community College

Northeastern Ohio Universities Colleges of Medicine and Pharmacy

Edison State College

Youngstown State University

Central State University

Stark State Technical Institute

Sinclair Community College

Central Ohio Technical College

Wright State University

The Ohio State University

Miami University

University of Cincinnati

Southern State Community College

Shawnee State University

Rio Grande Community College

Ohio University

Focus: Online forms star employee

Edwin Gabriel

Since June, Edwin Gabriel, principal clerk for the city of Cleveland, has processed employees' *Personal History Records* (PHR) using the online service. In that time, due to the processing of seasonal employees, he's submitted 423 PHRs. With these numbers, he's clearly an expert on the topic of online processing of the PHR.

His reaction to the online submission of forms service? "I like it; it's easy; and it saves time. Online submission of the PHR eliminates a lot of work and the need for my signature. I'm busy, and I know others are busy as well, so the time saved by handling a PHR more efficiently can easily be used elsewhere."

Final thought for employers considering submitting PHRs online? Gabriel advises, "Just do it."

Employer Honor Roll

EDEC as of Sepetmber 2007

Here's a list of employers who signed up for the Electronic Distribution of Employer Communications (EDEC) program. We urge you to make sure your organization is on this list…perhaps as soon as the next quarter?

Cleveland Law Library
City of Middletown
Butler Metropolitan Housing Authority
Village of East Sparta
Village of Middleport Meigs County
Clark County Public Library
Ohio Lottery Commission
State Teachers Retirement System
Kent State University
Auglaize County
Huron County
City of Delphos
City of Sandusky
Greene Metropolitan Housing Authority
Morgan Metropolitan Housing Authority
Know Metropolitan Housing Authority
Village of Amelia Clermont County
Village of Brewster Stark County

Village of Minerva Park
Village of Mt Pleasant Jefferson Co
Village of Sunbury Delaware County
City of Union
Village of Waynesville Warren County
Village of West Salem Wayne County
Bellevue Public Library
Fairport Public Library
Findlay-Hancock County Public Library
Marion Public Library
Minerva Public Library
New Madison Public Library
Plain City School Dist Library
Criminal Justice Coordinating Council
PleasantTwp Fairfield County
Deer Creek Twp Madison County
Marion Twp Marion County
Green Twp Shelby County

Union Twp Union County
Marseilles Two Wyandot County
Department of Aging
Shelby County
City of Centerville
City of Englewood
Village of Greenhills
City of Ravenna
City of St Bernard
City of Westerville
City of Willard
Village of Convoy Van Wert County
Village of Fort Shawnee Allen County
Village of Forest Hardin County
Village of Jackson Center Shelby County
Village of McConnelsville Morgan Co
Village of Potsdam Miami Co

Village of North Perry Lake Co
Village of Pandora
Village of Patterson Hardin County
Village of Perry Lake Co
Village of Rio Grande Gallia Co
Village of St Henry Mercer Co
Pickaway County Public Library
Mechanicsburg Public Library
Rocky River Public Library
Perry Area Recreation Board
Perry Joint First District
St Mary's Twp Auglaize County
Jackson Twp Clermont County
Ohio Twp Clermont County
Pike Twp Madison County
Concord Twp Miami County
Lake Twp Stark County

✉ Mailbox

Q: I work at a university. I understand how to process the mitigating rate for those who choose an Alternative Retirement Plan (ARP), but I'm finding that employees don't really know about the mitigating rate. What should I do?

By law, it is the employer's responsibility to inform their employees about the mitigating rate (currently set at 0.54% for state employers). The mitigating rate is a portion of the employer's retirement contribution that goes to OPERS. It's assessed to help defray the costs of administering a pension system available to all public employees— even if they choose another retirement option. In the interest of full disclosure to your employees, information about the mitigating rate should be included in the ARP materials you distribute to your new hires and newly eligible ARP participants.

Q: Many of my seasonal employees are returning to school this month; do I need to notify OPERS?

This is an extremely important question. Employers need to remember to terminate seasonal employees using Pay Period End codes (PPE) with their last reported contribution to OPERS upon their departure. In the past, it was acceptable to assume employees would return next season and process them accordingly. However, this assumption should not be made and the employer should submit the correct PPE code that indicates to OPERS the employee's seasonal employment has ended.

Q: I'm a new employee. There's a lot to learn and the person who had this job before me didn't keep very good records. How do I catch up?

No one likes the position of being behind. Employer Outreach has a variety of options to help:

• One-on-one training is available to you. Simply call Employer Outreach at 1-888-400-0965 and set up a time that's good for you. This isn't a one-shot deal; if you need more help, we will meet with you again.

• Once you're trained on the basics, try to sign up for as many monthly seminars as you can. These will keep you current in our ever-changing atmosphere. The seminars available through the end of the year are posted on the OPERS Web site, where you'll find topics, locations and registration information. Sign on at **www.opers.org** and follow the prompts through the employer section.

• Don't forget the *Employer Manual* that's available as a reference tool, if you need a quick answer. The manual should be available at your work site. If you don't have a hard copy available, the most recent iteration, complete with all up-to-date revisions, is also posted online at **www.opers.org.**

This newsletter is written in plain language for use by public employers who are subject to coverage under the Ohio Public Employees Retirement System. It is not intended as a substitute for the federal or state law, namely the Ohio Revised Code, the Ohio Administrative Code, or the Internal Revenue Code, nor will its interpretation prevail should a conflict arise between it and the Ohio Revised Code, Ohio Administrative Code, or Internal Revenue Code. Rules governing the retirement system are subject to change periodically either by statute of the Ohio General Assembly, regulation of the Ohio Public Employees Retirement Board, or regulation of the Internal Revenue Code. If you have questions about this material, please contact the Employer Outreach Office at 888-400-0965, or seek legal advice from your attorney.