

**Defined Benefit Administration
Benchmarking Analysis**
Fiscal Year 2015

**WISCONSIN EMPLOYEE TRUST
FUNDS**

Final Report - March 24, 2016

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How you can use CEM's pension administration benchmarking service:

- Measure and manage costs. Understand the factors influencing cost with a detailed peer analysis of your:
 - Staff costs
 - Transaction volumes
 - Productivity
- Measure and manage service. An analysis of over 120 key performance metrics that compares:
 - Your service levels relative to your peers
 - Service areas to improve or reduce
- Gain insights into current research on pension administration best practices and trends through CEM's *Insights*. Research publications in 2016 will review trends in pension funds usage of social media.
- Network with your peers at CEM's annual Global Pension Administration Conference to share best practices in pension administration.
- Access to CEM's online peer network for research and current issues in pension administration.
- Benchmarking cost and service performance is critical because "*What gets measured, gets managed*".

72 leading global pension systems participate in the benchmarking service.

Participants

United States

Arizona SRS
 CalPERS
 CalSTRS
 Colorado PERA
 Delaware PERS
 Florida RS
 Idaho PERS
 Illinois MRF
 Indiana PRS
 Iowa PERS
 Kentucky RS
 KPERS
 LACERA
 Michigan ORS
 MOSERS
 NYC TRS
 NYSLRS
 Ohio PERS
 Ohio SERS
 Oregon PERS
 Pennsylvania PSERS
 South Dakota RS
 STRS Ohio

TRS Illinois
 TRS Louisiana
 TRS of Texas
 Utah RS
 Virginia RS
 Washington State DRS
 Wisconsin DETF

The Netherlands

ABN Amro Pensioenfond
 ABP
 bpfBOUW
 Pensioenfond Metaal en Techniek
 Pensioenfond van de Metalektro
 PFZW
 Rabobank Pensioenfond
 St. Algemeen Pensioenfond KLM

South Africa

South Africa GEPF

Canada

APS
 BC Pension Corporation
 Defence Canada
 FPSPP
 HOOPP
 LAPP
 OMERS
 Ontario Pension Board
 Ontario Teachers
 OPTrust
 RCMP
 RRQ
 Saskatchewan HEPP

Scandinavia

Alecta
 ATP

United Arab Emirates

Abu Dhabi RPB

Australia*

BUSS(Q)
 CBUS
 First State Super
 HESTA
 QSuper
 REST
 SunSuper
 VicSuper

United Kingdom*

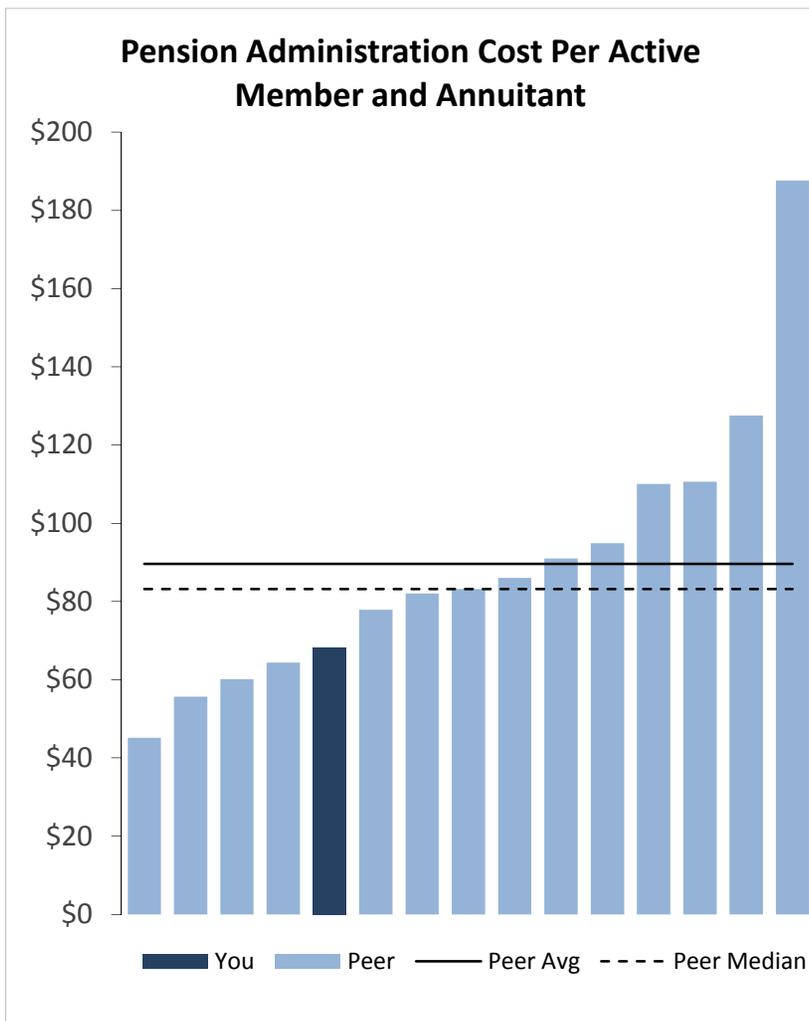
Armed Forces Pension Schemes
 BAE Systems
 National Grid
 Principal Civil Service Pension Scheme
 Pension Protection Fund
 Railway Pensions
 Scottish Public Pension Agency
 Teachers' Pensions Scheme
 Universities Superannuation Scheme

* Systems in Australia and the UK complete different benchmarking surveys and hence your analysis does not include their results.

The custom peer group for Wisconsin DETF consists of the following 15 peers:

Custom Peer Group for Wisconsin DETF			
Peers (sorted by size)	Membership (in 000's)		
	Active Members	Annuitants	Total
NYSLRS	523	430	953
CalSTRS	429	281	711
Ohio PERS	346	201	547
Virginia RS	341	185	525
Michigan ORS	233	255	488
Pennsylvania PSERS	256	220	476
Washington State DRS	301	165	466
Wisconsin DETF	257	186	443
Indiana PRS	257	138	395
STRS Ohio	207	160	366
Colorado PERA	234	107	341
Arizona SRS	203	136	339
Oregon PERS	165	135	299
Illinois MRF	174	112	286
Iowa PERS	167	111	279
Peer Median	256	165	443
Peer Average	273	188	461

Your total pension administration cost was \$68 per active member and annuitant. This was \$21¹ below the peer average of \$90.



Category	\$ per Active Member and Annuitant			\$000s
	You	Peer Avg	Peer Med	
Member Transactions	9	13	11	3,797
Member Communication	14	16	14	6,359
Collections and Data Maintenance	4	7	5	1,762
Governance and Financial Control	7	6	6	2,936
Major Projects	13	8	7	5,877
Information Technology	13	24	20	5,689
Support Services and Other	9	17	15	3,794
Total Pension Administration	68	90	83	30,214

Your total pension administration cost was \$30.2 million. This excludes the fully-attributed cost of administering healthcare, and optional and third-party administered benefits of \$7.5 million.

¹The minor differences are due to rounding.

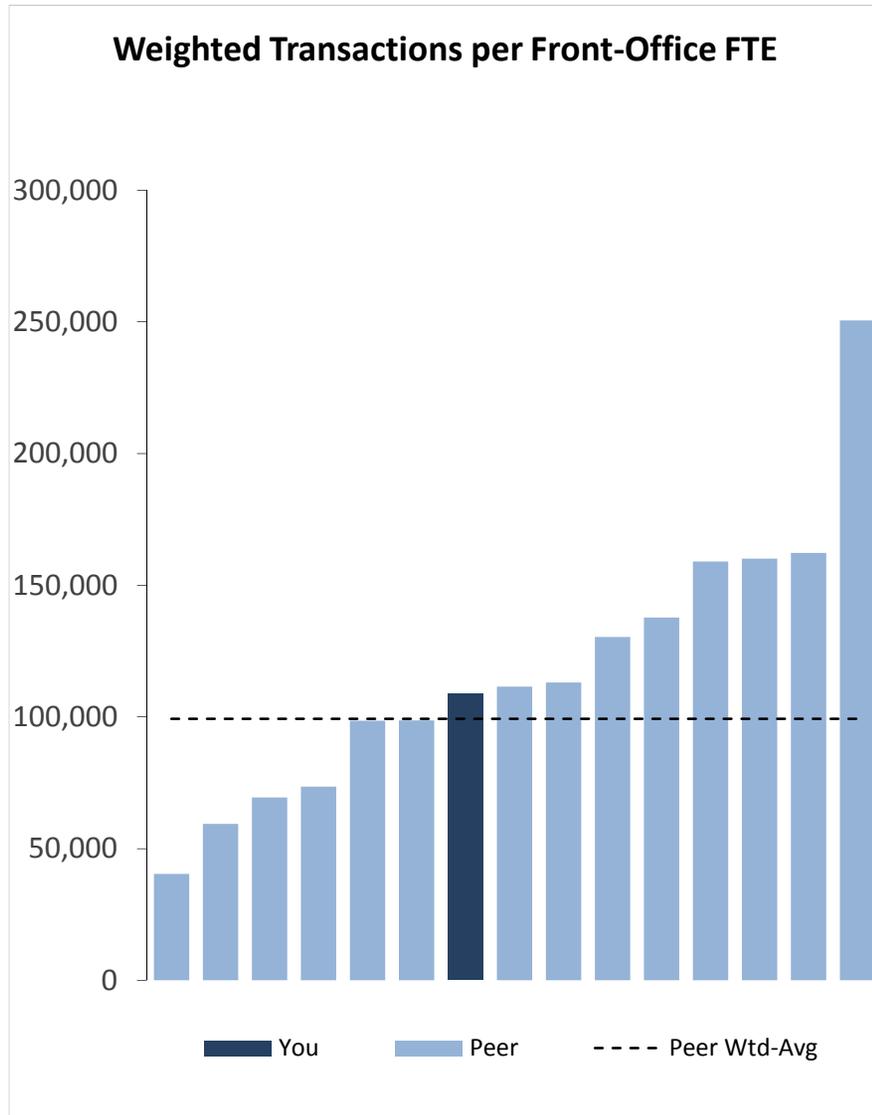
Reasons why your total cost was \$21 below the peer average.

Reason	Impact
1. Economies of scale	-\$0.69
2. Lower transactions per member (workloads)	-\$0.59
3. Higher transactions per FTE (productivity)	-\$2.89
4. Lower costs per FTE for: salaries and benefits, building and utilities, HR and IT desktop	-\$13.44
5. Lower third-party and other costs in front-office activities	-\$3.27
6. Paying more/-less for back-office activities ¹ :	
- Governance and Financial Control	\$2.39
- Major Projects	\$7.22
- IT Strategy, Database, Applications (excl. major projects)	-\$6.08
- Actuarial, Legal, Audit, Other Support Services	-\$4.06
Total	-\$21.42

¹ To avoid double counting, back office costs are adjusted for economies of scale and cost per FTE for: salaries, benefits, building, utilities, IT desktop and human resources. These figures will, therefore, not match the unadjusted back office cost differences on the previous page.

The following pages detail the key reasons why your cost are different from peers.

You had higher transactions per FTE (total productivity).



- Your transactions per front-office FTE were 9% above the peer average.
- Your higher transaction volumes per FTE decreased your total cost per member by \$2.89 relative to the peer average.

You had lower costs per FTE for: salaries and benefits, IT desktop, networks and telecom, building and utilities, and human resources.

Cost per FTE			
	You	Peer Avg	FTE-Wtd Peer Avg
Salaries and Benefits	\$73,107	\$89,386	\$89,790
Building and Utilities	\$6,642	\$9,685	\$9,926
Human Resources	\$2,949	\$3,063	\$3,216
IT Desktop, Networks, Telecom	\$10,430	\$14,161	\$13,964
Total	\$93,127	\$116,296	\$116,896

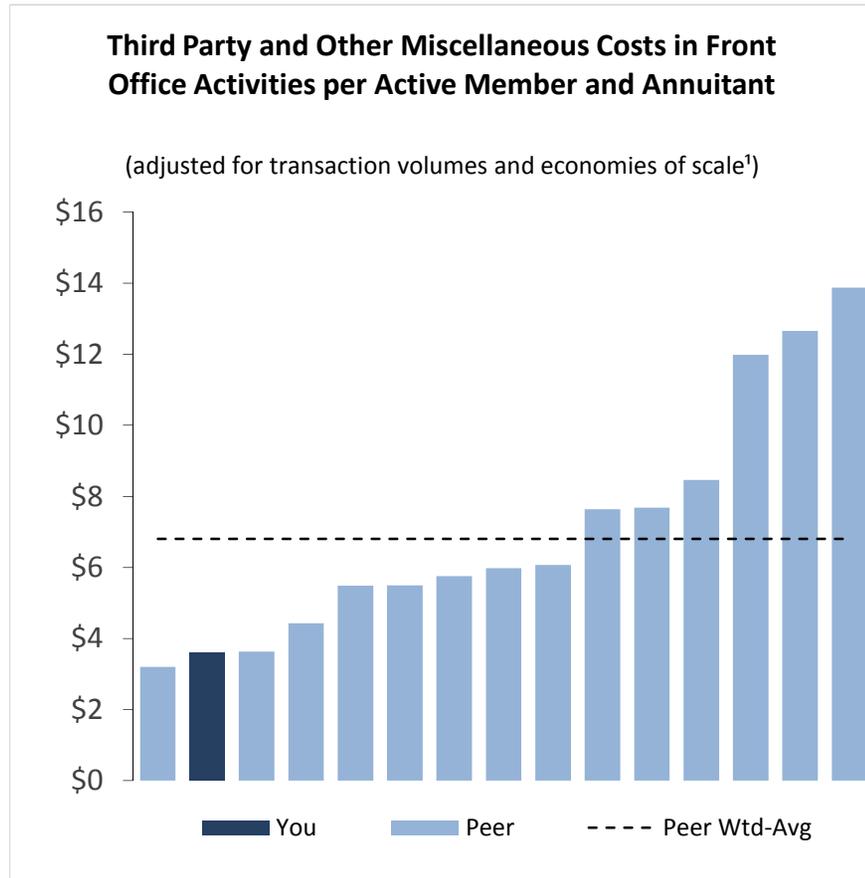
Your lower costs per FTE decreased your total cost by \$13.44 per member relative to the peer average.

The peer average is weighted such that peers with more FTEs get a higher weight because 'cost per FTE' differences matter more for peers with more FTEs.

Differences in your cost per FTE reflect differences in:

- Organization structure, strategy and history
- Outsourcing and use of consultants
- Cost environment of your location vs. peers.

You had lower third party and other miscellaneous costs in the front-office activities.

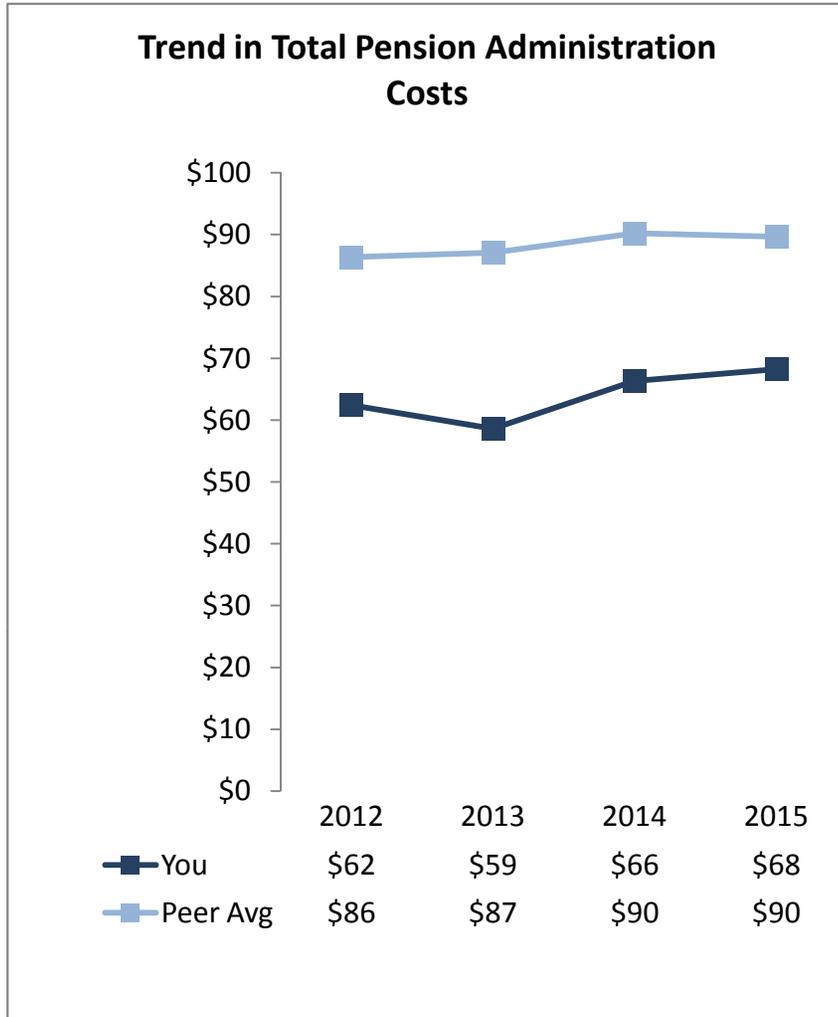


- Your third party and other miscellaneous costs (such as travel, office supplies, etc.) in the front-office activities² were \$3.60 per member which was 47% below the peer weighted average of \$6.81.
- Your lower third party costs decreased your total cost per member by \$3.27 relative to the peer average.

1. To avoid double counting, peer costs are adjusted for differences in transaction volumes and economies of scale.

2. Front office activities are activities that come in contact with clients or employers, such as paying pensions, member calls and presentations. It excludes back-office activities such as Governance and Financial Control, Major Projects and Support Services.

Cost Trends

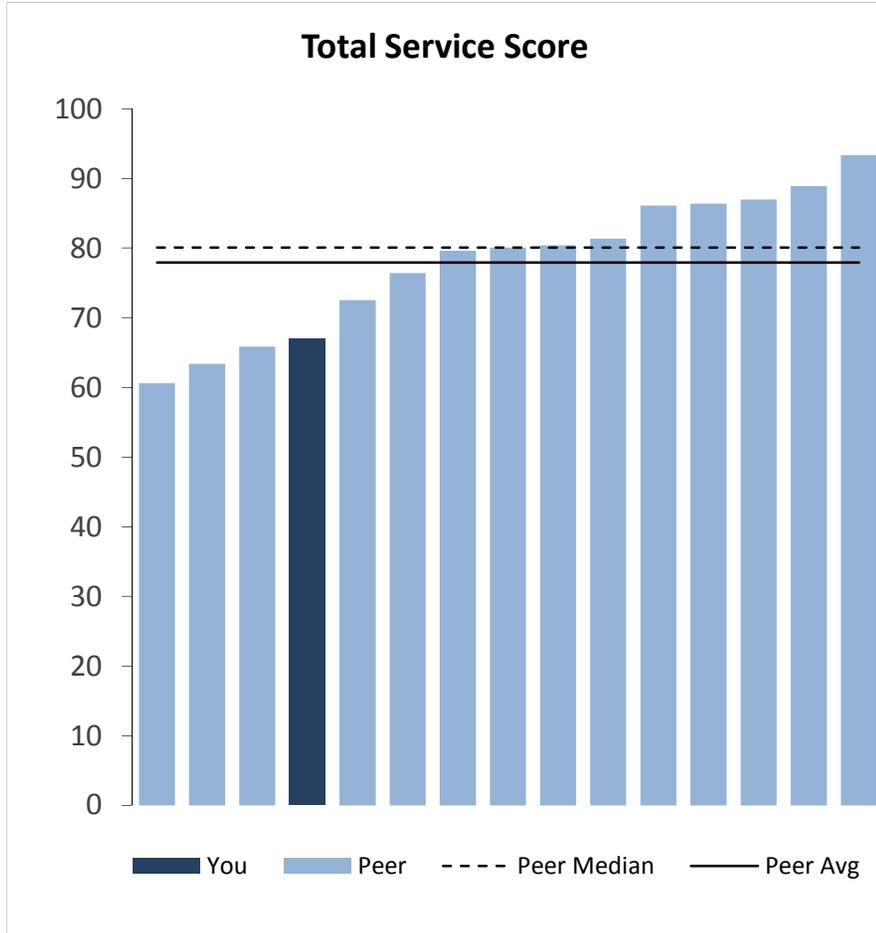


Your total pension administration cost per active member and annuitant increased by 3.0% per annum between 2012 and 2015. Despite the increased spending, your costs remained well below those of your peers.

The primary drivers of your cost increase were the two multi-year projects to update your operations:

- Transformation Integration Modernization Project (TIM) that will modernize your business processes and integrate your information technology systems; and
- New benefit administration system

Your total service score was 67. This was below the peer median of 80.



Service Scores by Activity			
Activity	Weight	You	Peer Median
1. Member Transactions			
a. Pension Payments	19.7%	99	100
b. Pension Inceptions	7.4%	91	87
c. Withdrawals & Transfers-out	1.3%	28	93
d. Purchases & Transfers-in	3.1%	90	84
e. Disability	3.8%	82	82
2. Member Communication			
a. Call Center	21.2%	40	62
c. 1-on-1 Counseling	7.4%	72	87
d. Member Presentations	6.5%	93	90
e. Written Pension Estimates	4.7%	70	86
f. Mass Communication			
• Website	11.3%	22	79
• News & targeted communication	2.8%	88	82
• Member statements	4.7%	84	86
3. Other			
Satisfaction Surveying	5.0%	38	38
Disaster Recovery	1.0%	58	84
Weighted Total Service Score	100.0%	67	80

Service is defined from a member's perspective. Higher service means more channels, faster turnaround times, more availability, more choice, better content and higher quality.

Higher service is not necessarily cost-effective. For example, the ability to answer the telephone 24 hours a day is higher service, but not cost effective.

Examples of key service measures included in your Service Score:

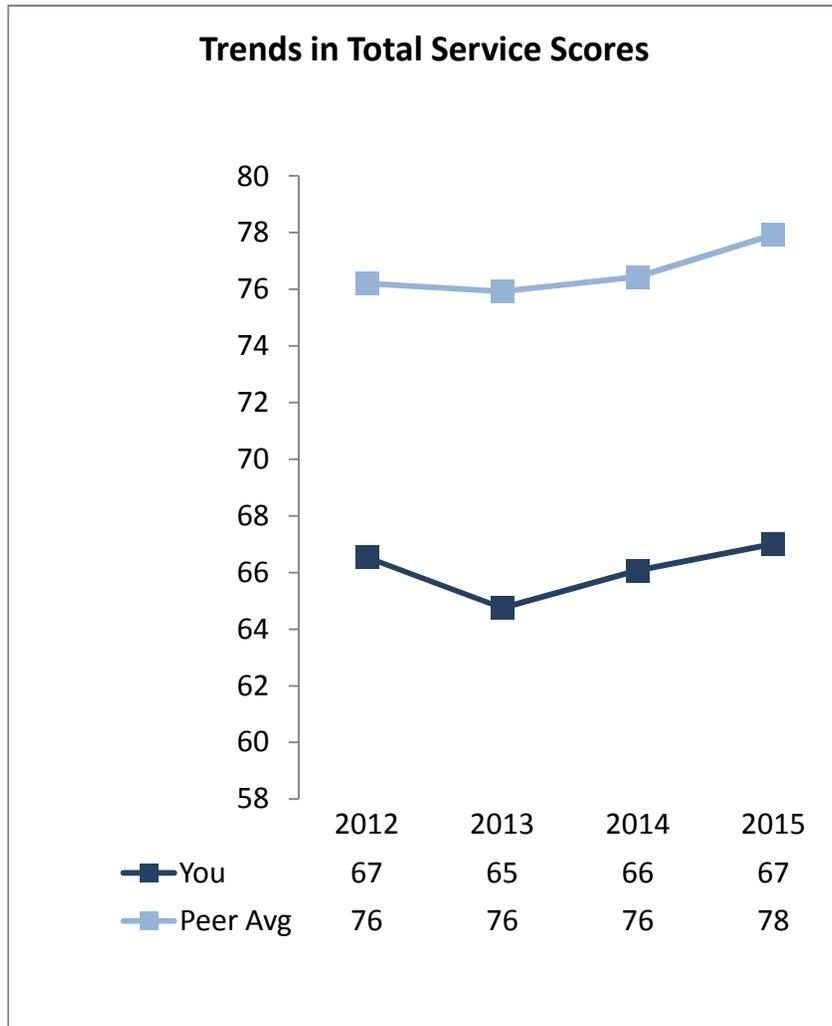
Select Key Service Metrics	You	Peer Avg
<u>Member Contacts</u>		
• % of calls resulting in undesired outcomes (busy signals, messages, hang-ups)	18%	16%
• Average total wait time including time negotiating auto attendants, etc.	253 secs	190 secs
<u>Website</u>		
• Can members access their own data in a secure environment?	No	93% Yes
• Do you have an online calculator linked to member data?	No	80% Yes
• # of other website tools offered such as changing address information, registering for counseling sessions and/or workshops, viewing or printing tax receipts, etc.	3	12
<u>1-on-1 Counseling and Member Presentations</u>		
• % of your active membership that attended a 1-on-1 counseling session	2.5%	3.8%
• % of your active membership that attended a presentation	5.7%	5.7%
<u>Pension Inceptions</u>		
• What % of annuity pension inceptions are paid without an interruption of cash flow greater than 1 month between the final pay check and the first pension check?	99.0%	88.4%
<u>Member Statements</u>		
• How current is an active member's data in the statements that the member receives?	3.0 mos	2.3 mos
• Do statements provide an estimate of the future pension entitlement?	Yes	73% Yes

Where can you improve your total service score?

Biggest potential improvements to your total service score		
Rank	Factor	Potential Improvement
# 1	On average, members calling your call center reach a knowledgeable person in 253 seconds. To achieve a perfect service score, members must reach a knowledgeable person on the phone in 20 seconds or less. The peer average time was 190 seconds.	+ 3.8
# 2	18.3% of your incoming calls resulted in undesired outcomes. To achieve a perfect service score, members must experience no undesired call outcomes. The peer average was 16.3% undesired outcomes.	+ 3.1
# 3	Your interactive calculator is not linked to member data. To achieve a perfect service score you must link member data to your interactive calculator.	+ 2.3

- CEM is not recommending these changes.
- Service improvement should be cost effective and important to your members.

Your service score was the same in 2012 and 2015.



Your service levels remained steady over the past 4 years. Some offsetting service changes have however impacted your service score. Service improvements were seen in:

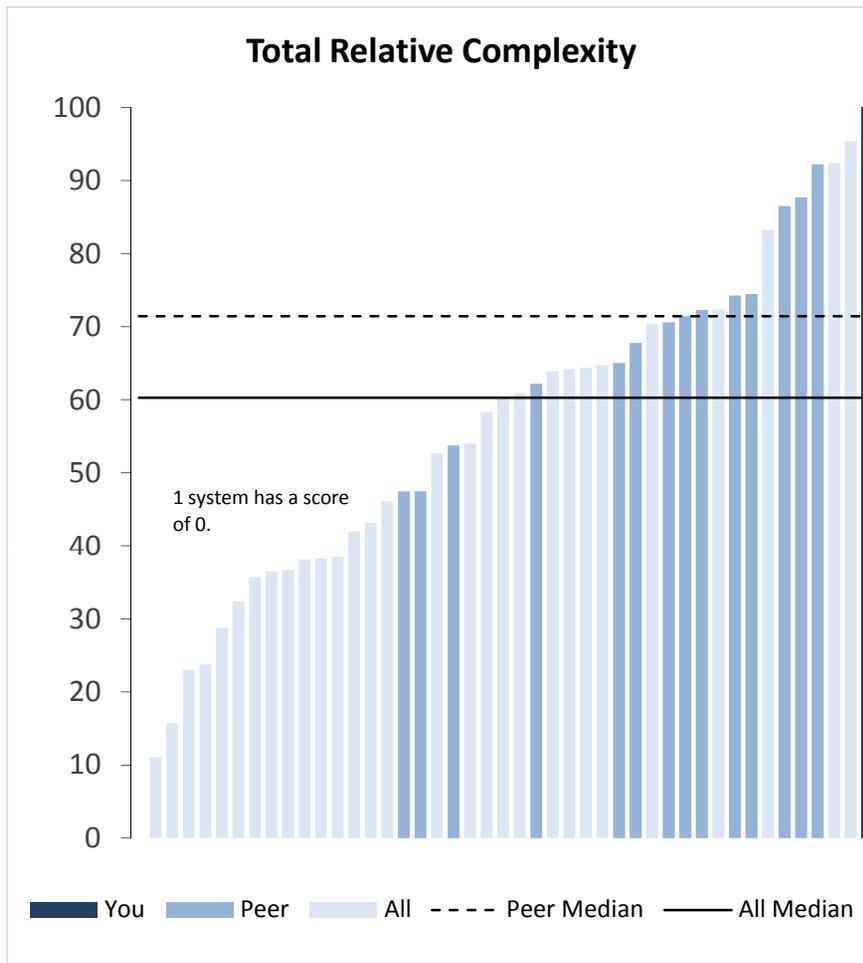
- **Call center:** Members calling in can now add or change their email address over the phone.
- **Satisfaction surveying:** You have expanded your satisfaction surveying program to include survey calls and 1-on-1 counseling.

Website: You now have most of your forms available on-line for either completion or downloading.

The above improvements were partially offset by the highly-weighted calls activity. Undesired call outcomes, such as busy signals and abandoned calls, increased from 8.4% to 18.3% between 2012 and 2015.

Historic scores have been restated to reflect changes in methodology. Therefore, your historic service scores may differ from previous reports.

Back-office costs and productivity are impacted by system complexity. Your total relative complexity score of 100 was above the peer median of 71.



Relative Complexity Score by Cause (0 least - 100 most)		
Cause	You	Peer Avg
Pension Payment Options	59	57
Customization Choices	100	25
Multiple Plan Types and Overlays	95	52
Multiple Benefit Formula	27	43
External Reciprocity	35	29
COLA Rules	12	29
Contribution Rates	41	61
Variable Compensation	85	80
Service Credit Rules	63	61
Divorce Rules	100	69
Purchase Rules	55	68
Refund Rules	31	52
Disability Rules	82	78
Translation	0	8
Defined Contribution Plan Rules	100	60
Total Relative Complexity	100	72

Key Takeaways:

Cost

- Your total pension administration cost was \$68 per active member and annuitant. This was \$21 below the peer average of \$90.
- The primary reasons why were:
 - higher transactions per FTE (productivity)
 - lower cost per FTE
 - lower third party and other miscellaneous costs
- The primary drivers of your cost increases were the two multi-year projects to update your operations: Transformation Integration Modernization Project, new benefit administration system. Your costs were low compared to the peer group in spite of these investments.

Service

- Your total service score was 67. This was below the peer median of 80.
- Your service score was the same in 2012 and 2015.

Peer Characteristics

This section contains:

- Your custom peer group
- A comparison of the characteristics of all participants

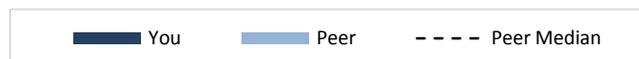
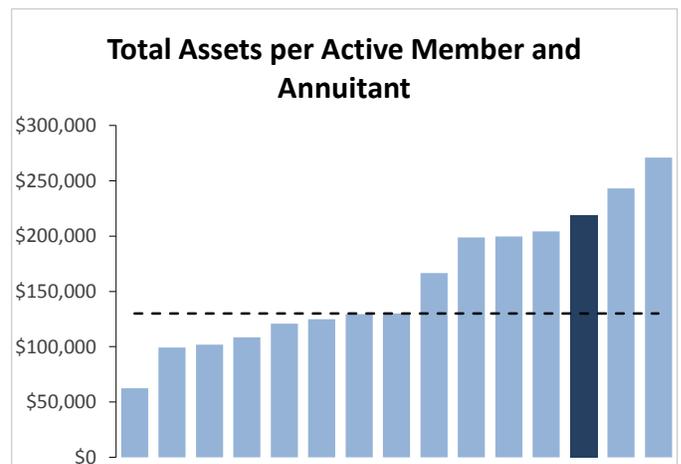
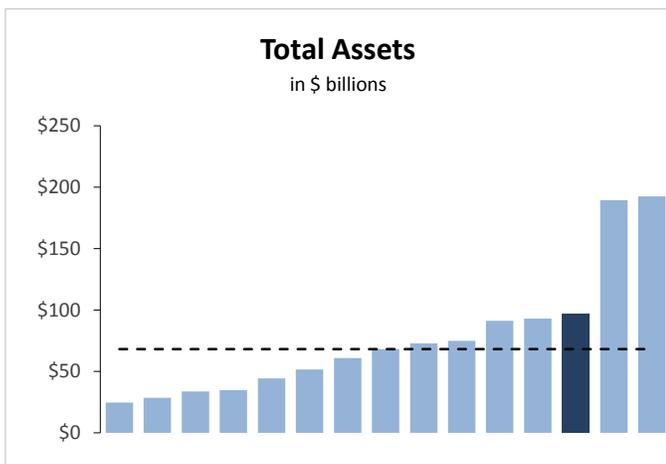
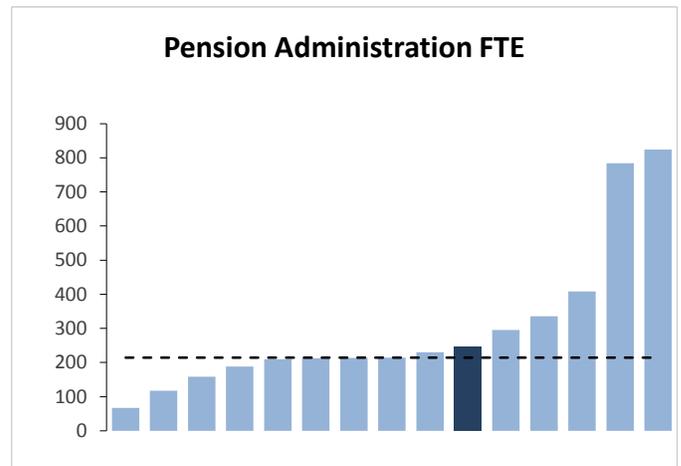
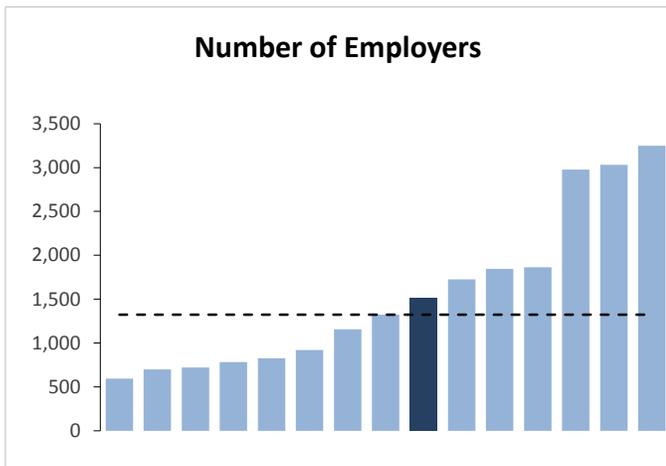
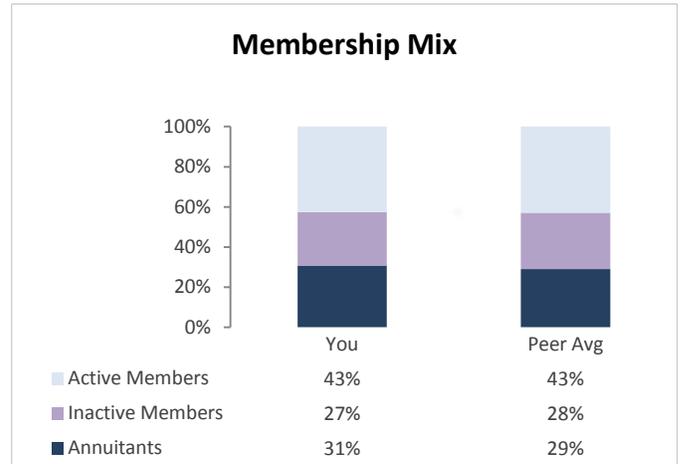
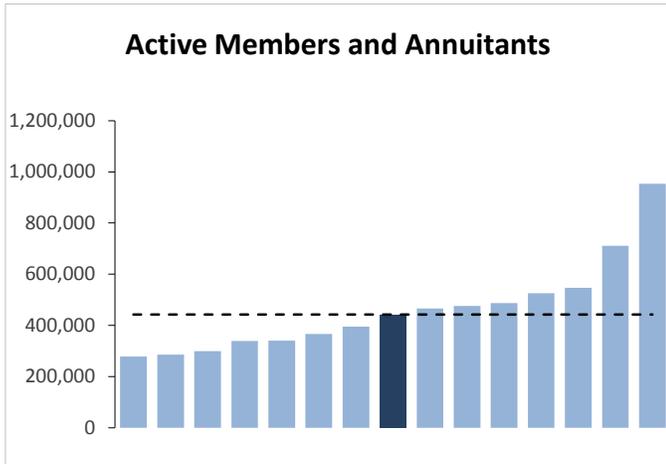
Your peer group consists of 15 peers.

The most relevant comparisons are to systems similar to you in total membership and nationality. Your peer group consists of the following 15 systems:

Custom Peer Group for Wisconsin DETF			
	Active	Annuitants	Total
NYSLRS	522,930	430,308	953,238
CalSTRS	429,460	281,124	710,584
Ohio PERS	346,187	201,249	547,436
Virginia RS	340,576	184,769	525,345
Michigan ORS	232,741	254,892	487,633
Pennsylvania PSERS	256,027	219,727	475,754
Washington State DRS	301,331	164,555	465,886
Wisconsin DETF	257,255	185,605	442,860
Indiana PRS	257,011	137,991	395,002
STRS Ohio	206,568	159,906	366,474
Colorado PERA	234,160	106,624	340,784
Arizona SRS	203,252	135,538	338,790
Oregon PERS	164,859	134,520	299,379
Illinois MRF	174,006	112,357	286,363
Iowa PERS	167,367	111,368	278,735
Peer Median	256,027	164,555	442,860
Peer Avg	272,915	188,036	460,951

Inactive members are not considered when selecting peers because they are excluded when determining cost per member. They are excluded when determining cost per member because they are much less costly to administer than either active members or annuitants.

Graphical summary of peer characteristics



Profiles of the 55 benchmarking participants (excluding Australian and UK systems)

Participant	Members by Type (000s)			Member Groups								Plan Types						Administer Retiree Healthcare		
	Active Members	Annuity	Inactive Members	City or County Only	State/ County Employees	Teachers	School	Police and/or Fire	Participating Local Employers	Other (judges etc)	Corporate	Industry	DB	Cash Balance	DB/ Cash Balance	DB/ Money Match	Drop		DC	Hybrid DB/ DC
Canada																				
APS	206	89	47		X		X	X	X	X			X							
BC Pension Corporation	303	166	68		X	X	X	X	X	X	X	X	X	X	X				X	
Defence Canada	90	111	0							X			X							
FPSPP	291	274	4		X								X							
HOOPP	186	83	26		X				X			X	X							
LAPP	153	55	30		X		X	X					X							
OMERS	275	135	41				X	X	X	X	X		X							
Ontario Pension Board	42	36	6		X			X		X			X							
Ontario Teachers	182	129	70		X	X	X						X							
OPTrust	48	32	7		X							X	X							
RCMP	23	19	0		X			X					X							X
Régie des rentes du Québec	4,058	1,867	1,055		X								X							
Saskatchewan HEPP	35	15	3						X			X	X							
Scandinavia																				
ATP	3,025	943	939		X															
Alecta	518	699	608								X	X								X
The Netherlands																				
ABN AMRO Pensioenfond	20	25	53																	
ABP	1,092	817	927										X							
bpfBOUW	131	248	460										X							
Pensioenfond Metaal en Techniek	378	206	656										X							
Pensioenfond van de Metalektro	147	167	309										X							
PFZW	1,182	369	1,022										X							
Rabobank Pensioenfond	42	15	42																	
Stichting Algemeen Pensioenfond KLM	15	10	8										X							
United Arab Emirates																				
Abu Dhabi RPB*																				
South Africa																				
South Africa GEPP	1,266	406	0	X	X	X	X	X	X	X			X							

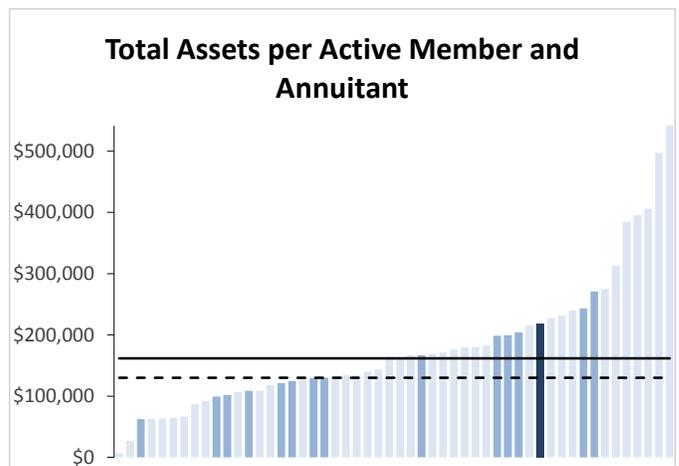
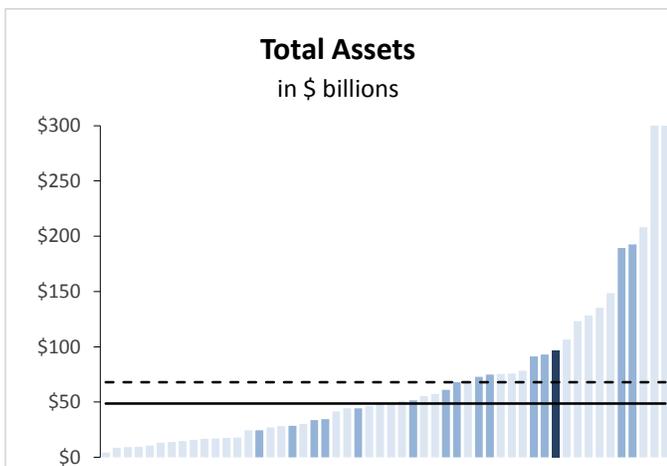
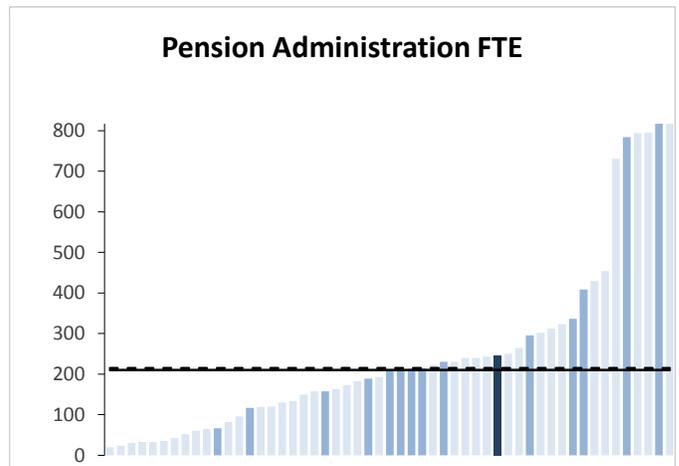
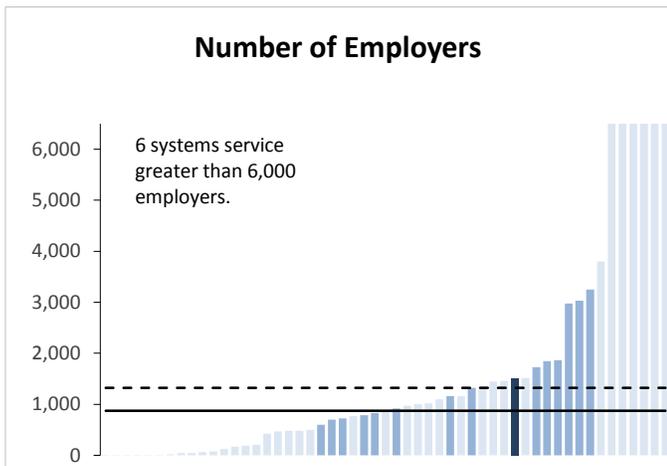
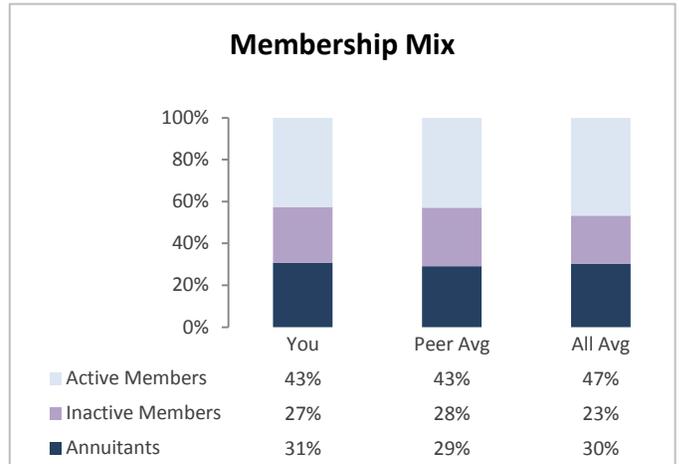
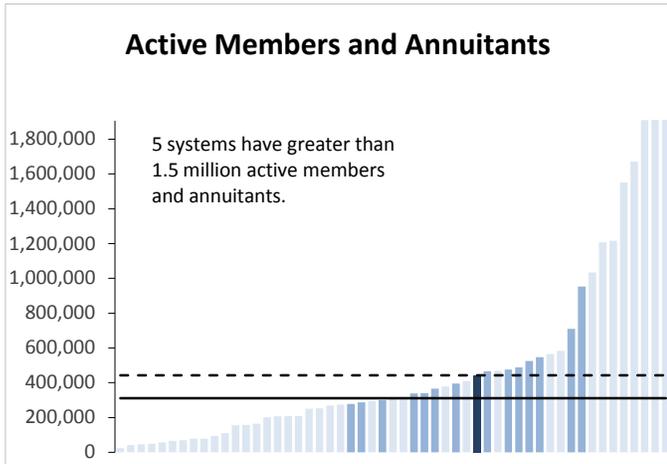
Fund characteristics

continued

Participant	Members by Type (000s)			Member Groups								Plan Types								
	Active Members	Annuitants	Inactive Members	City or County Only	State/ County Employees	Teachers	School	Police and/or Fire	Participating Local Employers	Other (judges etc)	Corporate	Industry	DB	Cash Balance	DB/ Cash Balance	DB/ Money Match	Drop	DC	Hybrid DB/ DC	Administer Retiree Healthcare
United States																				
Arizona SRS	203	136	219	X	X	X		X	X				X	X						X
CalPERS*																				
CalSTRS	429	281	184		X								X		X					
Colorado PERA	234	107	209	X	X	X		X	X				X				X	X		X
Delaware PERS	42	28	16	X	X	X	X	X	X				X							
Florida Retirement System	622	412	116	X	X	X	X	X	X				X			X	X			
Idaho PERS	67	43	30	X	X	X	X	X	X				X						X	
Illinois MRF	174	112	118			X	X	X					X							
Indiana PRS	257	138	58	X	X	X	X	X	X				X			X	X	X		
Iowa PERS	167	111	67	X	X	X	X	X	X				X							
Kentucky RS	139	113	135	X		X	X	X	X	X			X	X	X					X
KPERS	158	93	49	X	X	X	X	X	X				X	X						
LACERA	94	62	13	X			X	X					X							X
Michigan ORS	233	255	539	X	X	X	X		X				X			X	X	X		X
MOSERS	50	44	19	X		X	X		X				X							
NYC TRS	121	85	39	X		X	X						X						X	
NYSLRS	523	430	120	X		X	X	X	X				X							
Ohio PERS	346	201	497	X			X		X				X	X					X	X
Ohio SERS	134	74	58			X							X							X
Oregon PERS	165	135	65	X	X	X	X	X	X						X				X	X
Pennsylvania PSERS	256	220	141	X	X	X							X							X
South Dakota RS	39	26	17	X	X	X	X	X	X				X							
STRS Ohio	207	160	148		X								X				X	X		X
TRS Illinois	160	115	126		X								X							
TRS Louisiana	89	76	23		X	X							X			X	X			
TRS of Texas	829	378	253	X	X	X							X							X
Utah RS	101	57	108	X	X	X	X	X	X				X				X	X		
Virginia RS	341	185	123	X	X	X	X	X	X				X						X	
Washington State DRS	301	165	241	X	X	X	X	X	X				X						X	
Wisconsin DETF	257	186	161	X	X	X	X	X	X										X	X

* We have not yet received clean data from the 2 systems identified with an asterisk. Therefore, these systems have been excluded from this analysis.

Graphical summary of all participant characteristics



Total Cost

This section:

- Compares your total cost per member
- Quantifies the impact of economies of scale, transaction volumes, productivity, salary per FTE, and other differences on your relative cost performance.
- Compares your salaries and benefits, and third party costs.

Your total pension administration cost was \$30.2 million or \$68 per active member and annuitant.

Activity ¹	Cost ¹ \$000s	\$s per Active Member and Annuitant			% of Total Pension Administration Cost		
	You	You	Peer Avg	All Avg	You	Peer Avg	All Avg
1. Member Transactions							
a. Pension Payments	1,305	2.95	3.48	4.51	4.3%	3.9%	3.7%
b. Pension Inceptions	1,070	2.41	3.89	5.98	3.5%	4.3%	4.9%
c. Withdrawals and Transfers-out	360	0.81	1.65	2.50	1.2%	1.8%	2.1%
d. Purchases and Transfers-in	156	0.35	1.21	2.68	0.5%	1.3%	2.2%
e. Disability	<u>906</u>	<u>2.05</u>	<u>2.54</u>	<u>2.15</u>	<u>3.0%</u>	<u>2.8%</u>	<u>1.8%</u>
	3,797	8.57	12.77	17.82	12.6%	14.2%	14.8%
2. Member Communication							
a. Call Center	1,901	4.29	5.99	5.65	6.3%	6.7%	4.7%
b. Mail Room, Imaging	1,171	2.64	2.16	2.94	3.9%	2.4%	2.4%
c. 1-on-1 Counseling	670	1.51	2.31	1.88	2.2%	2.6%	1.6%
d. Presentations and Group Counseling	550	1.24	1.57	1.28	1.8%	1.7%	1.1%
e. Written Pension Estimates	862	1.95	1.03	1.79	2.9%	1.1%	1.5%
f. Mass Communication	<u>1,205</u>	<u>2.72</u>	<u>3.13</u>	<u>3.69</u>	<u>4.0%</u>	<u>3.5%</u>	<u>3.1%</u>
	6,359	14.36	16.18	17.23	21.0%	18.0%	14.3%
3. Collections and Data Maintenance							
a. Data and Money from Employers	1,080	2.44	4.01	5.69	3.6%	4.5%	4.7%
b. Service to Employers	309	0.70	1.68	1.96	1.0%	1.9%	1.6%
c. Data Not from Employers	<u>373</u>	<u>0.84</u>	<u>1.31</u>	<u>1.71</u>	<u>1.2%</u>	<u>1.5%</u>	<u>1.4%</u>
	1,762	3.98	7.00	9.36	5.8%	7.8%	7.7%
4. Governance and Financial Control							
a. Financial Administration and Control	1,381	3.12	2.58	4.29	4.6%	2.9%	3.6%
b. Board, Strategy, Policy	970	2.19	2.12	7.07	3.2%	2.4%	5.9%
c. Government and Public Relations	<u>585</u>	<u>1.32</u>	<u>1.12</u>	<u>2.59</u>	<u>1.9%</u>	<u>1.2%</u>	<u>2.1%</u>
	2,936	6.63	5.82	13.95	9.7%	6.5%	11.5%
5. Major Projects							
a. Amortization of non-IT Major Projects	0	0.00	0.04	0.05	0.0%	0.0%	0.0%
b. Non-IT Major Projects (if you don't capitalize)	261	0.59	1.07	0.97	0.9%	1.2%	0.8%
c. Amortization of IT Major Projects	96	0.22	2.67	7.48	0.3%	3.0%	6.2%
d. IT Major Projects (if you don't capitalize)	<u>5,519</u>	<u>12.46</u>	<u>3.87</u>	<u>6.49</u>	<u>18.3%</u>	<u>4.3%</u>	<u>5.4%</u>
	5,877	13.27	7.65	15.01	19.4%	8.5%	12.4%
6. Information Technology							
a. IT Strategy, Database Management and Applications	3,301	7.45	15.74	18.20	10.9%	17.6%	15.1%
b. IT Desktop, Networks, Telecom	<u>2,388</u>	<u>5.39</u>	<u>7.90</u>	<u>7.42</u>	<u>7.9%</u>	<u>8.8%</u>	<u>6.1%</u>
	5,689	12.85	23.63	25.62	18.8%	26.4%	21.2%
7. Support Services and Other							
a. Building and Utilities	1,521	3.43	5.61	7.46	5.0%	6.3%	6.2%
b. Human Resources	675	1.52	1.82	2.68	2.2%	2.0%	2.2%
c. Actuarial	235	0.53	1.67	2.09	0.8%	1.9%	1.7%
d. Legal and Rule Interpretation	799	1.81	2.95	4.39	2.6%	3.3%	3.6%
e. Internal and External Audit	403	0.91	1.64	2.52	1.3%	1.8%	2.1%
f. Pay-as-you-go Benefits for Retired Staff	0	0.00	0.56	0.29	0.0%	0.6%	0.2%
g. Other Support Services	<u>161</u>	<u>0.36</u>	<u>2.34</u>	<u>2.38</u>	<u>0.5%</u>	<u>2.6%</u>	<u>2.0%</u>
	3,794	8.57	16.59	21.81	12.6%	18.5%	18.1%
Total Pension Administration ²	30,214	68.22	89.64	120.80	100.0%	100.0%	100.0%

1. Refer to the appendix C for detailed activity definitions.

2. The fully-attributed costs of activities 1f. Healthcare Administration and 1g. Optional and Third Party Administered Benefits are excluded from pension administration costs to ensure comparability. Refer to the second to last page of this section to see how the above costs reconcile to the administration costs provided on your survey.

Quartile comparisons of the components of total cost

The table below shows activity costs on a 'per member' basis (e.g. call center cost per member). In section 4, the same costs are compared on a 'per unit of activity volume' basis (e.g. call center cost per call).

\$ Cost per Active Member and Annuitant														
Activity ¹	You	Peer						All Participants						
		Avg	Max	Q3	Med	Q1	Min	Avg	Max	Q3	Med	Q1	Min	
1. Member Transactions														
a. Pension Payments	2.95	3.48	8.70	4.52	3.48	1.96	0.90	4.51	26.51	4.87	2.95	1.68	0.12	
b. Pension Inceptions	2.41	3.89	9.11	4.31	3.12	2.24	1.51	5.98	40.97	7.84	3.56	2.20	0.18	
c. Withdrawals and Transfers-out	0.81	1.65	3.97	2.32	1.52	0.75	0.09	2.50	12.32	3.15	1.55	0.72	0.00	
d. Purchases and Transfers-in	0.35	1.21	5.73	1.25	0.93	0.47	0.14	2.68	22.36	3.25	0.96	0.48	0.00	
e. Disability	<u>2.05</u>	<u>2.54</u>	7.06	3.50	2.05	0.57	0.31	<u>2.53</u>	51.38	2.09	0.48	0.06	0.00	
	8.57	12.77	26.40	17.72	11.20	8.17	5.37	17.82	75.15	21.19	13.60	7.77	0.38	
2. Member Communication														
a. Call Center	4.29	5.99	13.06	7.05	5.47	4.40	1.63	5.65	30.92	7.24	4.90	3.06	0.00	
b. Mail Room, Imaging	2.64	2.16	4.83	2.61	1.90	1.22	0.86	2.94	21.04	3.51	1.94	1.06	0.07	
c. 1-on-1 Counseling	1.51	2.31	7.92	2.39	1.51	1.11	0.24	1.88	11.55	2.24	1.16	0.19	0.00	
d. Presentations and Group Counseling	1.24	1.57	4.88	1.88	1.06	0.53	0.29	1.28	7.29	1.40	0.72	0.29	0.00	
e. Written Pension Estimates	1.95	1.03	2.17	1.57	0.95	0.46	0.01	1.79	14.40	1.95	1.06	0.34	0.00	
f. Mass Communication	<u>2.72</u>	<u>3.13</u>	7.73	3.83	2.66	2.04	1.54	<u>3.69</u>	11.01	4.62	3.51	2.02	0.19	
	14.36	16.18	30.82	18.45	14.36	12.27	7.56	17.23	70.85	18.86	15.55	11.60	0.80	
3. Collections and Data Maintenance														
a. Data and Money from Employers	2.44	4.01	12.45	4.97	2.44	1.92	0.97	5.69	27.72	6.40	4.03	1.98	0.18	
b. Service to Employers	0.70	1.68	4.16	1.64	1.23	1.11	0.70	1.96	9.20	2.66	1.53	0.85	0.00	
c. Data Not from Employers	<u>0.84</u>	<u>1.31</u>	4.35	1.44	1.14	0.79	0.06	<u>1.71</u>	9.10	2.09	1.09	0.35	0.00	
	3.98	7.00	19.41	8.19	5.16	4.18	2.30	9.36	33.17	11.88	7.50	4.37	0.44	
4. Governance and Financial Control														
a. Financial Administration and Control	3.12	2.58	3.97	3.48	2.52	2.05	0.47	4.29	21.55	4.76	3.70	2.27	0.23	
b. Board, Strategy, Policy	2.19	2.12	5.17	2.71	1.96	1.23	0.13	7.07	45.29	7.97	3.91	1.36	0.13	
c. Government and Public Relations	<u>1.32</u>	<u>1.12</u>	3.46	1.50	0.67	0.32	0.12	<u>2.59</u>	18.75	2.86	1.33	0.39	0.00	
	6.63	5.82	12.58	6.94	5.60	4.47	1.11	13.95	70.49	17.15	9.22	5.10	0.59	
5. Major Projects														
a. Amortization of non-IT Major Projects	0.00	0.04	0.57	0.00	0.00	0.00	0.00	0.05	1.51	0.00	0.00	0.00	0.00	
b. Non-IT Major Projects (if you don't capitalize)	0.59	1.07	6.51	0.73	0.00	0.00	0.00	0.97	16.57	0.21	0.00	0.00	0.00	
c. Amortization of IT Major Projects	0.22	2.67	7.84	6.05	0.22	0.00	0.00	7.48	294.89	3.07	0.00	0.00	0.00	
d. IT Major Projects (if you don't capitalize)	<u>12.46</u>	<u>3.87</u>	12.46	7.30	2.30	0.22	0.00	<u>6.49</u>	141.33	4.92	0.44	0.00	0.00	
	13.27	7.65	17.16	11.19	7.05	4.62	0.00	15.01	294.89	9.53	4.63	0.00	0.00	
6. Information Technology														
a. IT Strategy, Database, Applications (excl. major projects)	7.45	15.74	30.65	23.89	13.31	7.98	5.87	18.20	55.56	26.60	14.70	7.79	2.59	
b. IT Desktop, Networks, Telecom	<u>5.39</u>	<u>7.90</u>	16.12	10.36	6.70	5.30	2.69	<u>7.42</u>	36.08	8.75	6.50	3.93	0.00	
	12.85	23.63	46.77	34.52	19.58	15.32	10.85	25.62	73.27	34.59	19.58	14.49	3.19	
7. Support Services and Other														
a. Building and Utilities	3.43	5.61	15.99	6.22	4.32	3.18	1.80	7.46	33.53	10.39	6.59	3.18	0.38	
b. Human Resources	1.52	1.82	6.27	2.28	1.52	0.88	0.35	2.68	15.89	3.16	1.82	0.67	0.00	
c. Actuarial	0.53	1.67	4.07	2.04	1.70	0.94	0.53	2.09	9.96	2.51	1.36	0.77	0.00	
d. Legal and Rule Interpretation	1.81	2.95	6.96	4.77	2.06	1.58	0.55	4.39	21.66	5.96	3.35	1.71	0.08	
e. Internal and External Audit	0.91	1.64	3.61	2.08	1.41	1.15	0.50	2.52	21.22	2.72	1.54	1.01	0.07	
f. Pay-as-you-go Benefits for Retired Staff	0.00	0.56	6.69	0.19	0.00	0.00	0.00	0.29	6.69	0.00	0.00	0.00	0.00	
g. Other Support Services	<u>0.36</u>	<u>2.34</u>	7.36	3.77	1.76	0.90	0.00	<u>2.38</u>	30.23	3.70	1.00	0.00	0.00	
	8.57	16.59	43.60	19.73	14.72	9.67	5.40	21.81	75.75	25.41	17.08	13.93	1.28	
Total Pension Administration²	68.22	89.64	187.63	102.51	83.18	66.32	45.18	120.80	460.23	138.04	94.95	77.40	10.09	

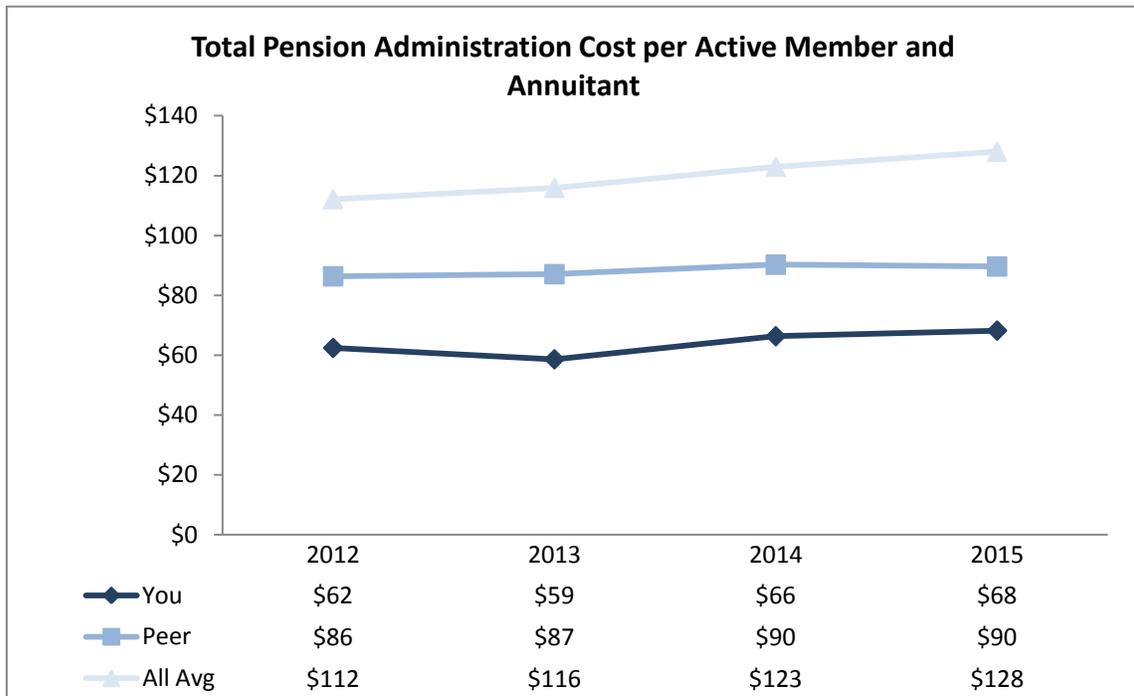
1. Refer to the appendix C for detailed activity definitions.

2. Only averages will add to totals. The Max/ Q3/ Med/ Q1/ Min activity costs will not add to their respective totals and subtotals because, for example, the system with the median cost (i.e., the middle value) will not be the same for all activities and totals.

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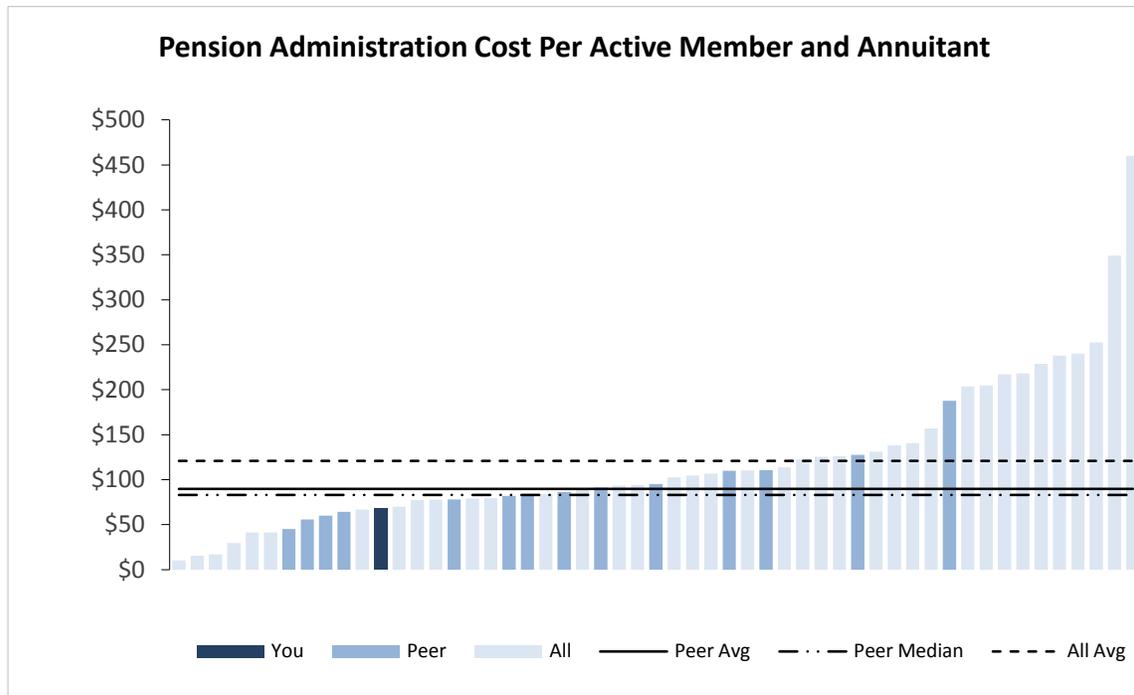
Cost trends

Your total pension administration costs have grown at a compound annual rate of 3.0% between 2012 and 2015. This was above the 1.2% average for your peers that have participated for 4 consecutive years.



1. Trend analysis is based on systems that have participated for 4-consecutive years (15 peers and 42 World systems). This ensures that trends are not caused by changes in the composition of the participants.
2. All foreign currency amounts have been converted to USDs using Purchasing Power Parity figures as per the OECD (see Appendix B). The same exchange rate was used for both the current and prior years. The benefit of using the same exchange rate for prior years is that changes in costs reflect fluctuations in your peers' costs and not fluctuations in foreign exchange.

Your total pension administration cost was \$68 per active member and annuitant. This was \$21 below the peer average of \$90 (and \$15 below the peer median of \$83).

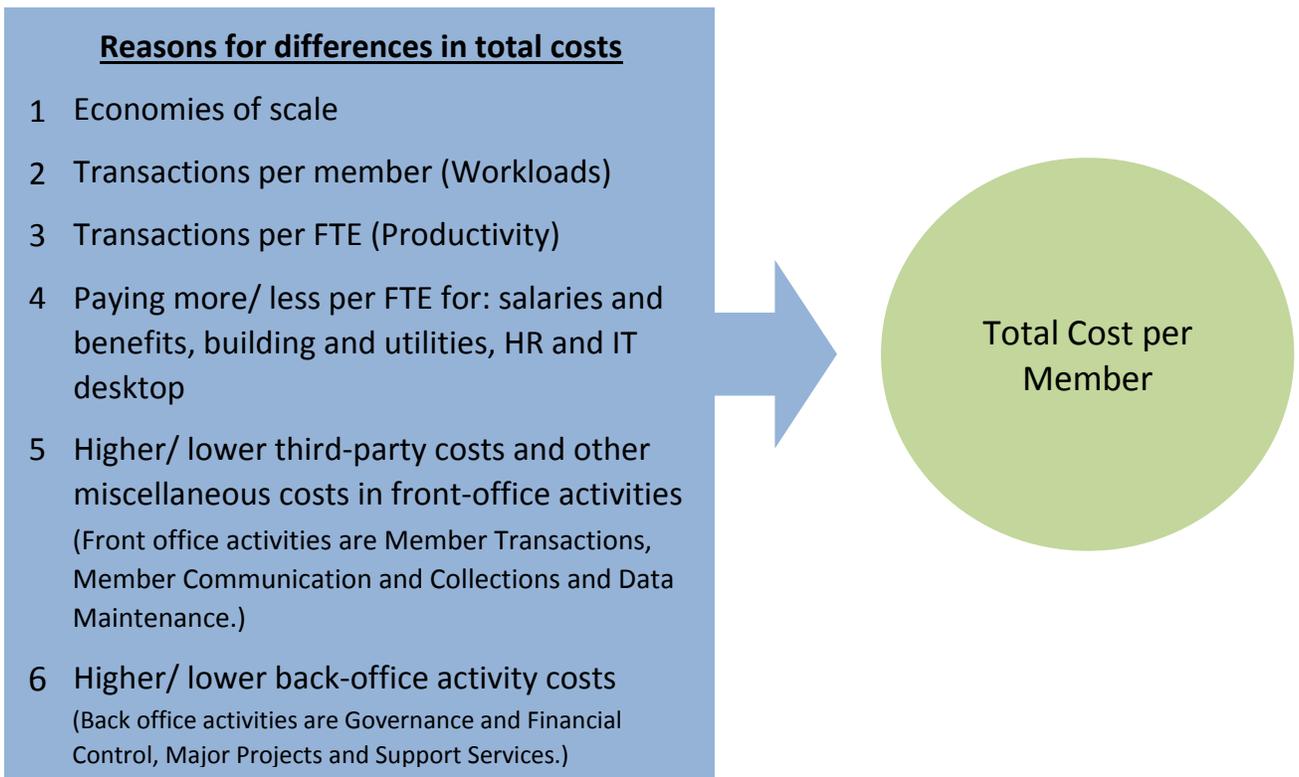


Pension administration cost excludes the fully-attributed costs of activities 1f. Healthcare Administration, and 1g. Optional and Third Party Administered Benefits.

CEM uses the following cost model to explain differences in total costs:

Reasons for differences in total costs

- 1 Economies of scale
- 2 Transactions per member (Workloads)
- 3 Transactions per FTE (Productivity)
- 4 Paying more/ less per FTE for: salaries and benefits, building and utilities, HR and IT desktop
- 5 Higher/ lower third-party costs and other miscellaneous costs in front-office activities (Front office activities are Member Transactions, Member Communication and Collections and Data Maintenance.)
- 6 Higher/ lower back-office activity costs (Back office activities are Governance and Financial Control, Major Projects and Support Services.)



Total Cost per Member

In this section, CEM quantifies the amount by which differences in each of the six reasons identified above cause your total pension administration cost to differ from the peer average.

Average versus Median

In the other sections of this report, CEM compares your performance to the median (i.e., the middle value or 50th percentile). This is because medians are less sensitive to outlier data than averages. An example of an outlier is a single peer with unusually high costs. In this section, we compare and reconcile your total costs to the peer average because:

- There are interactions between the reasons for differences in total cost that would be lost if we used medians.
- It is necessary if we want the reasons to add to 100%. The sum of median parts does not add up to the median total.

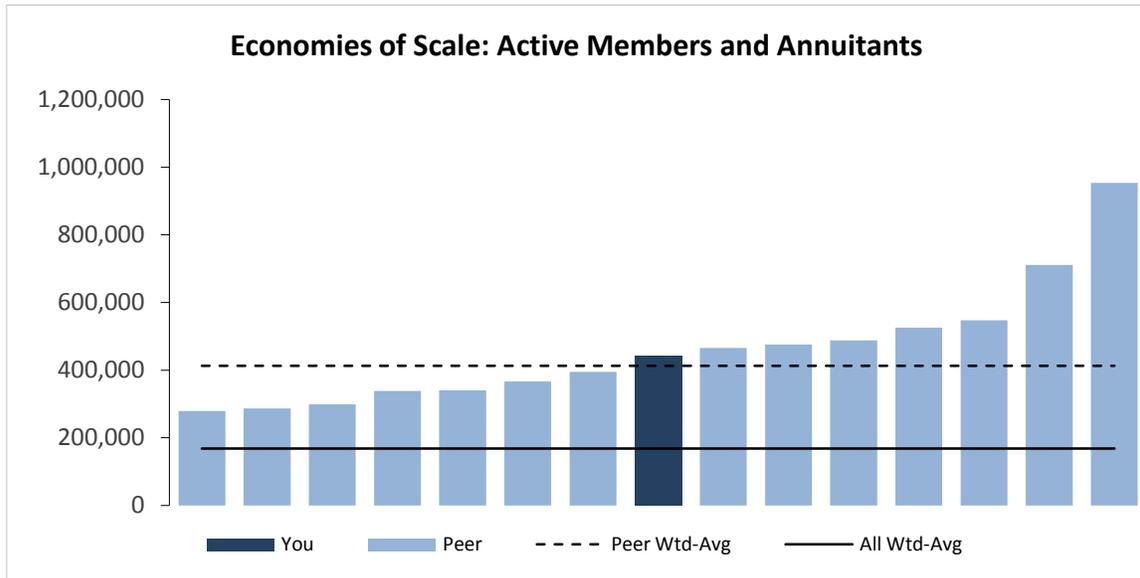
Reasons why your total cost was \$21 below the peer average.

Reason	Impact \$s per active member and annuitant
1. Economies of scale advantage	-\$0.69
2. Fewer transactions per member (workloads)	-\$0.59
3. More transactions per FTE (productivity)	-\$2.89
4. Lower costs per FTE for: salaries and benefits, building and utilities, HR and IT desktop	-\$13.44
5. Lower 'other miscellaneous' costs in front-office activities	-\$3.27
6. Paying more/-less, after adjusting for economy of scale and salary differences, for:	
- Governance and Financial Control	\$2.39
- Major Projects	\$7.22
- IT Strategy, Database, Applications (excl. major projects)	-\$6.08
- Actuarial, Legal, Audit, Other Support Services	-\$4.06
Total	-\$21.42

Each of these reasons are examined in detail in the remainder of this section.

Reason 1: You had an economies of scale advantage.

Your system had 7% more members than the peer weighted-average. Your larger size means that you had a cost advantage relative to the average peer of \$0.69 per member.



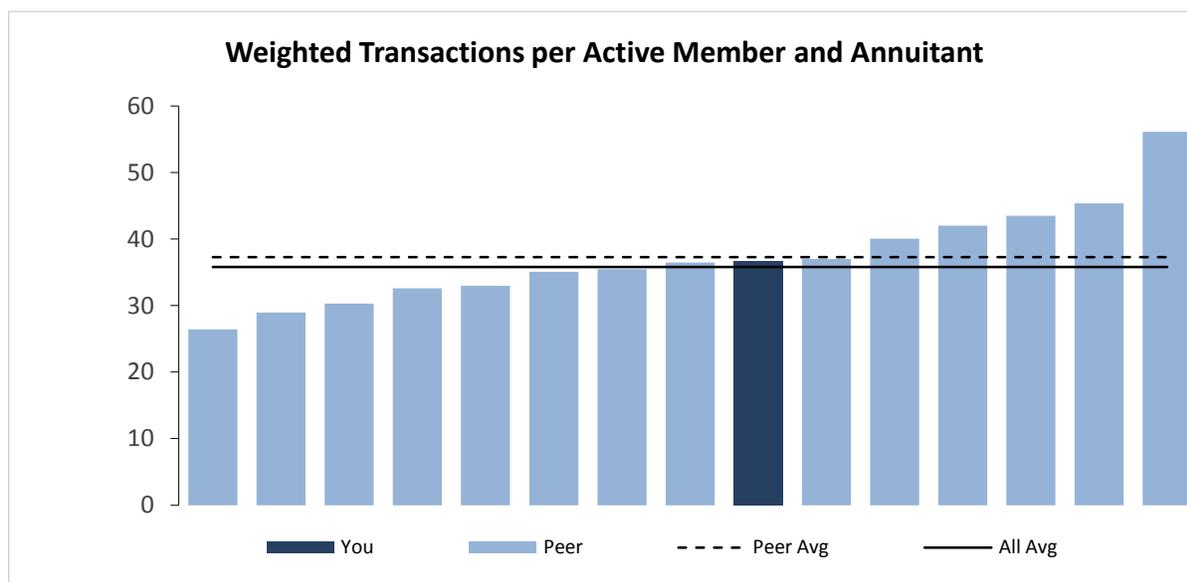
The peer and all averages are weighted with a higher weight to smaller systems because the relationship between size and cost is not linear.

Size is a key driver of costs. More members lets you spread your fixed costs over a larger base. But the benefit of economies of scale is not linear. Scale economies diminish as systems get larger. For example, if your membership was reduced by 50% then your predicted cost would increase by \$9.61 per member, whereas if your membership increased by 50% your predicted cost would only decrease by \$3.20 per member.

How Changes in Membership Impact Your Cost			
% Change in Members	Implied # of Members	Your	Increase/ -Decrease
		Predicted Cost per Member	
-75%	110,715	\$97.07	\$28.84
-50%	221,430	\$77.84	\$9.61
-25%	332,145	\$71.43	\$3.20
0%	442,860	\$68.22	\$0.00
25%	553,575	\$66.30	-\$1.92
50%	664,290	\$65.02	-\$3.20
75%	775,005	\$64.10	-\$4.12

Reason 2: You had lower transaction volumes per member (workloads).

Weighted transactions indicates whether you are doing more or less front-office transactions per member in aggregate than your peers. Your weighted transactions were 2% below the peer average. Your lower transaction volumes decreased your total cost per member by an estimated \$0.59 relative to the peer average.



Where did you do more/less front office transactions?				
Front Office Transactions (or Proxy)	Volume per 1,000 Active Members and Annuitants			Transaction Impact
	You	Peer Avg	More/ - Less	
Pension Payments (Annuitants)	419	404	4%	\$0.12
New Payee Inceptions	26	26	-1%	-\$0.03
Withdrawals and Transfers-out	9	27	-67%	-\$1.55
Purchases and Transfers-in	2	7	-74%	-\$1.20
Disability Applications	5	2	122%	\$3.59
Calls and Emails	462	638	-28%	-\$1.35
Incoming Mail	374	415	-10%	-\$0.21
Members Counseled 1-on-1	15	23	-35%	-\$0.43
Member Presentations	1	1	-12%	-\$0.19
Written Estimates	55	32	72%	\$0.84
Mass Communication (Active Members and Annuitants)	1,000	1,000	0%	\$0.00
Data and Money from Employers (Active Members)	581	596	-3%	-\$0.09
Service to Employers (Active Members)	581	596	-3%	-\$0.03
Data Not from Employers (Actives, Inactives, Annuitants)	1,364	1,433	-5%	-\$0.05

Differences in front-office transaction volumes are due to differences in activities that you administer (some do not administer disability for example), service levels and, member mix and demographics. Refer to section '6 - Transaction Volumes' for detailed analysis and comparison of your transaction volumes.

Membership Mix

An important source of differences in transaction volumes is membership mix. For example, active members typically produce more transactions than annuitants, so systems with a higher proportion of active members relative to annuitants tend to have higher transaction volumes, and therefore be more expensive to administer on a per member basis.

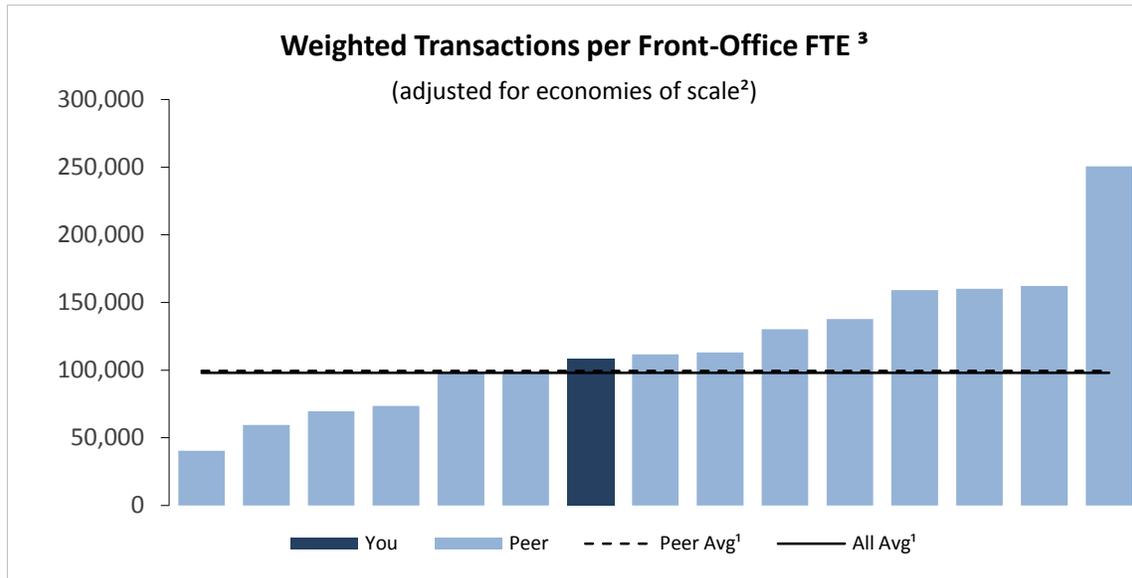
Your membership mix was less expensive than the peer average. If you had the same membership mix as the peer average, your costs would have been \$5.27 per member higher.

Components of Transaction Volume Impact ¹	\$ per active member and annuitant
Less expensive membership mix	-\$5.27
More transactions per member after neutralizing for membership	\$4.68
Total transaction volume impact	-\$0.59

¹ The impact of your membership mix is neutralized by calculating what your transaction volumes would be if you had the peer average membership mix of 43% actives, 28% inactive and 29% annuitants (versus your actual mix of 43% actives, 27% inactive and 31% annuitants).

Reason 3: You had higher transactions per FTE (productivity).

Your weighted transactions per front-office FTE³ were 9% above the adjusted¹ peer average. Your higher transaction volumes per FTE decreased your total cost per member by \$2.89 relative to the peer average.



1. The averages are weighted by workloads (i.e., weighted transactions per member) because differences in productivity matter more for peers with higher workloads when explaining cost differences.
2. To avoid double counting, weighted transactions per FTE were adjusted for differences in economies of scale.
3. Front-office FTE work in activities that come in contact with clients or employers, such as paying pensions, member calls and presentations. It excludes back-office activities such as Governance and Financial Control, Major Projects and Support Services. Refer to 'Section 5 - Staff Costs and Productivity' for detailed analysis and comparison of your volumes per FTE for each front-office activity.

Differences in transactions per FTE are due to differences in:

- Economies of scale (adjusted for in the above comparison)
- Staff skills and productivity
- IT capability / on-line transactions
- Service levels, for example, shorter wait times may require more staff
- Complexity of plan rules
- Using more consultants or third parties to do part of the front-office work.
- Projects
- Organization design

Reason 4: You had lower salaries and benefits, building and utilities, HR and IT desktop costs per FTE.

Costs that vary per FTE	Cost per FTE		FTE-Weighted
	You	Peer Avg	Peer Avg
Salaries and Benefits			
Front Office	\$69,204	\$76,367	\$76,521
Back Office	<u>\$80,404</u>	<u>\$114,256</u>	<u>\$113,010</u>
Blended Average	\$73,107	\$88,715	\$88,806
Pay-as-you-go Benefits for Retired Staff	\$0	\$671	\$984
Building and Utilities	\$6,642	\$9,685	\$9,926
Human Resources	\$2,949	\$3,063	\$3,216
IT Desktop, Networks, Telecom	\$10,430	\$14,161	\$13,964
Total	\$93,127	\$116,296	\$116,896

Your cost per FTE for salaries and benefits, building and utilities, human resources and IT desktop of \$93,127 was 20% below the FTE-weighted peer average of \$116,896. Your lower costs per FTE decreased your total cost per member by \$13.44 relative to the peer average.

The cost model uses the FTE-weighted average because 'Cost per FTE' differences matter more for peers with more FTEs. The FTE-weighted average can be substantially different from the simple average.

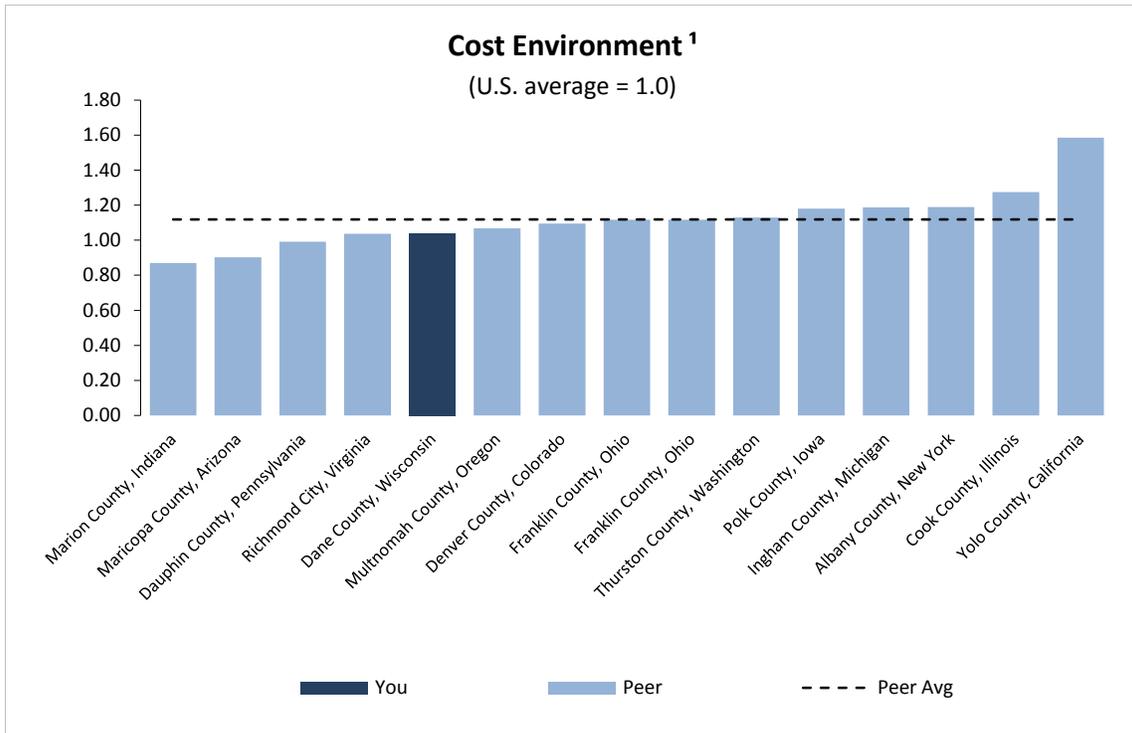
Averages can also mask the often large differences in front and back-office salaries. Therefore, both front and back-office averages for salaries and benefits are shown in the table above. Refer to section '5 - Staff Costs and Productivity' for much more detailed comparisons of your staffing levels and cost per FTE.

Differences in what you pay per FTE reflect differences in:

- Cost environment. Labor costs in your area were 8% below the peer average.
- Square footage of office space per FTE.
- Organization structure, strategy and history.
- Using consultants for functions associated with high salaries. This will reduce your salary cost per FTE, but increase your third party cost. The impact of differences in third party costs is quantified separately on page 3-14 in this section.

Cost environment

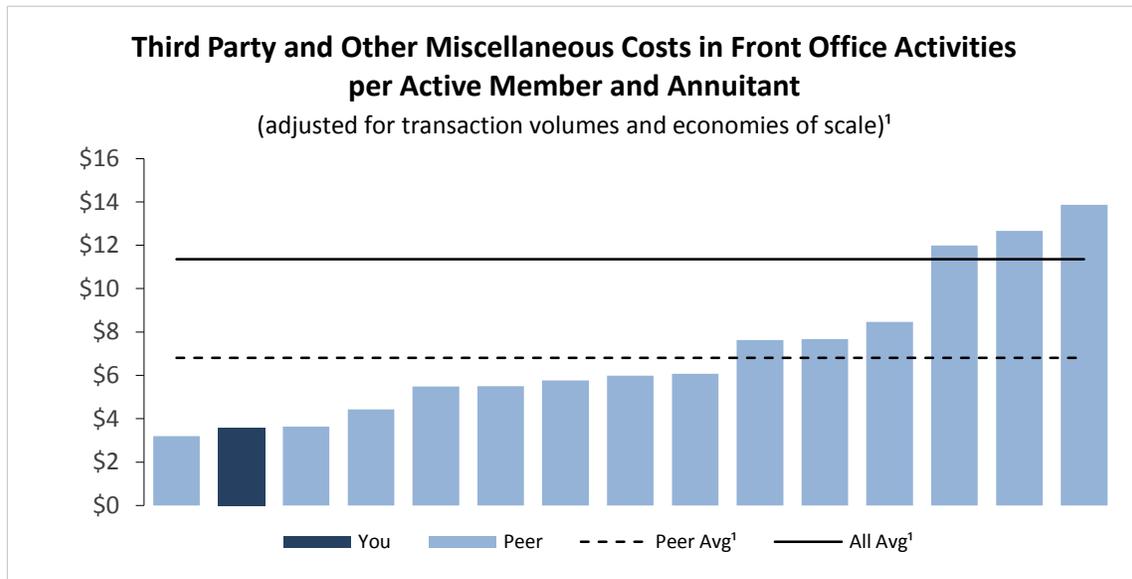
Often a key reason for differences in 'cost per FTE' is cost environment. Labor costs in your area were 8% below the peer average.



1. The cost environment is based on Bureau of Labor Statistics data for state government public administration wages within a given geographical area. It is normalized at 1 to be the national average. Source: Bureau of Labor Statistics (<http://www.bls.gov/>)

Reason 5: You had lower third party and other miscellaneous costs in the front-office activities.

Your third party and other miscellaneous costs (such as travel, office supplies, etc) in the front-office activities² were \$3.60 per member which was 47% below the adjusted¹ peer weighted average of \$6.81. Your lower third party costs decreased your total cost per member by \$3.27 relative to the peer average.



1. The peer costs are adjusted for differences in transaction volumes and economies of scale in order to avoid double counting. The average shown is weighted by transaction volumes per member.
2. Front-office activities are activities that come in contact with clients or employers, such as paying pensions, member calls and presentations. It excludes back-office activities such as Governance and Financial Control, Major Projects and Support Services.

Differences in third party and other miscellaneous costs in the front-office activities reflect differences in:

- Use of consultants
- Departmental travel and education

Reason 6: You paid less for back-office activities.

Your adjusted¹ cost per active member and annuitant of \$34.57 for back-office activities was below the peer average of \$35.10. Paying less for back-office activities decreased your total cost per member by \$0.53 relative to the peer average.

Back-office activities	Cost per Active Member and Annuitant		Adjusted ¹ Cost per Active Member and Annuitant	
	You	Peer Avg	You	Peer Avg
Governance and Financial Control	\$6.63	\$5.82	\$7.60	\$5.21
Major Projects	\$13.27	\$7.65	\$14.65	\$7.43
IT Strategy, Database, Applications (excl. major projects)	\$7.45	\$15.74	\$8.22	\$14.31
Actuarial, Legal, Audit, Other Support Services	\$3.61	\$8.60	\$4.09	\$8.15
Support Services that Vary per FTE	\$3.61	\$5.30		
Total	\$34.57	\$43.11	\$34.57	\$35.10

1. To avoid double counting, back-office costs are adjusted for economies of scale and, cost per FTE for salaries and benefits, building and utilities, IT desktop and, human resources.

Differences in the adjusted cost per member for non-administration activities reflects differences in:

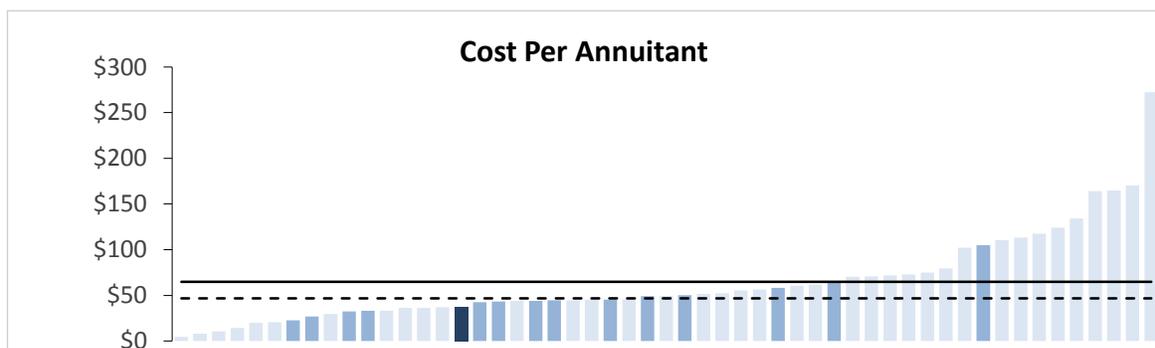
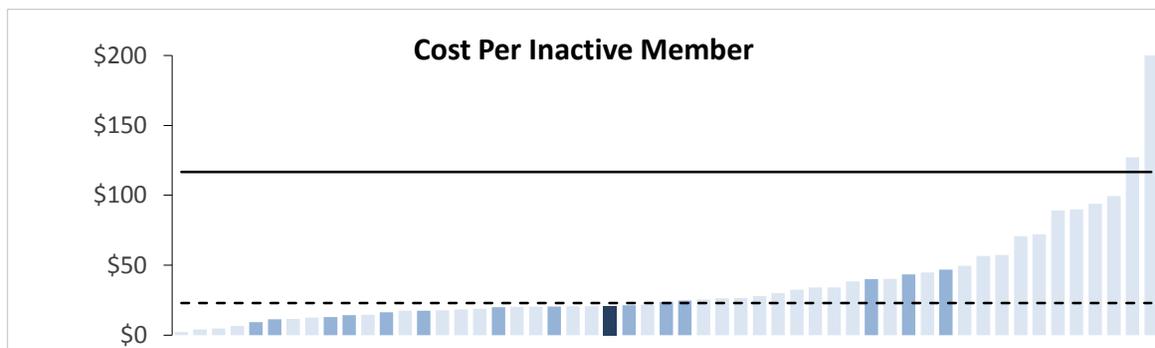
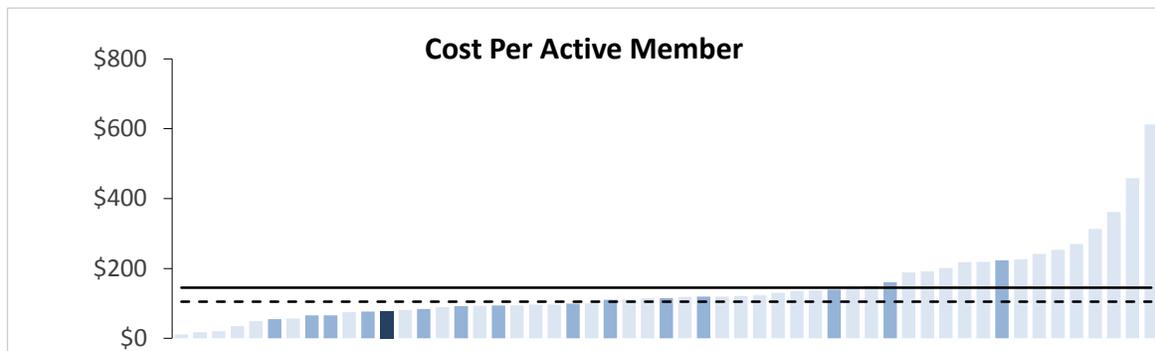
- How much you do. For example, some systems invest more in disaster recovery.
- IT capability
- IT investment cycle
- Plan complexity

Refer to section '4 - Activity Costs' for detailed analysis and comparison of the sub-activities within each of the non-administration activities to gain insight into where you are doing and paying more and/or less.

Cost per member type

An alternative way of analyzing cost performance is by member type. Comparisons of your pension administration cost per active, inactive and annuitant member to your peers and all participants are shown below. The methodology for determining these costs is shown on the following two pages.

Pension Administration Cost per Member by Type									
Member Type	You	Peer				All			
		Average	Max	Median	Min	Average	Max	Median	Min
Active Member	\$77	\$105	\$223	\$94	\$55	\$145	\$612	\$115	\$11
Inactive Member	\$21	\$23	\$47	\$20	\$9	\$117	\$4,446	\$24	\$2
Annuitant	\$38	\$47	\$105	\$44	\$23	\$65	\$272	\$50	\$5



Calculation of your cost per member type

The table below shows how your activity costs were attributed to each member type. The attribution methodology is described on the following page.

Calculation of Your Cost by Member Type							
Activity	Your Costs in \$000s ¹	<u>\$000s attributed to:</u>			<u>% attributed to:</u>		
		Active	Inactive	Annuitant	Active	Inactive	Annuitant
1. Member Transactions							
a. Pension Payments	1,305	0	0	1,305	0.0%	0.0%	100.0%
b. Pension Inceptions	1,070	492	391	186	46.0%	36.6%	17.4%
c. Withdrawals and Transfers-out	360	190	170	0	52.8%	47.2%	0.0%
d. Purchases and Transfers-in	156	156	0	0	100.0%	0.0%	0.0%
e. Disability	906	906	0	0	100.0%	0.0%	0.0%
2. Member Communication							
a. Call Center	1,901	1,065	67	769	56.1%	3.5%	40.4%
b. Mail Room, Imaging	1,171	656	41	474	56.1%	3.5%	40.4%
c. 1-on-1 Counseling	670	602	68	0	89.7%	10.2%	0.1%
d. Presentations and Group Counseling	550	494	56	0	89.7%	10.2%	0.1%
e. Written Pension Estimates	862	550	312	0	63.8%	36.2%	0.0%
f. Mass Communication	1,205	858	161	186	71.2%	13.4%	15.4%
3. Collections and Data Maintenance							
a. Data and Money from Employers	1,080	1,080	0	0	100.0%	0.0%	0.0%
b. Service to Employers	309	309	0	0	100.0%	0.0%	0.0%
c. Data Not from Employers	373	171	94	108	45.9%	25.1%	29.0%
4. Governance and Financial Control							
a. Financial Administration and Control	1,381	926	147	308	67.1%	10.6%	22.3%
b. Board, Strategy, Policy	970	651	103	216	67.1%	10.6%	22.3%
c. Government and Public Relations	585	392	62	130	67.1%	10.6%	22.3%
5. Major Projects							
a. Amortization of non-IT Major Projects	0	0	0	0	67.1%	10.6%	22.3%
b. Non-IT Major Projects (if you don't capitalize)	261	175	28	58	67.1%	10.6%	22.3%
c. Amortization of IT Major Projects	96	65	10	21	67.1%	10.6%	22.3%
d. IT Major Projects (if you don't capitalize)	5,519	3,702	586	1,231	67.1%	10.6%	22.3%
6. Information Technology							
a. IT Strategy, Database, Applications (excl. major projects)	3,301	2,214	351	736	67.1%	10.6%	22.3%
b. IT Desktop, Networks, Telecom	2,388	1,602	254	533	67.1%	10.6%	22.3%
7. Support Services and Other							
a. Building and Utilities	1,521	1,020	162	339	67.1%	10.6%	22.3%
b. Human Resources	675	453	72	151	67.1%	10.6%	22.3%
c. Actuarial	235	158	25	52	67.1%	10.6%	22.3%
d. Legal and Rule Interpretation	799	536	85	178	67.1%	10.6%	22.3%
e. Internal and External Audit	403	270	43	90	67.1%	10.6%	22.3%
f. Pay-as-you-go Benefits for Retired Staff	0	0	0	0	67.1%	10.6%	22.3%
g. Other Support Services	161	108	17	36	67.1%	10.6%	22.3%
Total Pension Administration Cost (A)	30,214	19,801	3,303	7,109	65.5%	10.9%	23.5%
# of members by type (B)		257,255	161,123	185,605			
Cost per Member Type (A ÷ B)		\$77	\$21	\$38			

1. The fully-attributed costs of activities 1f. Healthcare Administration and 1g. Optional and Third Party Administered Benefits are excluded from pension administration costs to ensure comparability. Refer to the second to last page of this section to see how the above costs reconcile to the administration costs provided on your survey.

Methodology for attributing activity costs to each member type

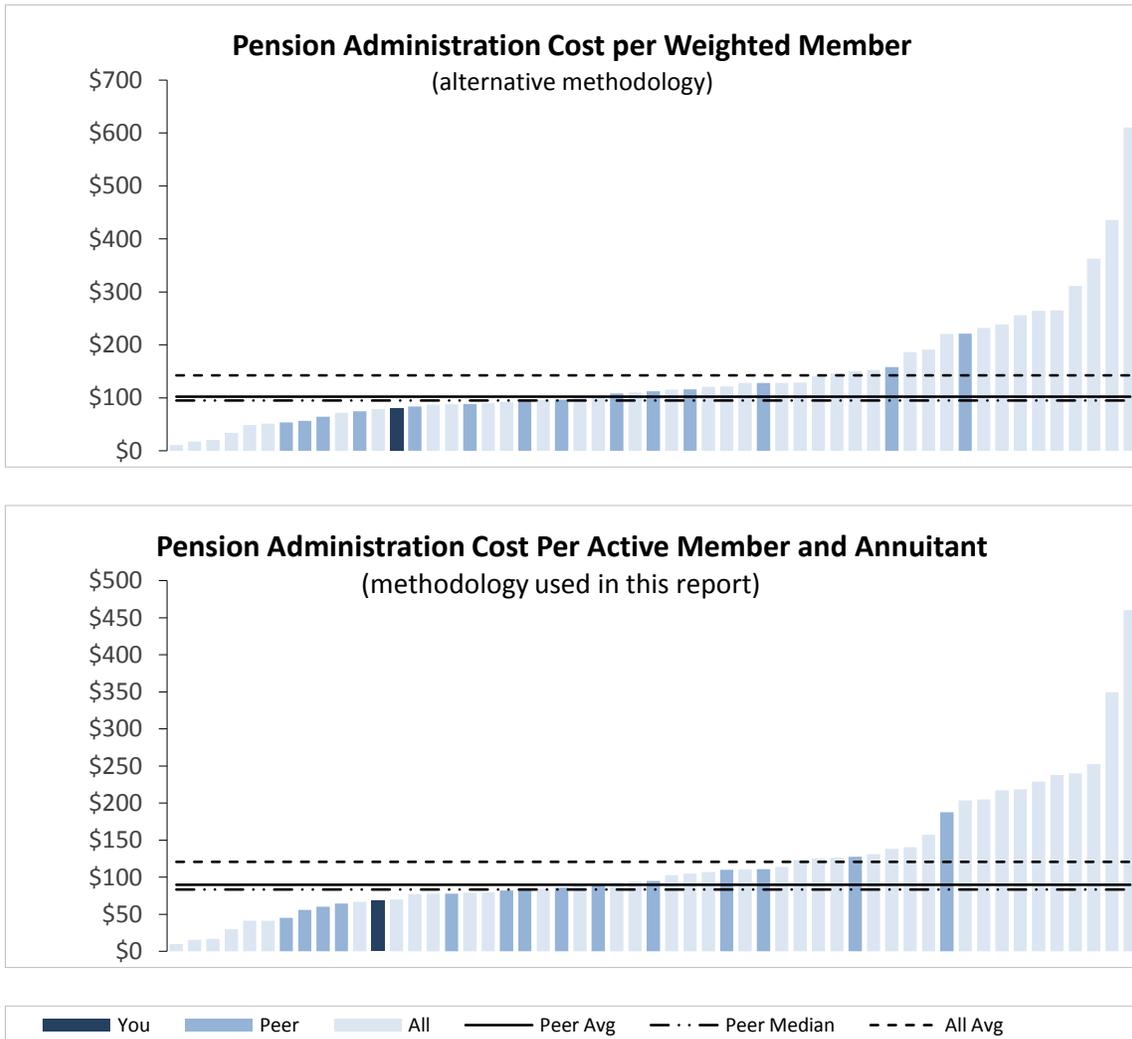
Activity	Attribution Method
1a. Pension Payments	100% annuitants
1b. Pension Inceptions	Pro rata based on weighted inceptions: <ul style="list-style-type: none"> • service retirements of active members weighted 100% • new inceptions annuitants weighted 50% + changes in gross caused by annuitants circumstances weighted 25% • retirements of inactive members weighted 70%
1c. Withdrawals and Transfers-out	Pro rata based on: <ul style="list-style-type: none"> • active members weighted 70% • inactive members weighted 100%
1d. Purchases and Transfers-in	100% active members
1e. Disability	100% active members
2a. Call Center	Pro rata based on weighted membership: <ul style="list-style-type: none"> • active members weighted 100% • annuitants weighted 100% • inactive members weighted 10%
2b. Mail Room, Imaging	per 2a above
2c. 1-on-1 Counseling	Pro rata between actives, inactives and annuitants based on: <ul style="list-style-type: none"> • service retirements of active members weighted 100% • retirements of inactive members weighted 10% • survivor inceptions of annuitants weighted 5%
2d. Presentations and Group Counseling	per 2c above
2e. Written Pension Estimates	Pro rata between active and inactive members based on: <ul style="list-style-type: none"> • service retirements of active members weighted 100% • retirements of inactive members weighted 50%
2f. Mass Communication	Pro rata based on weighted membership: <ul style="list-style-type: none"> • active members weighted 100% • annuitants weighted up to 30% (20% for website, etc + 10% if you send them newsletters) • inactive members weighted up to 30% (10% for website, etc + 10% if you send them member statements annually + 10% if you send them newsletters)
3a. Data and Money from Employers	100% active members
3b. Service to Employers	100% active members
3c. Data Not from Employers	Pro rata based on weighted membership: <ul style="list-style-type: none"> • active members weighted up to 100% (33% because of divorce + 33% if you maintain their addresses + 33% if you collect contributions directly from members) • annuitants weighted up to 58% (25% because of divorce + 33% for maintaining their addresses) • inactive members weighted up to 58% (25% because of divorce + 33% if you maintain their addresses)
4a. Financial Administration and Control	Pro rata based on ratio of the sum of attributions to activities 1 to 3 for actives, annuitants and inactives using rules above.
4b. Board, Strategy, Policy	per 4a above
4c. Government and Public Relations	per 4a above
5a. Amortization of non-IT Major Projects	per 4a above
5b. Non-IT Major Projects (if you don't capitalize)	per 4a above
5c. Amortization of IT Major Projects	per 4a above
5d. IT Major Projects (if you don't capitalize)	per 4a above
6a. IT Strategy, Database and Applications (excl. major projects)	per 4a above
6b. IT Desktop, Networks, Telecom	per 4a above
7a. Building and Utilities	per 4a above
7b. Human Resources	per 4a above
7c. Actuarial	per 4a above
7d. Legal and Rule Interpretation	per 4a above
7e. Internal and External Audit	per 4a above
7f. Pay-as-you-go Benefits for Retired Staff	per 4a above
7g. Other Support Services	per 4a above

Cost per weighted member

In this report active members and annuitants is the divisor used when determining cost per member. But as the analysis on the previous three pages demonstrates, active members are more costly to administer than annuitants, and the cost to administer inactive members is greater than zero. Thus, using active members and annuitants as the divisor can bias results. It unfairly makes systems look higher cost if they have substantially higher than average proportions of inactive members and/or substantially lower than average proportions of annuitants.

Another way to compare total costs is on a per 'weighted member' basis where the weightings reflect the fact that costs vary by type of member. Your pension administration cost per weighted member was \$79.29. This was below the peer average of \$102.39. Members are weighted as follows: active members at 100%, inactive members at 25% and annuitants at 45%.

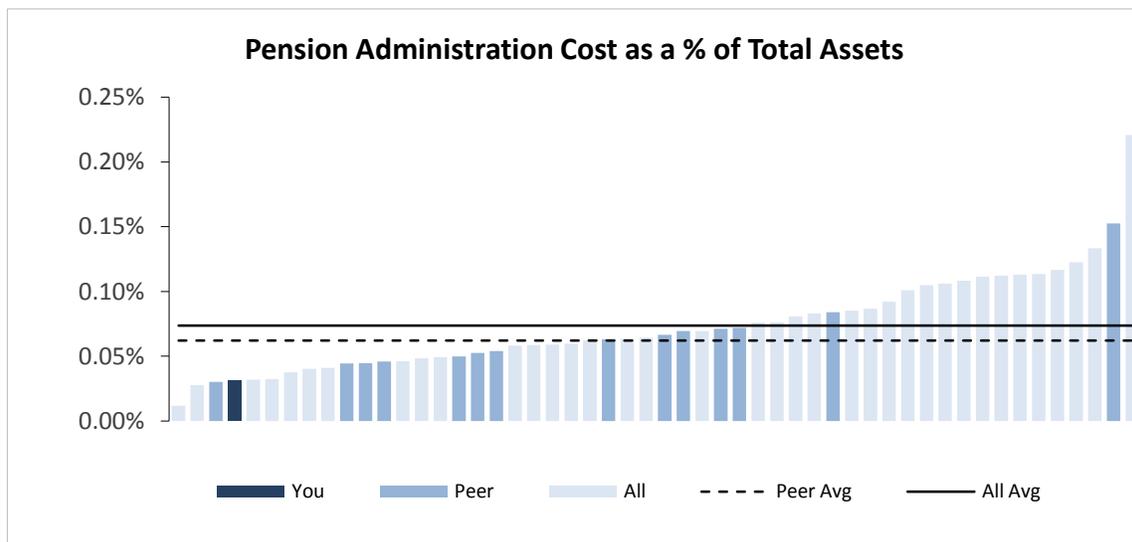
Relative rankings under both methodologies are shown in the graphs below.



Cost as a % of total assets

An alternative way to compare total costs is as a percent of total pension assets. This ratio is particularly useful when trying to understand how pension administration costs compare to investment costs within the same system because investment costs tend to be quoted as a percentage of assets. This ratio is less useful when comparing between systems, as is done in the graph below, because the divisor, total assets, depends on plan rules (more generous plans will have more assets) and funded status.

Your pension's administration costs represented 0.03% of total assets (or 3 basis points). This was below the peer average of 0.06%.



Reconciliation to costs provided on the survey

The fully-attributed costs of activities 1f. Healthcare Administration and 1g. Optional and Third Party Administered Benefits are excluded from pension administration costs to ensure comparability. Your direct costs per the survey for activities 4, 5, 6 and 7 have been reduced by attributions to activities 1F and 1G that add up to \$5,511 thousand.

Activity	Your Costs in \$000s				Total	\$s per Active Member and Annuitant
	Salaries & Benefits	Third Party & Other	Direct ¹ Attributions to 1f & 1g	Indirect ² Attributions to 1f & 1g		
1. Member Transactions						
a. Pension Payments	920	385			1,305	2.95
b. Pension Inceptions	1,069	1			1,070	2.41
c. Withdrawals and Transfers-out	331	30			360	0.81
d. Purchases and Transfers-in	139	17			156	0.35
e. Disability	673	233			906	2.05
f. Healthcare Administration	819	362	3,152	306	4,640	10.48
g. Optional and Third Party Administered Benefits	559	210	1,871	182	2,822	6.37
2. Member Communication						
a. Call Center	1,881	20			1,901	4.29
b. Mail Room, Imaging	893	278			1,171	2.64
c. 1-on-1 Counseling	661	9			670	1.51
d. Presentations and Group Counseling	542	8			550	1.24
e. Written Pension Estimates	850	12			862	1.95
f. Mass Communication	703	502			1,205	2.72
3. Collections and Data Maintenance						
a. Data and Money from Employers	1,044	36			1,080	2.44
b. Service to Employers	275	34			309	0.70
c. Data Not from Employers	345	28			373	0.84
4. Governance and Financial Control						
a. Financial Administration and Control	1,213	349		-181	1,381	3.12
b. Board, Strategy, Policy	761	336		-127	970	2.19
c. Government and Public Relations	540	121		-77	585	1.32
5. Major Projects						
a. Amortization of non-IT Major Projects	n/a	0	0	0	0	0.00
b. Non-IT Major Projects (if you don't capitalize)	260	124	-123	0	261	0.59
c. Amortization of IT Major Projects	n/a	141	-45	0	96	0.22
d. IT Major Projects (if you don't capitalize)	1,994	6,119	-2,594	0	5,519	12.46
6. Information Technology						
a. IT Strategy, Database, Applications (excl. major projects)	2,368	2,484	-1,551	0	3,301	7.45
b. IT Desktop, Networks, Telecom	1,242	1,460	-274	-39	2,388	5.39
7. Support Services and Other						
a. Building and Utilities	103	1,617	-175	-25	1,521	3.43
b. Human Resources	559	205	-78	-11	675	1.52
c. Actuarial	0	266	-27	-4	235	0.53
d. Legal and Rule Interpretation	761	143	-92	-13	799	1.81
e. Internal and External Audit	292	164	-46	-7	403	0.91
f. Pay-as-you-go Benefits for Retired Staff	0	n/a	0	0	0	0.00
g. Other Support Services	133	49	-18	-3	161	0.36
Total Administration	21,932	15,744	0	0	37,675	85.07
less:						
f. Healthcare Administration	-819	-362	-3,152	-306	-4,640	-10.48
g. Optional and Third Party Administered Benefits	-559	-210	-1,871	-182	-2,822	-6.37
Total Pension Administration					30,214	68.22

1. Direct attributions are equal to your attributions of 5. Major Projects and 6a. IT Strategy, Database, Applications as per your survey plus CEM attributions of 6b through 7g to activities 1-4 pro rata based on FTE.

2. Indirect attributions include: (i) CEM attributions of 4. Governance to activities 1-3 pro rata based on FTE and (ii) your direct attributions to 4. Governance attributed to activities 1-3 pro rata based on FTE.

Adjustments to peer data used in attributing cost differences

Peer averages used to explain the reasons why cost per member is different from the peer average are often adjusted. The adjustments are shown in the table below. Each adjustment is applied sequentially from left to right.

Adjustments to Peer Averages used in the Cost Model							
Reasons for differences in cost	Averages			Adjustments used to avoid double counting			Final Adjusted Average Used
	Peer Average	Weighted Average	Inverse Average	Scale	Work-loads	Cost per FTE	
Scale: Active Members and Annuitants	460,951		413,108				413,108
Workloads: Transactions per member	37						37
Productivity: transactions per front-office FTE	114,796	96,555		2,761			99,316
Costs that vary per FTE (salaries, etc.) per FTE	\$116,296	\$116,896					\$116,896
Per member costs for:							
Third party & other costs in front-office	\$7.01	\$6.75		-\$0.08	\$0.14		\$6.81
Back office activities	\$43.11			-\$0.36		-\$7.66	\$35.10

Scale Adjustments: The impact CEM attributes to economy of scale must be 'backed out' of peer data to avoid double counting in subsequent reasons for cost differences. Each peer is independently adjusted by a total amount equaling the expected cost difference due to scale between you and that peer. That adjustment is divided across three categories: productivity, third party & other costs in the front-office, and back-office costs. The share allocated to each is based on that peer's relative spending on front-office salaries and benefits (including support), front-office third party & other costs, and back-office costs, respectively.

Workload Adjustments: Third party & other costs in the front-office are linked to transaction volumes. The extent to which higher or lower transaction volumes drive higher or lower third party & other costs in front-office activities is already captured in the impact of higher or lower transaction volumes. To avoid double counting, before calculating the impact of higher/lower third party & other costs in the front-office, peer data is adjusted to reflect expected costs if they had your transaction volume.

Cost per FTE Adjustments: The impact of higher or lower cost per FTE in the back office is already captured in the 'salary' impact. To avoid double counting, it cannot also be included as part of 'paying more or less' for back-office activities. Peer back office activity costs are adjusted to reflect what they would be if each peer had your average back office costs per FTE.

Weighted Average vs. Average: Adding up the differences between your fund and the peer average for each category does not add up to the total difference between your fund and the peer average cost per member. This is because some reasons matter more for some peers than for others. For example, salary differences matter more in explaining cost differences between you and peers with higher FTE/member. In order to explain differences in total cost, many of the averages must be weighted. The weightings used are as follows:

Productivity (Inverse): weighted by workload per member.

Cost per FTE: weighted by FTE per member. Additionally re-weighted to reflect your front-office/back-office FTE ratio.

Third party & other costs in front-office: weighted by workload per member.

Inverse: several of the reasons shown are actually the inverse of the true driver of cost differences. Economy of scale advantage/disadvantage, for example, is not associated with active members and annuitants, but with '1/active members and annuitants'. It is not intuitive for most readers to look at this inverse ratio, so the report graphs 'active members and annuitants'. However, it is the peer average of '1/active members and annuitants' that explains cost differences. CEM plots this value on the graph by calculating the peer average of '1/active members and annuitants' and then taking the inverse of that average. Similarly, 'FTE/transaction' is the relevant peer measure, not 'transactions/FTE'.

Activity Costs

This section compares:

- Direct costs by activity, before any attributions
- Factors that impact the direct costs of each activity such as salaries per direct FTE, transaction volumes per direct FTE, economies of scale, membership mix, and additional work per unit of activity volume.
- Fully-attributed costs by activity

Calculation of your activity costs

Calculation of Your Direct Activity Costs			
Activity ¹	Cost ² in \$000s (A)	Activity Volume (B)	\$s per Unit (A / B)
1. Member Transactions			
a. Pension Payments	1,305	185,605 annuitants	7.03
b. Pension Inceptions	1,070	11,582 new payee inceptions	92.34
c. Withdrawals and Transfers-out	360	3,834 withdrawals and transfers-out	93.92
d. Purchases and Transfers-in	156	868 purchases and transfers-in	179.72
e. Disability	906	2,425 disability applications	373.57
2. Member Communication			
a. Call Center	1,901	204,461 calls and emails	9.30
b. Mail Room, Imaging	1,171	165,750 incoming mail	7.07
c. 1-on-1 Counseling	670	6,511 members counseled 1-on-1	102.93
d. Presentations and Group Counseling	550	570 member presentations	964.91
e. Written Pension Estimates	862	24,304 written estimates	35.46
f. Mass Communication	1,205	442,860 active members and annuitants	2.72
3. Collections and Data Maintenance			
a. Data and Money from Employers	1,080	257,255 active members	4.20
b. Service to Employers	309	257,255 active members	1.20
c. Data Not from Employers	373	603,983 actives, inactives, annuitants	0.62
4. Governance and Financial Control ⁴			
a. Financial Administration and Control	1,381	442,860 active members and annuitants	3.12
b. Board, Strategy, Policy	970	442,860 active members and annuitants	2.19
c. Government and Public Relations	585	442,860 active members and annuitants	1.32
5. Major Projects ⁴			
a. Amortization of non-IT Major Projects	0	442,860 active members and annuitants	0.00
b. Non-IT Major Projects (if you don't capitalize)	261	442,860 active members and annuitants	0.59
c. Amortization of IT Major Projects	96	442,860 active members and annuitants	0.22
d. IT Major Projects (if you don't capitalize)	5,519	442,860 active members and annuitants	12.46
6. Information Technology ⁴			
a. IT Strategy, Database, Applications (excl. major projects)	3,301	442,860 active members and annuitants	7.45
b. IT Desktop, Networks, Telecom	2,388	245 pension admin FTE	9,738.19
7. Support Services and Other ⁴			
a. Building and Utilities	1,521	245 pension admin FTE	6,201.29
b. Human Resources	675	245 pension admin FTE	2,753.05
c. Actuarial	235	442,860 active members and annuitants	0.53
d. Legal and Rule Interpretation	799	442,860 active members and annuitants	1.81
e. Internal and External Audit	403	442,860 active members and annuitants	0.91
f. Pay-as-you-go Benefits for Retired Staff	0	245 pension admin FTE	0.00
g. Other Support Services	161	442,860 active members and annuitants	0.36
Total Pension Administration ³	30,214	442,860 active members and annuitants	68.22

1. Refer to Appendix C for activity definitions.

2. Cost is 'direct cost' as per your survey. It is the sum of:

a) Salaries and benefits of all staff that directly perform the activity, plus related support and management staff that are in the same department. For example, the call center includes call and email customer service agents, trainers, analysts and managers.

b) Third-party and other non-staff, non-third-party-fee costs that can be directly attributed to the activities but that are not already included in the other activities listed. These other costs may include office supplies, travel, subscriptions, training, conferences.

3. The fully attributed costs of activities 1f. Healthcare Administration and 1g. Optional and Third Party Administered Benefits are excluded from total pension administration costs to ensure comparability.

4. Your direct costs for activities 4, 5, 6, and 7 have been reduced by attributions to 1f. Healthcare Administration and 1g. Optional and Third Party Administered Benefits that add up to \$5,511 thousand. Refer to the last page of this section for details.

Summary comparisons of activity costs by quartile breakdown

Comparisons of Direct Activity Costs ¹														
Activity	Cost per:	You	Peer						All Participant					
			Avg	Max	Q3	Med	Q1	Min	Avg	Max	Q3	Med	Q1	Min
1. Member Transactions														
a. Pension Payments	annuitant	7.03	8.80	21.99	11.12	8.49	5.44	1.71	10.98	58.15	12.45	8.46	4.21	0.49
b. Pension Inceptions	new payee inception	92.34	147.39	374.63	166.78	116.29	91.66	64.12	242.03	1,850.66	286.34	155.88	84.07	11.58
c. Withdrawals and Transfers-out	withdrawal & transfer-out	93.92	100.03	471.91	117.13	54.41	31.91	6.98	294.92	3,673.10	240.68	93.92	41.14	6.98
d. Purchases and Transfers-in	purchase & transfer-in	179.72	273.83	1,057.78	273.81	179.72	117.21	42.20	1,366.77	47,326.70	426.73	236.37	130.88	42.20
e. Disability	disability application	373.57	1,451.92	3,847.57	2,336.07	763.34	370.80	183.26	1,743.24	16,687.47	2,145.77	1,301.51	367.00	93.51
2. Member Communication														
a. Call Center	call & email	9.30	10.08	30.00	11.03	9.48	6.86	4.06	11.32	77.55	12.92	8.35	5.37	2.60
b. Mail Room, Imaging	incoming mail	7.07	6.46	21.45	6.86	5.93	4.75	1.33	10.13	58.94	9.86	5.69	3.05	0.59
c. 1-on-1 Counseling	member counseled 1-on-1	102.93	112.89	314.57	144.77	102.93	61.04	37.40	160.18	2,847.00	128.74	58.74	38.61	1.32
d. Presentations and Group Counseling	member presentation	964.91	1,773.91	10,249.41	1,628.48	1,090.37	646.53	341.59	27,946.24	1,218,862.46	1,795.69	1,172.06	757.18	173.07
e. Written Pension Estimates	written estimate	35.46	43.86	151.00	60.45	30.34	19.70	3.63	167.28	1,337.75	146.39	39.91	19.74	0.19
f. Mass Communication	active member & annuitant	2.72	3.13	7.73	3.83	2.66	2.04	1.54	3.69	11.01	4.62	3.51	2.02	0.19
3. Collections and Data Maintenance														
a. Data and Money from Employers	active member	4.20	6.90	20.60	8.71	4.20	2.88	1.54	9.97	42.85	11.53	6.72	3.05	0.26
b. Service to Employers	active member	1.20	2.84	6.96	2.97	2.46	1.82	1.20	3.40	16.72	4.53	2.54	1.34	0.00
c. Data Not from Employers	active, inactive & annuitant	0.62	0.97	3.58	1.08	0.76	0.54	0.04	1.23	6.38	1.66	0.85	0.29	0.00
4. Governance and Financial Control														
a. Financial Administration and Control	active member & annuitant	3.12	2.58	3.97	3.48	2.52	2.05	0.47	4.29	21.55	4.76	3.70	2.27	0.23
b. Board, Strategy, Policy	active member & annuitant	2.19	2.12	5.17	2.71	1.96	1.23	0.13	7.07	45.29	7.97	3.91	1.36	0.13
c. Government and Public Relations	active member & annuitant	1.32	1.12	3.46	1.50	0.67	0.32	0.12	2.59	18.75	2.86	1.33	0.39	0.00
5. Major Projects														
a. Amortization of non-IT Major Projects	active member & annuitant	0.00	0.04	0.57	0.00	0.00	0.00	0.00	0.05	1.51	0.00	0.00	0.00	0.00
b. Non-IT Major Projects (if you don't capitalize)	active member & annuitant	0.59	1.07	6.51	0.73	0.00	0.00	0.00	0.97	16.57	0.21	0.00	0.00	0.00
c. Amortization of IT Major Projects	active member & annuitant	0.22	2.67	7.84	6.05	0.22	0.00	0.00	7.48	294.89	3.07	0.00	0.00	0.00
d. IT Major Projects (if you don't capitalize)	active member & annuitant	12.46	3.87	12.46	7.30	2.30	0.22	0.00	6.49	141.33	4.92	0.44	0.00	0.00
6. Information Technology														
a. IT Strategy, Database, Applications (excl. major projects)	active member & annuitant	7.45	15.74	30.65	23.89	13.31	7.98	5.87	18.20	55.56	26.60	14.70	7.79	2.59
b. IT Desktop, Networks, Telecom	pension admin fte	9,738	12,977	19,628	14,244	12,151	10,751	9,552	11,203	42,889	13,901	10,733	7,319	0
7. Support Services and Other														
a. Building and Utilities	pension admin fte	6,201	8,788	14,413	11,247	7,714	6,587	3,862	10,886	25,958	14,754	10,374	5,895	692
b. Human Resources	pension admin fte	2,753	2,795	5,401	3,220	2,753	1,669	921	3,682	8,472	6,491	2,964	1,757	0
c. Actuarial	active member & annuitant	0.53	1.67	4.07	2.04	1.70	0.94	0.53	2.09	9.96	2.51	1.36	0.77	0.00
d. Legal and Rule Interpretation	active member & annuitant	1.81	2.95	6.96	4.77	2.06	1.58	0.55	4.39	21.66	5.96	3.35	1.71	0.08
e. Internal and External Audit	active member & annuitant	0.91	1.64	3.61	2.08	1.41	1.15	0.50	2.52	21.22	2.72	1.54	1.01	0.07
f. Pay-as-you-go Benefits for Retired Staff	pension admin fte	0.00	596.62	5,767.16	461.89	0.00	0.00	0.00	410.53	5,767.16	0.00	0.00	0.00	0.00
g. Other Support Services	active member & annuitant	0.36	2.34	7.36	3.77	1.76	0.90	0.00	2.38	30.23	3.70	1.00	0.00	0.00
Total Pension Administration²	active member & annuitant	68.22	89.64	187.63	102.51	83.18	66.32	45.18	120.80	460.23	138.04	94.95	77.40	10.09

1. In this section we compare your costs to the peer median (i.e., the middle value or 50th percentile) because outlier data often skews averages in the direction of outlier values. Maximum and minimum values usually reflect unusual circumstances and are often associated with very low volumes.

2. The fully attributed costs of activities 1f. Healthcare Administration and 1g. Optional and Third Party Administered Benefits are excluded from total pension administration costs to ensure comparability.

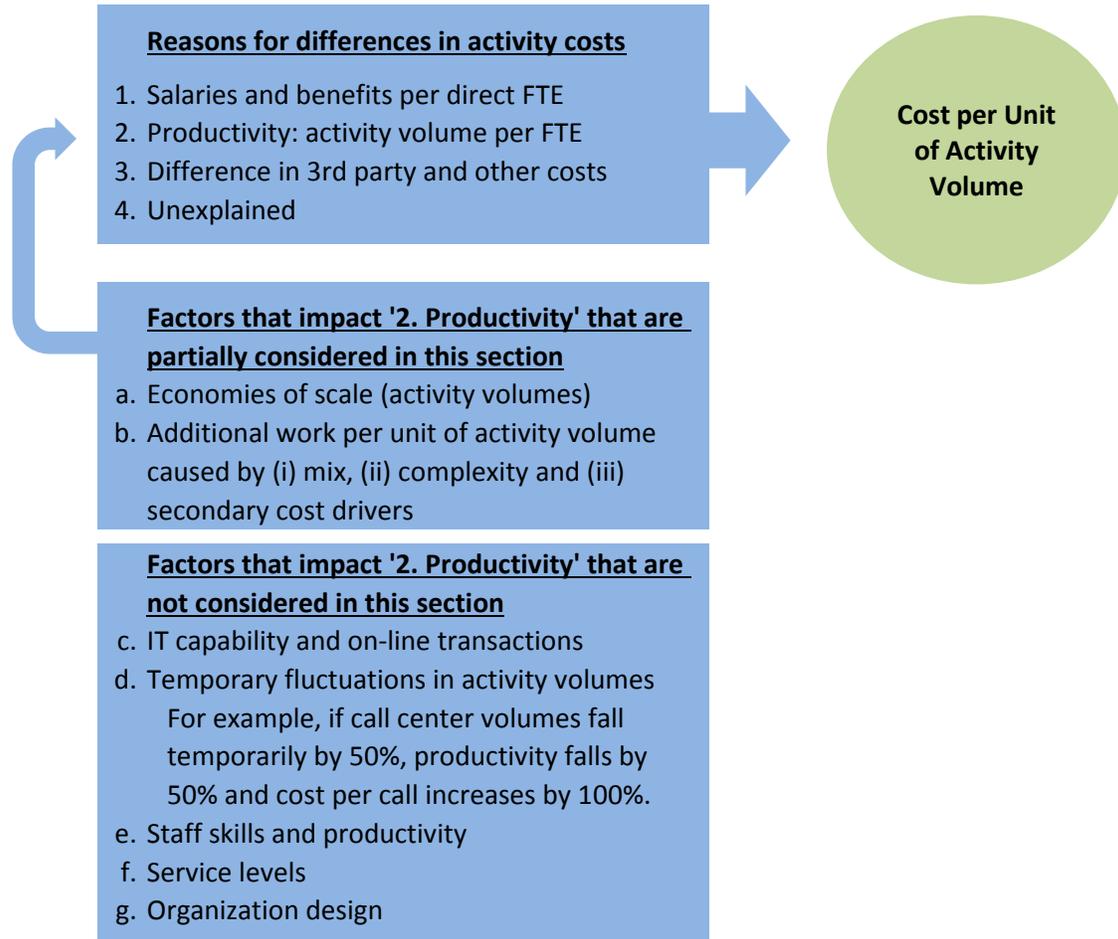
Activity cost history

Comparisons of Direct Activity Costs ¹													
Activity	Cost per:	You				Peer Average				All Participant Average			
		2015	2014	2013	2012	2015	2014	2013	2012	2015	2014	2013	2012
1. Member Transactions													
a. Pension Payments	annuitant	7.03	7.42	6.84	5.40	8.80	9.32	9.09	9.09	10.82	12.99	12.61	12.59
b. Pension Inceptions	new payee inception	92.34	105.04	107.58	57.43	147.39	162.50	159.84	141.64	254.79	212.78	214.11	226.03
c. Withdrawals and Transfers-out	withdrawal & transfer-out	93.92	111.14	59.87	50.68	100.03	95.94	62.84	65.41	344.53	362.25	294.14	848.51
d. Purchases and Transfers-in	purchase & transfer-in	179.72	104.14	179.53	123.78	273.83	244.47	213.70	222.16	371.75	300.12	284.92	334.16
e. Disability	disability application	373.57	359.40	311.16	313.13	1,451.92	1,423.88	1,357.78	1,370.39	1,887.50	1,927.35	2,382.01	2,018.57
2. Member Communication													
a. Call Center	call & email	9.30	8.01	8.44	7.73	10.08	9.13	8.51	8.46	11.88	11.38	9.91	9.93
b. Mail Room, Imaging	incoming mail	7.07	7.68	6.28	6.07	6.46	5.87	5.80	5.36	10.35	7.84	10.42	49.16
c. 1-on-1 Counseling	member counseled 1-on-1	102.93	139.10	151.40	113.07	112.89	104.10	105.35	101.73	182.11	146.83	102.75	104.84
d. Presentations and Group Counseling	member presentation	964.91	948.51	1,710.06	1,131.25	1,773.91	1,538.66	1,417.17	1,383.46	2,069.75	1,513.58	2,731.93	3,541.32
e. Written Pension Estimates	written estimate	35.46	59.80	71.39	68.63	43.86	47.63	53.50	68.65	168.46	141.25	138.02	153.28
f. Mass Communication	active member & annuitant	2.72	3.15	2.23	1.43	3.13	3.34	3.39	3.11	3.94	3.93	4.26	4.09
3. Collections and Data Maintenance													
a. Data and Money from Employers	active member	4.20	4.21	3.35	3.44	6.90	6.50	5.27	5.09	11.24	10.84	9.95	8.99
b. Service to Employers	active member	1.20	1.62	1.26	1.59	2.84	2.86	2.56	2.71	3.85	3.32	3.13	3.08
c. Data Not from Employers	active, inactive & annuitant	0.62	0.31	0.26	0.40	0.97	0.93	0.88	0.88	1.17	1.03	1.27	1.26
4. Governance and Financial Control													
a. Financial Administration and Control	active member & annuitant	3.12	1.64	1.88	1.90	2.58	2.48	2.69	2.89	4.37	4.32	4.55	4.96
b. Board, Strategy, Policy	active member & annuitant	2.19	1.62	1.76	2.05	2.12	1.92	1.88	1.93	6.39	5.99	5.30	5.55
c. Government and Public Relations	active member & annuitant	1.32	0.79	1.93	2.07	1.12	1.12	0.93	1.02	2.33	2.26	1.85	1.85
5. Major Projects													
a. Amortization of non-IT Major Projects	active member & annuitant	0.00	0.00	0.00	0.00	0.04	0.04	0.01	0.02	0.05	0.06	0.05	0.01
b. Non-IT Major Projects (if you don't capitalize)	active member & annuitant	0.59	3.90	3.11	3.20	1.07	1.65	1.17	0.56	1.13	1.25	0.81	1.00
c. Amortization of IT Major Projects	active member & annuitant	0.22	0.24	0.25	0.20	2.67	2.28	2.40	1.78	9.23	7.13	4.97	2.82
d. IT Major Projects (if you don't capitalize)	active member & annuitant	12.46	3.17	0.27	0.00	3.87	4.86	5.28	4.25	7.58	7.75	7.01	5.17
6. Information Technology													
a. IT Strategy, Database, Applications (excl. major projects)	active member & annuitant	7.45	12.81	12.49	11.77	15.74	15.13	13.74	13.76	19.38	18.23	16.76	16.26
b. IT Desktop, Networks, Telecom	pension admin fte	9,738	5,952	4,012	9,053	12,977	12,018	9,027	9,841	11,242	10,279	9,461	9,933
7. Support Services and Other													
a. Building and Utilities	pension admin fte	6,201	5,792	6,548	11,598	8,788	8,728	8,849	11,627	11,240	10,243	10,472	11,714
b. Human Resources	pension admin fte	2,753	2,765	1,882	2,110	2,795	2,694	2,541	2,703	3,594	3,468	3,539	3,589
c. Actuarial	active member & annuitant	0.53	1.00	0.41	1.15	1.67	1.53	1.53	1.62	1.89	1.82	1.93	1.80
d. Legal and Rule Interpretation	active member & annuitant	1.81	2.21	2.20	1.71	2.95	3.18	2.94	2.78	4.27	4.06	4.17	3.82
e. Internal and External Audit	active member & annuitant	0.91	1.41	1.45	1.37	1.64	1.37	1.47	1.43	2.42	2.25	2.23	1.96
f. Pay-as-you-go Benefits for Retired Staff	pension admin fte	0.00	0.00	0.00	0.00	596.62	719.55	769.56	758.06	513.04	469.69	406.43	439.84
g. Other Support Services	active member & annuitant	0.36	0.43	0.37	0.42	2.34	2.38	3.54	3.49	2.49	2.27	2.36	2.47
Total Pension Administration²	active member & annuitant	68.22	66.35	58.63	62.43	89.64	90.25	87.08	86.36	128.02	122.99	115.92	112.14

1. Trend analysis is based on systems that have participated for 4-consecutive years (15 peers and 42 World systems). This ensures that trends are not caused by changes in the composition of the participants.

2. The fully attributed costs of activities 1f. Healthcare Administration and 1g. Optional and Third Party Administered Benefits are excluded from total pension administration costs to ensure comparability.

CEM uses the following model to help explain differences in activity costs



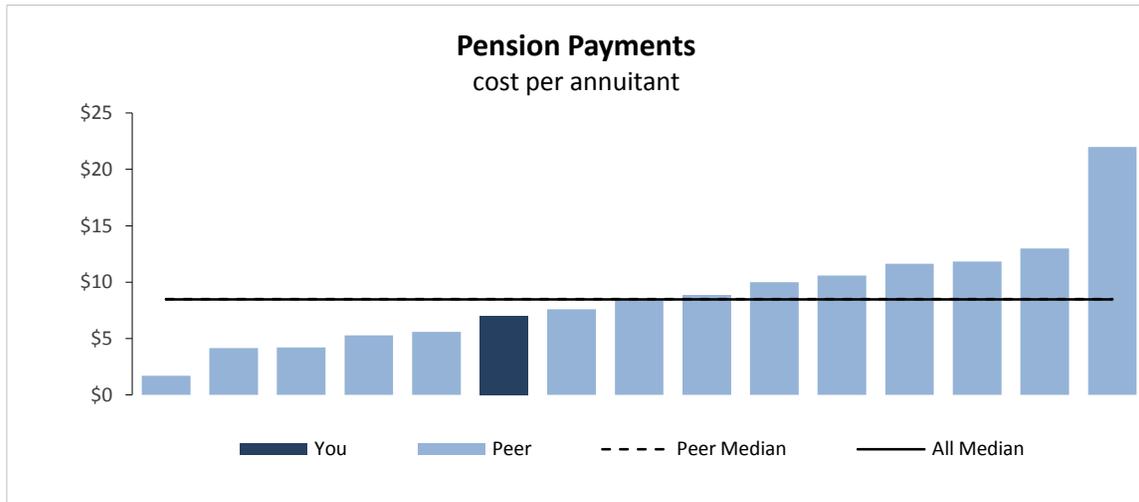
In this section, CEM quantifies the amount by which differences in the four reasons identified in the top box above impact your costs by calculating how your costs would change if you had the peer median salaries/ productivity/ third party and other costs. This methodology results in an unexplained amount, which is sometimes quite large, because:

- Peer salaries, productivity, and third party and other costs are not uniformly distributed. Often there are extreme outliers, especially for systems with relatively low volumes. Thus if you have outlier data for an activity, or several of your peers have extreme data, the unexplained amount may be large.
- Interaction between the three reasons is not quantified. For example, peers with higher productivity may also pay higher salaries. This offsetting impact between higher salaries and higher productivity is not quantified.

All comparisons are to the peer median (i.e., the middle value or 50th percentile). The median is used instead of the average because outlier data often skews averages in the direction of outlier values. Skewing is particularly acute with activity costs because participants with a low volume in an activity sometimes have very high costs per unit.

1A Pension Payments

Your pension payments cost per annuitant was \$7.03. This was \$1.46 below the peer median of \$8.49.



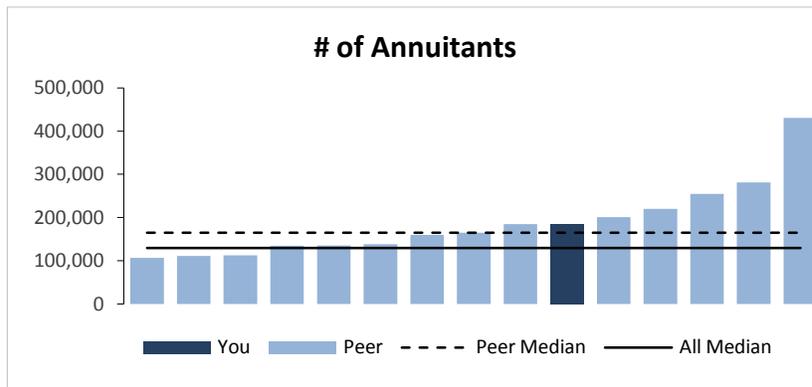
Reasons why your cost was below median	Comparison		Impact ¹ \$s per Annuitant
	You	Peer Median	
Equal salaries and benefits per direct FTE	\$80,684	\$80,684	\$0.00
Fewer annuitants per direct FTE (productivity)	16,281	20,807	\$1.08
Lower third party costs per annuitant	\$2.08	\$2.73	-\$0.65
Unexplained ¹			-\$1.89
Cost per annuitant	\$7.03	\$8.49	-\$1.46

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

1A Pension Payments - Factors that impact productivity

1. Economies of scale

You had an economy of scale advantage. Your 185,605 annuitants was 13% higher than the peer median of 164,555.

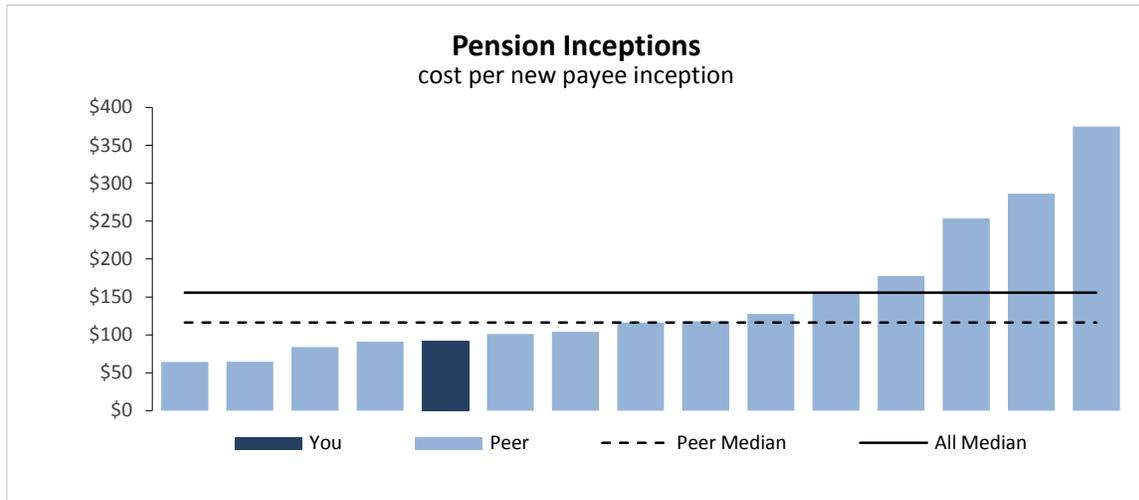


2. Additional pension payments work per annuitant

Causes of additional work	You	Peer Avg	Cost Impact
Percentage of pensioners paid by check (as opposed to Electronic Funds Transfer)	1%	4%	decreasing
Number of times per year you sent payment advices with your EFT payments detailing the gross payment and deductions	6.0	5.7	increasing

1B Pension Inceptions

Your pension inceptions cost per new payee inception was \$92.34. This was \$23.95 below the peer median of \$116.29. The biggest reason why was that you had lower salaries and benefits per direct FTE.



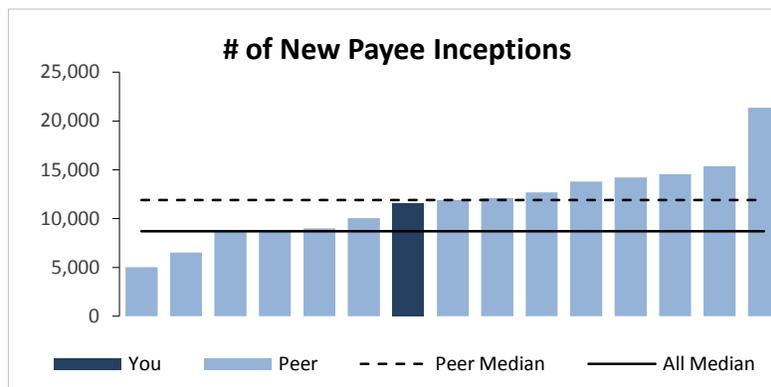
Reasons why your cost was below median	Comparison		Impact ¹ \$s per New Payee Inception
	You	Peer Median	
Lower salaries and benefits per direct FTE	\$69,850	\$77,888	-\$10.62
More new payee inceptions per direct FTE (productivity)	757	720	-\$4.74
Lower third party costs per new payee inception	\$0.07	\$2.36	-\$2.30
Unexplained ¹			-\$6.29
Cost per new payee inception	\$92.34	\$116.29	-\$23.95

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

1B Pension Inceptions - Factors that impact productivity

1. Economies of scale

You had an economy of scale disadvantage. Your 11,582 new payee inceptions was 3% lower than the peer median of 11,904.



2. Mix of activity volume

Inceptions to survivors tend to be less work than inceptions to active members because there are usually no payment option choices for survivors.

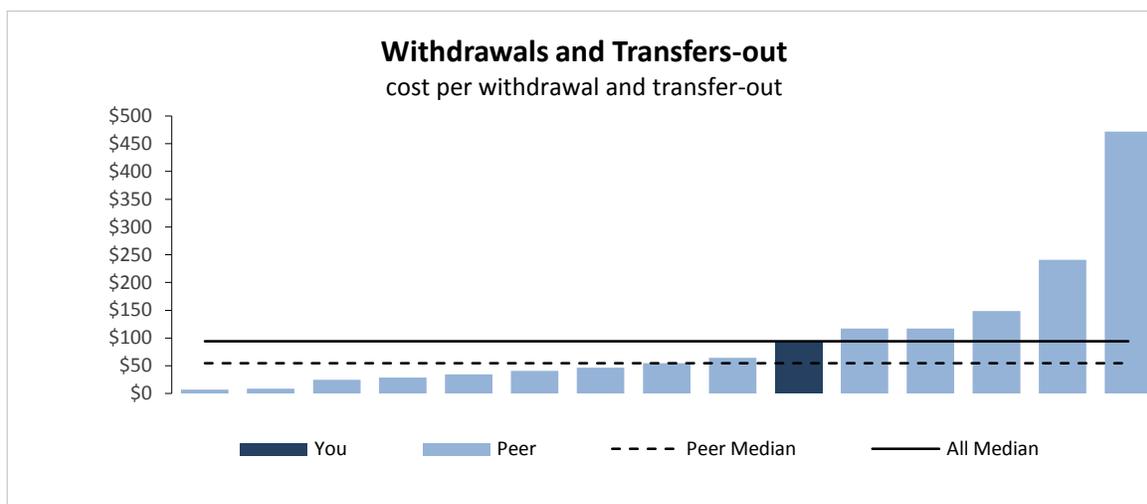
Activity Volume: % by Type	You	Peer Avg	Cost Impact
Annuity inceptions: service retirement (actives)	46%	67%	
Annuity inceptions: service retirement (inactives)	52%	19%	
Annuity inceptions: disability retirement (actives)	1%	3%	
Annuity inceptions: survivor, partner, ex-partner, dependent	1%	11%	increasing
Total new payee inceptions	100%	100%	

3. Additional work per new payee inception

Causes of additional work	You	Peer Avg	Cost Impact
Proportion of inceptions to retiring active members based on estimates	99%	60%	increasing
Formal appeals (non-disability) of inceptions as a % of new payee inceptions	0.02%	0.23%	decreasing
Changes in gross amount of annuity pensions paid as a result of changes in an individual annuitant's personal circumstances, as a % of new payee inceptions. (This work is included in the cost of inceptions. but not the volume).	68%	10%	increasing
Joint account reciprocity with other systems	Yes	53%Yes	increasing
Total complexity score (out of 100)	100	72	increasing

1C Withdrawals and Transfers-out

Your withdrawals and transfers-out cost per withdrawal and transfer-out was \$93.92. This was \$39.51 above the peer median of \$54.41.



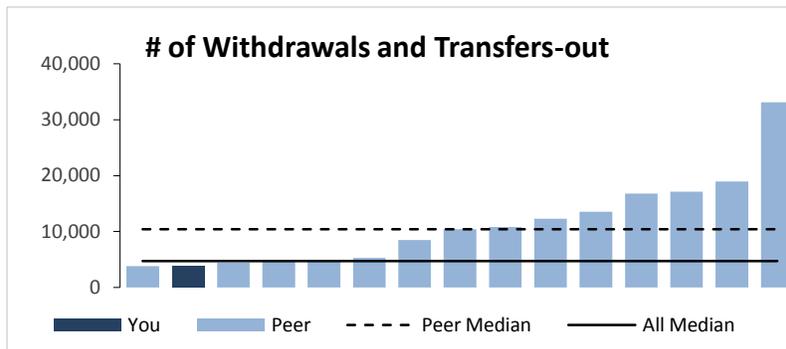
Reasons why your cost was above median	Comparison		Impact ¹
	You	Peer Median	\$s per Withdrawal and Transfer-out
Higher salaries and benefits per direct FTE	\$78,714	\$75,304	\$3.74
Fewer withdrawals and transfers-out per direct FTE (productivity)	913	1,965	\$46.16
Higher third party costs per withdrawal and transfer-out	\$7.69	\$4.52	\$3.18
Unexplained ¹			-\$13.56
Cost per withdrawal and transfer-out	\$93.92	\$54.41	\$39.51

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

1C Withdrawals and Transfers-out - Factors that impact productivity

1. Economies of scale

You had an economy of scale disadvantage. Your 3,834 withdrawals and transfers-out was 63% lower than the peer median of 10,405.



2. Mix of activity volume

Transfers-out tend to be more work than a withdrawal because they require co-ordination with another pension system and its rules.

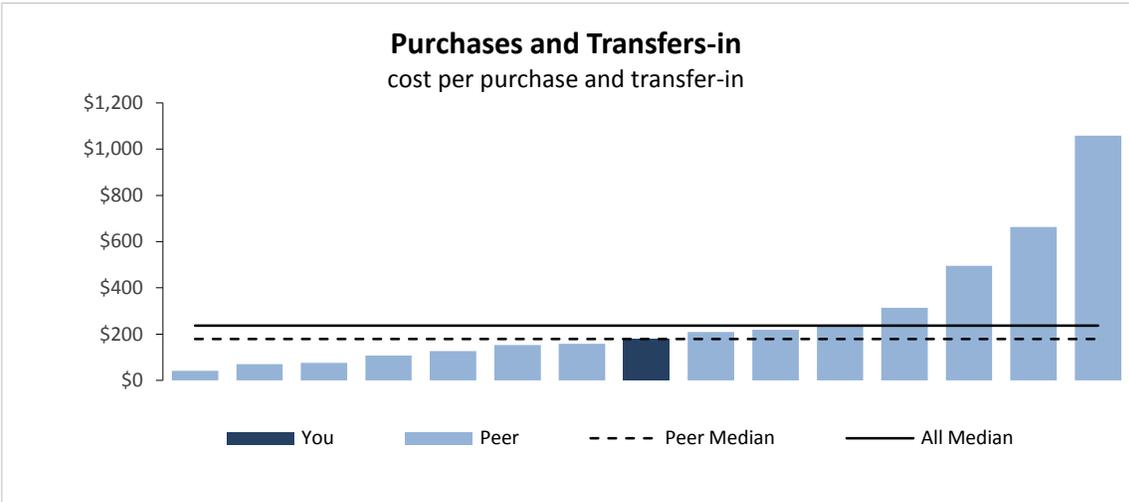
Activity Volume: % by Type	You	Peer Avg	Cost Impact
Full refunds/ withdrawals/ commuted value/ lump sums	100%	97%	
Transfers-out	0%	3%	decreasing
Total withdrawals and transfers-out	100%	100%	

3. Additional work per withdrawal and transfer-out

Causes of additional work	You	Peer Avg	Cost Impact
Written estimates for withdrawals and transfers-out as a % of withdrawals and transfers-out	327%	102%	increasing
Do you pay a one-time death payment when a member, retiree or the retiree's beneficiary dies (separate from the survivor pension)?	No	60%Yes	decreasing

1D Purchases and Transfers-in

Your purchases and transfers-in cost per purchase and transfer-in was \$179.72. This was equal to the peer median.



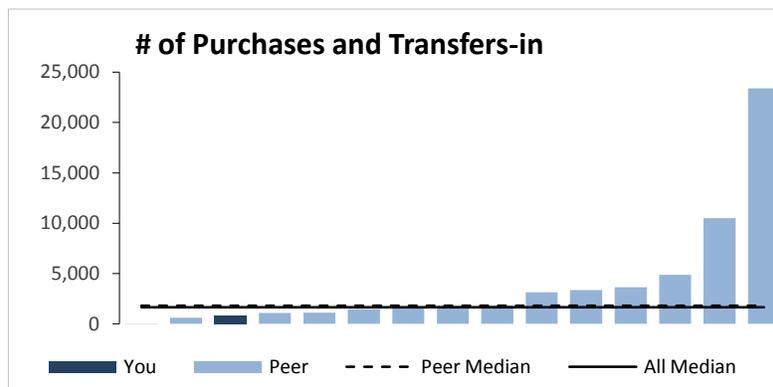
Reasons why your cost was equal to median	Comparison		Impact ¹ \$s per Purchase and Transfer-in
	You	Peer Median	
Higher salaries and benefits per direct FTE	\$87,063	\$80,308	\$12.45
More purchases and transfers-in per direct FTE (productivity)	543	465	-\$26.59
Higher third party costs per purchase and transfer-in	\$19.24	\$8.99	\$10.25
Unexplained ¹			\$3.89
Cost per purchase and transfer-in	\$179.72	\$179.72	\$0.00

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

1D Purchases and Transfers-in - Factors that impact productivity

1. Economies of scale

You had an economy of scale disadvantage. Your 868 purchases and transfers-in was 52% lower than the peer median of 1,809.



2. Mix of activity volume

Individual transfers-in tend to be more work than a service credit purchase because they require co-ordination with another pension system and its rules.

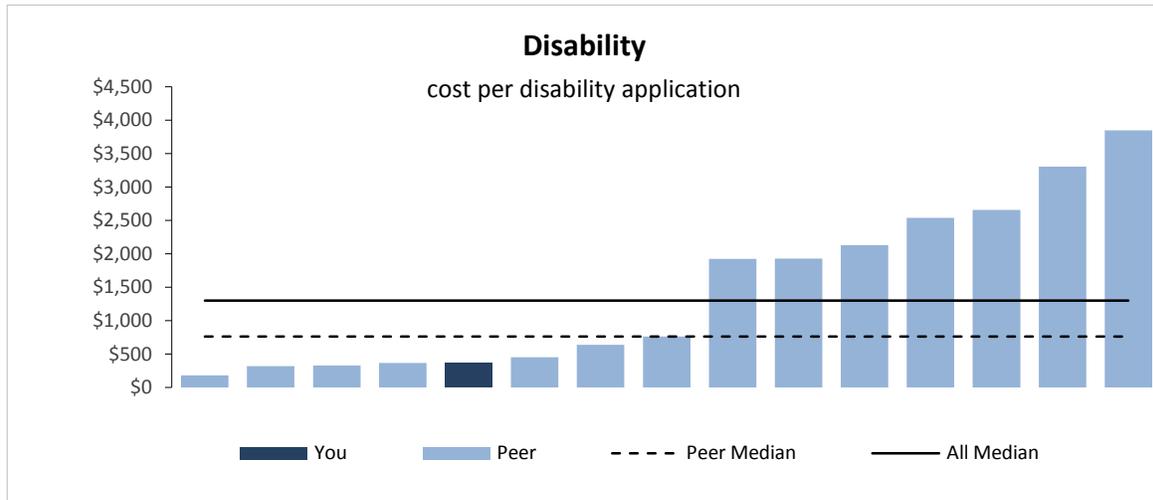
Activity Volume: % by Type	You	Peer Avg	Cost Impact
Service credit purchases	100%	90%	
Upgrades to improve pensionable salary	0%	0%	
Upgrades to a new retirement formula	0%	1%	
Individual transfers-in from external defined benefit systems	0%	8%	decreasing
Members collectively transferred in	0%	0%	
Total purchases and transfers-in	100%	100%	

3. Additional work per purchase and transfer-in

Causes of additional work	You	Peer Avg	Cost Impact
Written estimates for purchases and transfers-in as a % of purchases and transfers-in	132%	298%	decreasing
Installment payments permitted	No	80%Yes	decreasing

1E Disability

Your disability cost per disability application was \$373.57. This was \$389.77 below the peer median of \$763.34.



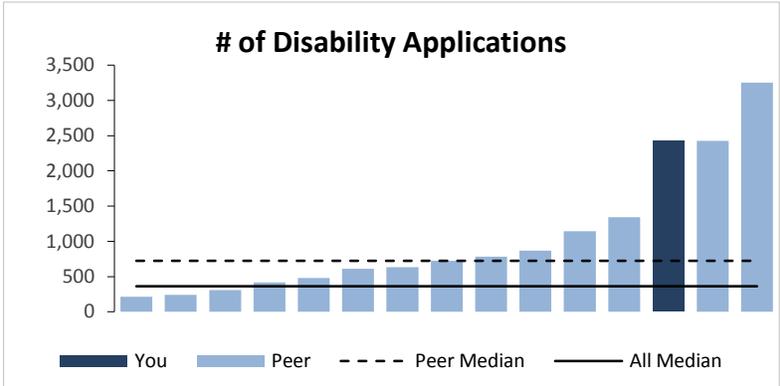
Reasons why your cost was below median	Comparison		Impact ¹ \$s per Disability Application
	You	Peer Median	
Lower salaries and benefits per direct FTE	\$73,109	\$75,331	-\$8.43
More disability applications per direct FTE (productivity)	264	202	-\$84.68
Lower third party costs per disability application	\$96.21	\$206.79	-\$110.58
Unexplained ¹			-\$186.08
Cost per disability application	\$373.57	\$763.34	-\$389.77

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

1E Disability - Factors that impact productivity

1. Economies of scale

You had an economy of scale advantage. Your 2,425 disability applications was 235% higher than the peer median of 724.



2. Mix of activity volume

Processing long-term disability applications tends to be more work than short-term disability applications.

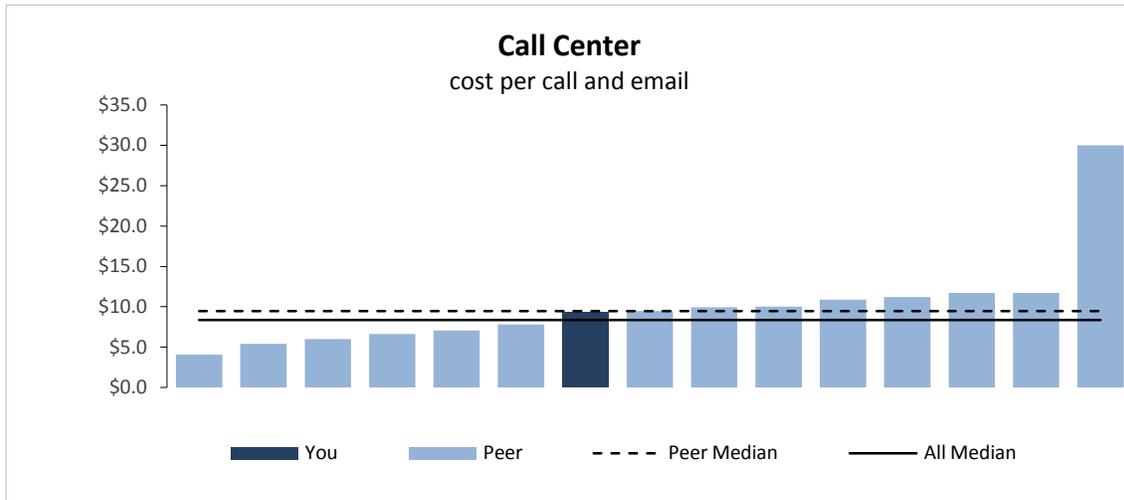
Activity Volume: % by Type	You	Peer Avg	Cost Impact
Applications for short-term disability	63%	11%	
Applications for disability pensions/ long-term disability/ disability lump sums	37%	89%	decreasing
Total disability applications	100%	100%	

3. Additional work per disability application

Causes of additional work	You	Peer Avg	Cost Impact
Independent decision process (versus following the ruling of an employer or social security, etc)	Yes	100%Yes	neutral
Recertifications as a % of disability applications	15%	133%	decreasing
Recertifications as a % of disability recipients	4%	18%	decreasing
Medical exams paid for by you as a % of disability applications	0%	66%	decreasing
New member health reviews as a % of disability applications	14%	10%	increasing
Disability decision appeals as a % of disability applications	3%	7%	decreasing
Occupational disability as a % of disability applications	0%	6%	decreasing
Disability complexity score (out of 100)	82	78	increasing

2A Call Center

Your call center cost per call and email was \$9.30. This was \$0.18 below the peer median of \$9.48.



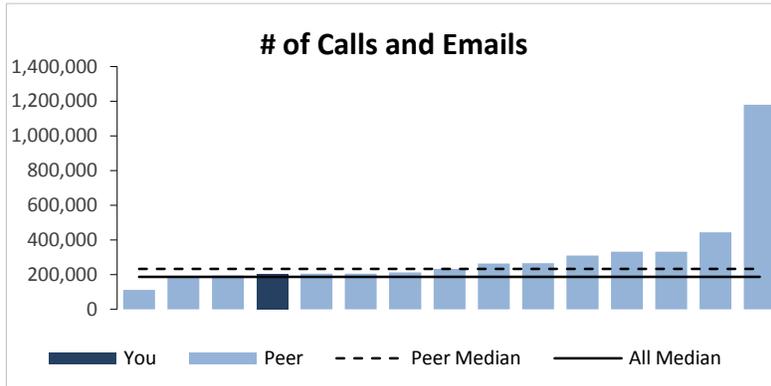
Reasons why your cost was below median	Comparison		Impact ¹ \$s per Call and Email
	You	Peer Median	
Lower salaries and benefits per direct FTE	\$63,749	\$69,743	-\$0.86
Fewer calls and emails per direct FTE (productivity)	6,931	8,566	\$1.76
Lower third party costs per call and email	\$0.10	\$0.24	-\$0.14
Unexplained ¹			-\$0.93
Cost per call and email	\$9.30	\$9.48	-\$0.18

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

2A Call Center - Factors that impact productivity

1. Economies of scale

You had an economy of scale disadvantage. Your 204,461 calls and emails was 12% lower than the peer median of 232,906.

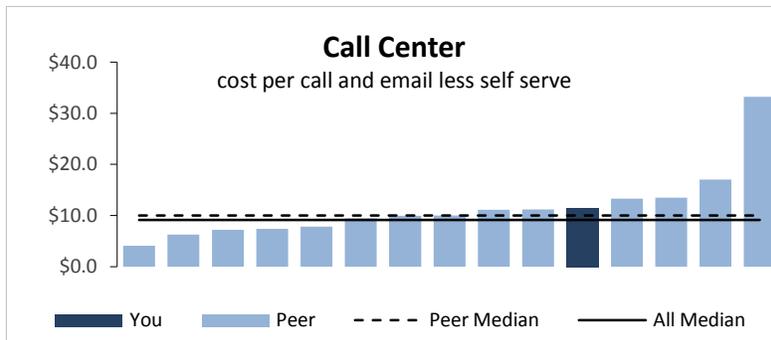


2. Mix of activity volume

Calls satisfied by self-serve options are close to zero cost, thus a lower proportion of self-serve calls result in an increased cost per call.

Activity Volume: % by Type	You	Peer Avg	Cost Impact
Incoming calls that reach service representatives	71%	79%	
Outgoing calls from service representatives	3%	6%	
Calls satisfied by self-serve options	19%	10%	decreasing
Email queries from members	6%	5%	
Total calls and emails	100%	100%	

If self-serve calls were excluded from volumes, your cost per active member and annuitant would have been \$11.52. This would have been above the peer median cost of \$10.01.



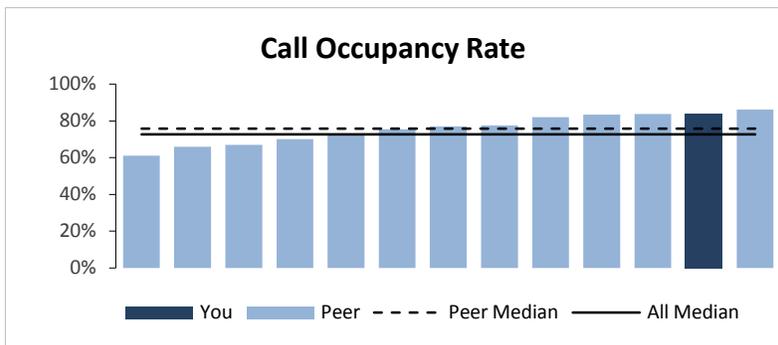
2A Call Center - Factors that impact productivity

continued

3. Additional work per call and email

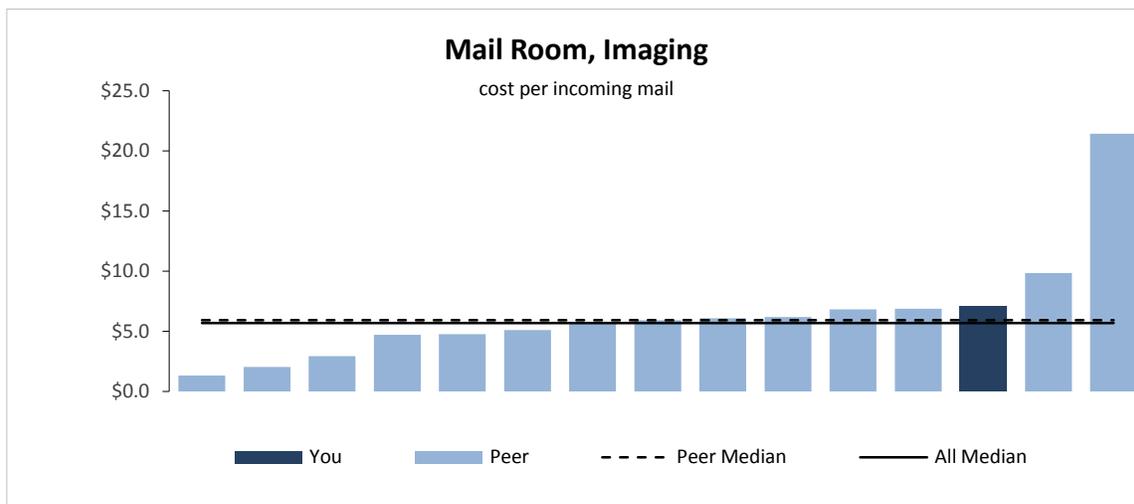
Causes of additional work	You	Peer Avg	Cost Impact
Average talk time of a member call (in seconds)	328	301	increasing
Average after call work time (in seconds)	123	88	increasing
Do you regularly review staff responses to member calls?	Yes	93%Yes	increasing

Occupancy rate is frequently used to measure productivity in a call center. A high occupancy rate implies an efficient use of staff, and low occupancy, the opposite. However, if occupancy is too high, your staff may be overworked, leading to undesired call-handling behavior and high staff turnover rate. Call centers handling larger volumes of calls will also be more efficient than smaller ones because of economies of scale.



2B Mail Room, Imaging

Your mail room, imaging cost per incoming mail was \$7.07. This was \$1.14 above the peer median of \$5.93. The biggest reason why was that you completed fewer incoming mail per direct FTE (productivity).



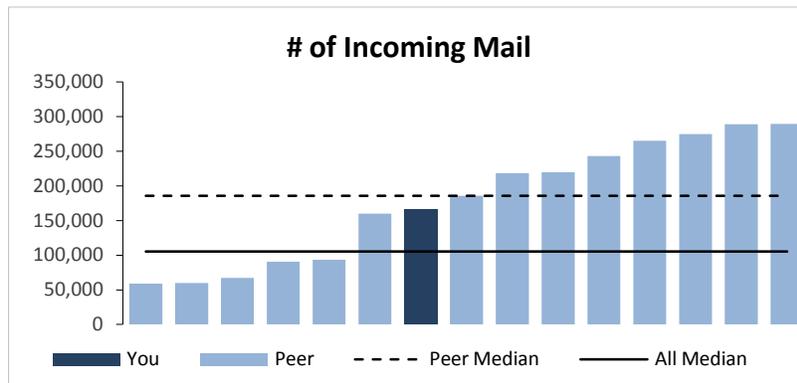
Reasons why your cost was above median	Comparison		Impact ¹ \$s per Incoming Mail
	You	Peer Median	
Lower salaries and benefits per direct FTE	\$54,810	\$64,236	-\$0.93
Fewer incoming mail per direct FTE (productivity)	10,169	15,193	\$1.78
Higher third party costs per incoming mail	\$1.68	\$1.06	\$0.62
Unexplained ¹			-\$0.33
Cost per incoming mail	\$7.07	\$5.93	\$1.14

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

2B Mail Room, Imaging - Factors that impact productivity

1. Economies of scale

You had an economy of scale disadvantage. Your 165,750 incoming mail was 11% lower than the peer median of 185,627.

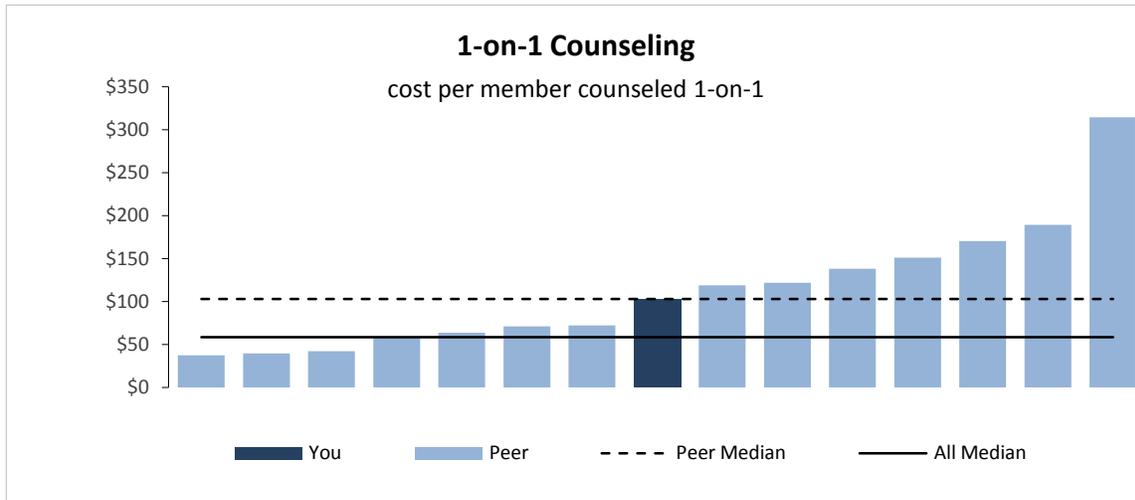


2. Additional work per incoming mail

Causes of additional work	You	Peer Avg	Cost Impact
Outgoing mail as a % of incoming mail (Outgoing mail is not included in activity volume. But it can add work if the mailroom is responsible for outgoing mail).	1258%	787%	increasing
Do you use imaging technology?	Yes	100%Yes	neutral
If yes:			
a) Do you keep images of ALL incoming member correspondence and submitted forms?	Yes	100%Yes	neutral

2C 1-on-1 Counseling

Your 1-on-1 counseling cost per member counseled 1-on-1 was \$102.93. This was equal to the peer median.



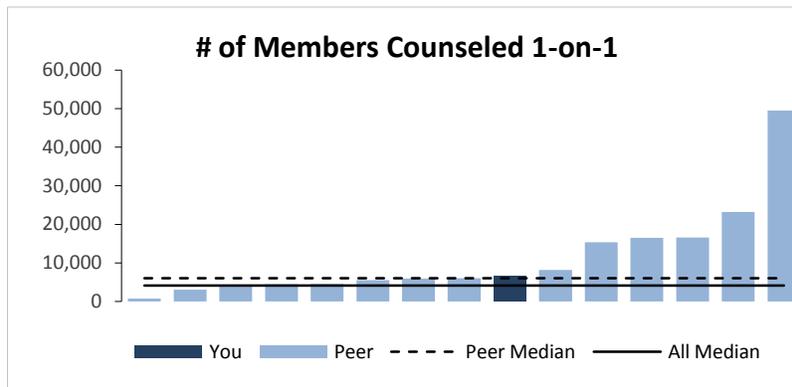
Reasons why your cost was equal to median	Comparison		Impact ¹ \$s per Member Counseled 1-on-1
	You	Peer Median	
Lower salaries and benefits per direct FTE	\$71,108	\$82,154	-\$15.78
Equal members counseled 1-on-1 per direct FTE (productivity)	700	700	\$0.00
Lower third party costs per member counseled 1-on-1	\$1.37	\$3.60	-\$2.23
Unexplained ¹			\$18.01
Cost per member counseled 1-on-1	\$102.93	\$102.93	\$0.00

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

2C 1-on-1 Counseling - Factors that impact productivity

1. Economies of scale

You had an economy of scale advantage. Your 6,511 members counseled 1-on-1 was 9% higher than the peer median of 5,987.



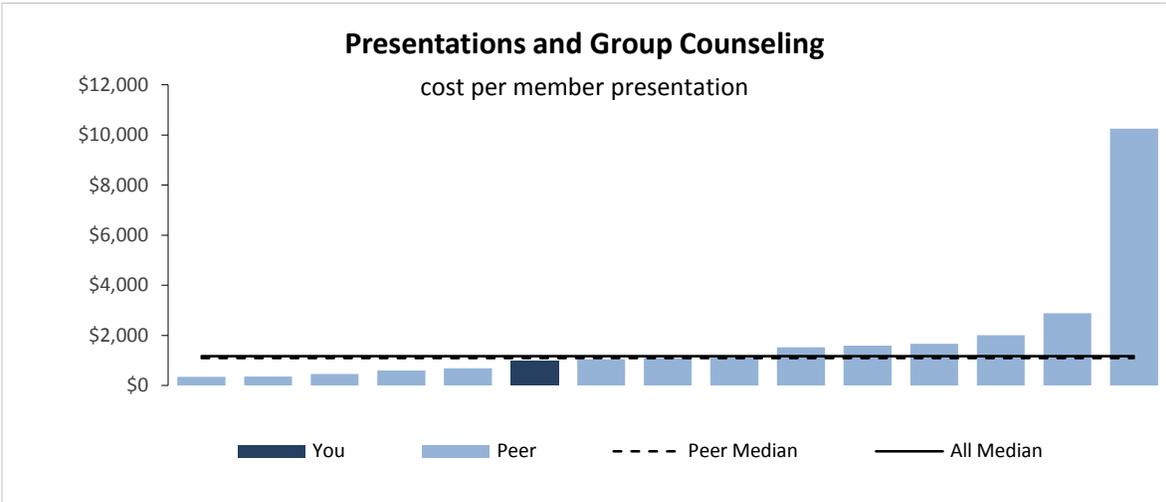
2. Mix of activity volume

Counseling in field locations is more costly than counseling in-house.

Activity Volume: % by Type	You	Peer Avg	Cost Impact
In-house	100%	59%	increasing
In the field	0%	38%	decreasing
Via teleconference	0%	3%	increasing
Total members counseled 1-on-1	100%	100%	

2D Presentations and Group Counseling

Your presentations and group counseling cost per member presentation was \$964.91. This was \$125.46 below the peer median of \$1,090.37. The biggest reason why was that you had lower third party costs per member presentation.



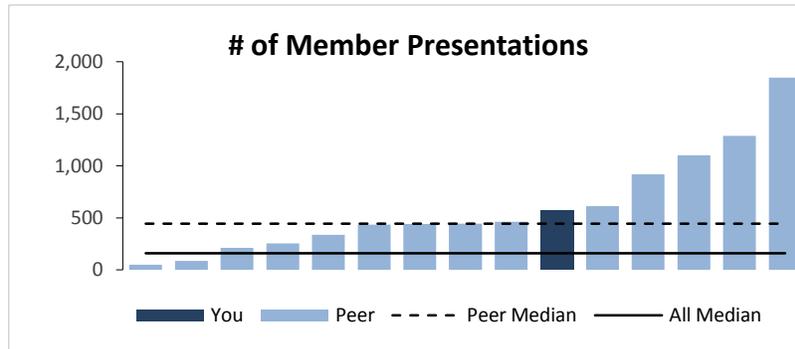
Reasons why your cost was below median	Comparison		Impact ¹
	You	Peer Median	\$s per Member Presentation
Lower salaries and benefits per direct FTE	\$72,253	\$82,960	-\$140.88
Fewer member presentations per direct FTE (productivity)	76	88	\$133.36
Lower third party costs per member presentation	\$14.21	\$208.47	-\$194.26
Unexplained ¹			\$76.32
Cost per member presentation	\$964.91	\$1,090.37	-\$125.46

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

2D Presentations and Group Counseling - Factors that impact productivity

1. Economies of scale

You had an economy of scale advantage. Your 570 member presentations was 28% higher than the peer median of 444.



2. Mix of activity volume

Presentations and group counseling in field locations are more costly than in-house.

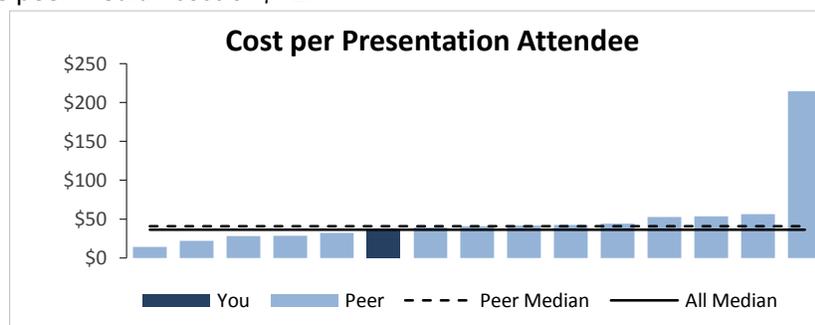
Presentations and Group Counseling by Location	You	Peer Avg	Cost Impact
In-house and webcast	45%	17%	
In the field	47%	71%	decreasing
Benefit fairs	8%	12%	
Total presentations and group counseling	100%	100%	

3. Additional work per member presentation

If you have more attendees per presentation, then the cost per attendee will be lower and the volume of member presentations per FTE will be higher. You had an average of 26 attendees per presentation, versus a peer average of 32.

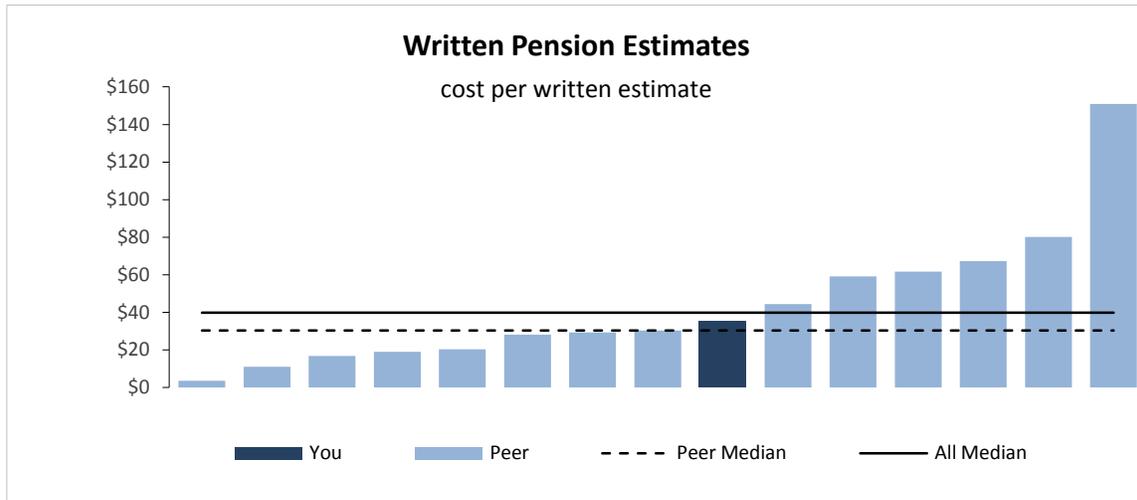
Causes of additional work	You	Peer Avg	Cost Impact
Average attendees per presentation	26	32	increasing

An alternative way of analyzing this activity's cost is on a 'per attendee' basis. Your cost per presentation attendee was \$37. This was below the peer median cost of \$41.



2E Written Pension Estimates

Your written pension estimates cost per written estimate was \$35.46. This was \$5.12 above the peer median of \$30.34.



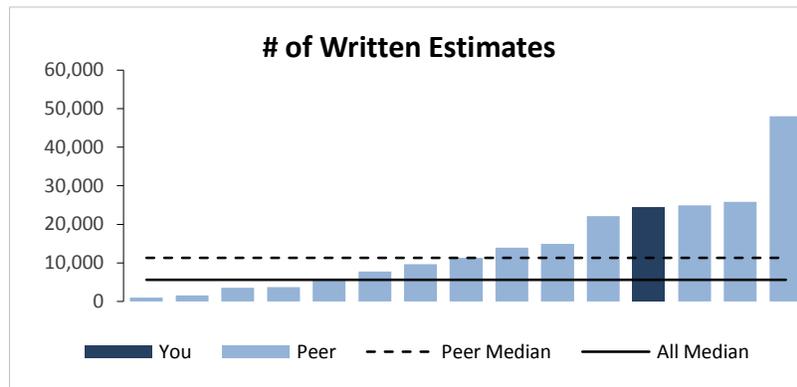
Reasons why your cost was above median	Comparison		Impact ¹
	You	Peer Median	\$s per Written Estimate
Lower salaries and benefits per direct FTE	\$71,445	\$79,200	-\$3.80
Fewer written estimates per direct FTE (productivity)	2,042	2,095	\$0.88
Lower third party costs per written estimate	\$0.47	\$0.61	-\$0.14
Unexplained ¹			\$8.17
Cost per written estimate	\$35.46	\$30.34	\$5.12

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

2E Written Pension Estimates - Factors that impact productivity

1. Economies of scale

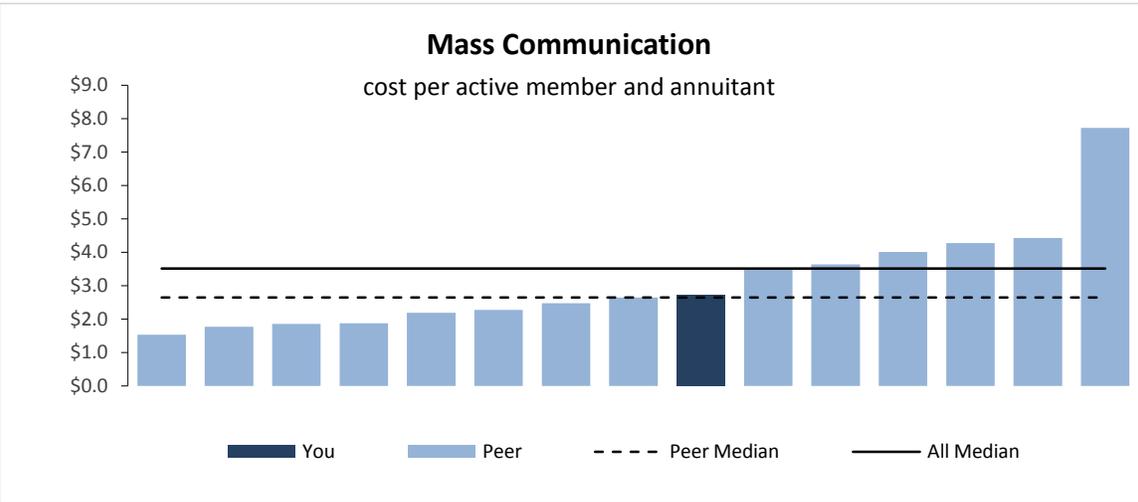
You had an economy of scale advantage. Your 24,304¹ written estimates was 115% higher than the peer median of 11,310.



1. Your number of estimates was adjusted because systems count estimates two different ways. When a member requests multiple different estimate scenarios, you count each scenario as an estimate whereas other systems count the 'multiple request' as a single estimate. Therefore, for comparability, we divided your total estimates of 24,304 by your average number of scenarios per request of 1.0.

2F Mass Communication

Your mass communication cost per active member and annuitant was \$2.72. This was \$0.06 above the peer median of \$2.66.



Reasons why your cost was above median	Comparison		Impact ¹ \$s per Active Member and Annuitant
	You	Peer Median	
Lower salaries and benefits per direct FTE	\$77,275	\$90,308	-\$0.27
More direct FTE per 10,000 active members and annuitants (productivity) ²	0.21	0.13	\$0.58
Lower third party costs per active member and annuitant	\$1.13	\$1.35	-\$0.22
Unexplained ¹			-\$0.04
Cost per active member and annuitant	\$2.72	\$2.66	\$0.06

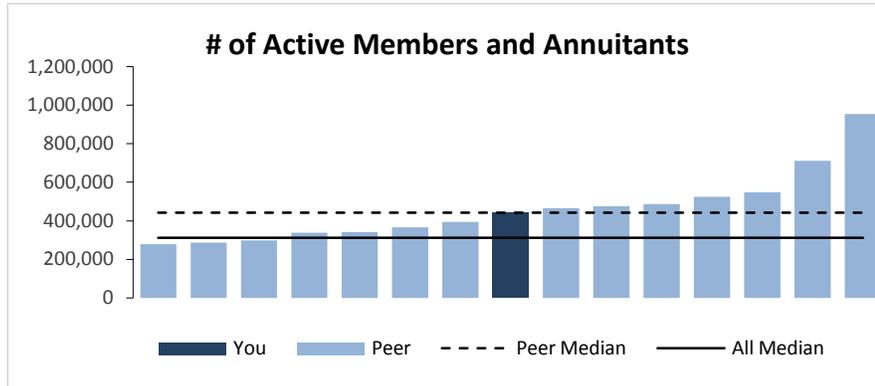
1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

2. You had 9.1 mass communication FTE which was 50% more than the peer median of 6.1. The percentage difference was less favorable on a 'per active members and annuitants' basis (your 0.21 mass communication FTE per 10,000 active members and annuitants was 58% more than the peer median of 0.13).

2F Mass Communication - Factors that impact productivity

1. Economies of scale

Your 442,860 active members and annuitants was the peer median. Thus the impact of economies of scale was minimized.

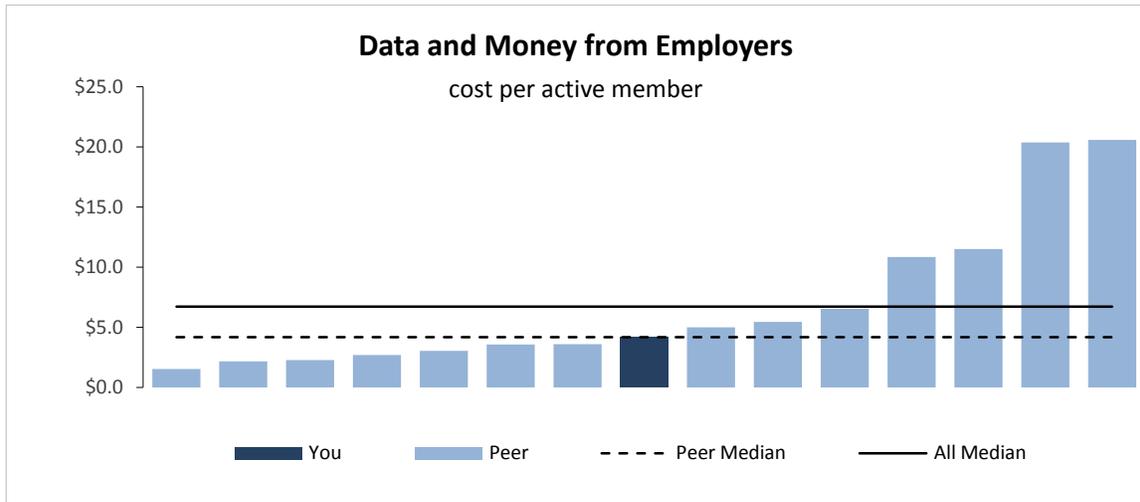


2. Additional mass communication work per active member and annuitant

Causes of additional work	You	Peer Avg	Cost Impact
Website Service Score (out of 100) - Generally, the higher the score, the more time communication staff spends on design and maintenance of the site.	22	70	decreasing
Times per year you send newsletters to:			
a) All members (active, inactive and annuitants)?	0.0	1.6	decreasing
b) Active and inactive members?	0.0	0.5	decreasing
c) Active members and annuitants?	1.0	0.1	increasing
d) Active members only?	2.0	3.2	decreasing
e) Inactive members only?	1.0	0.3	increasing
f) Annuitants only?	2.0	2.8	decreasing
g) Age segments (i.e., under 35, 35-50, 50 plus)?	0.0	0.9	decreasing
h) Women only or men only?	0.0	n/a	
i) Employer or employment category (i.e., a different newsletter for teachers vs. bus drivers)?	0.0	2.6	decreasing
j) Other? (describe your other newsletter segments below)	0.0	3.1	decreasing
# of materials you publish in a language other than English	0.0	0.4	decreasing
Times per year you send member statements to:			
a) Active members?	1.0	1.2	decreasing
b) Inactive members?	1.0	1.1	decreasing
% of member statements mailed to active members' homes	16%	60%	decreasing
Do you send:			
a) Welcome kits to new members?	Yes	100%Yes	neutral
b) Brochure summarizing benefits to active members every year?	No	27%Yes	decreasing

3A Data and Money from Employers

Your data and money from employers cost per active member was \$4.20. This was equal to the peer median.



Reasons why your cost was equal to median	Comparison		Impact ¹ \$s per Active Member
	You	Peer Median	
Lower salaries and benefits per direct FTE	\$67,773	\$80,594	-\$0.77
More direct FTE per 10,000 active members (productivity) ²	0.35	0.30	\$0.30
Lower third party costs per active member	\$0.14	\$0.15	-\$0.01
Unexplained ¹			\$0.48
Cost per active member	\$4.20	\$4.20	\$0.00

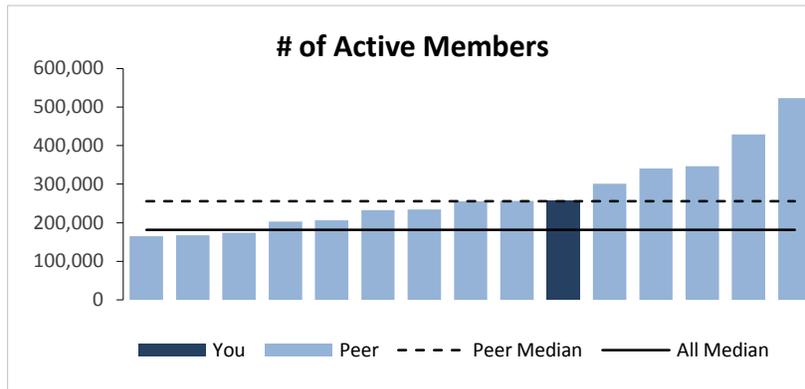
1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).
2. You had 15.4 data and money from employers FTE which was 25% more than the peer median of 12.3. The percentage difference was more favorable on a 'per active members' basis (your 0.35 FTE per 10,000 active members was 14% more than the peer median of 0.30) because you had an economy of scale advantage.

CEM uses active members as the divisor of this activity's cost. For systems with few employers, active members is the better predictor of cost whereas for systems with numerous employers the number of employers is the better predictor. Therefore, on the following page we show the number of employers as a divisor to provide an alternate cost comparison.

3A Data and Money from Employers - Factors that impact productivity

1. Economies of scale

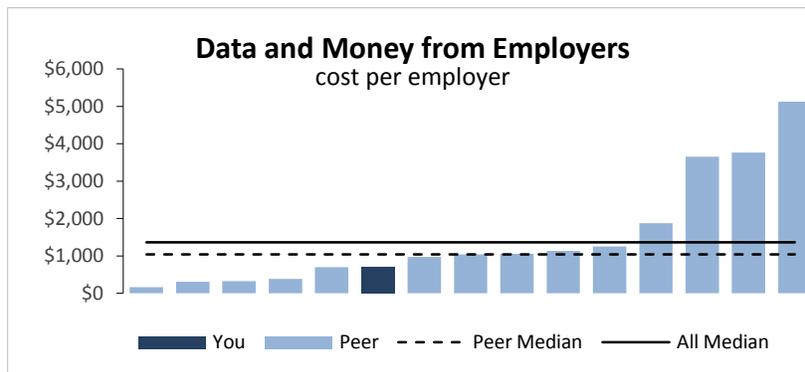
You had an economy of scale advantage. Your 257,255 active members was 0.5% higher than the peer median of 256,027.



2. Additional data and money from employers work per active member

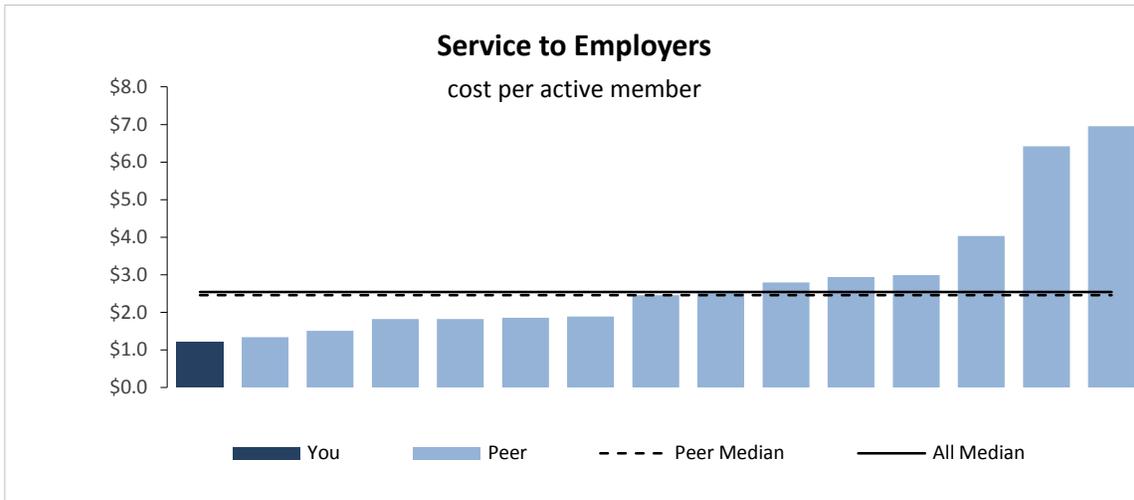
Causes of additional work	You	Peer Avg	Cost Impact
How many 'reconciliation points' (i.e., employers, state agencies, departments and/or service providers, etc.) do you deal with when:			
• Validating member data? (as a % of active members)	0.6%	0.6%	neutral
• Reconciling money issues? (as a % of active members)	0.6%	0.6%	neutral
Active members whose data is provided in paper format (as a % of active members)	0.0%	0.1%	decreasing
Status changes as a % of active members			
• New active members	7.7%	9.2%	decreasing
• Re-hired inactive members	1.2%	2.9%	decreasing
• Re-hired service retirees, if annuity stops	0.0%	0.0%	neutral
• Active members exiting to inactive or withdrawal	6.0%	7.3%	decreasing
• Active member service retirements	2.1%	2.9%	decreasing

3. Alternate cost drivers: Data and money from employers cost per employer



3B Service to Employers

Your service to employers cost per active member was \$1.20. This was \$1.26 below the peer median of \$2.46.



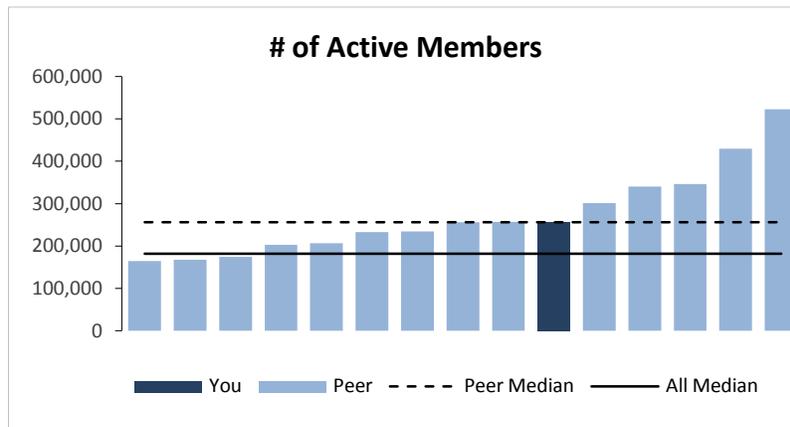
Reasons why your cost was below median	Comparison		Impact ¹ \$s per Active Member
	You	Peer Median	
Lower salaries and benefits per direct FTE	\$68,650	\$88,130	-\$0.30
Fewer direct FTE per 10,000 active members (productivity) ²	0.09	0.14	-\$0.32
Lower third party costs per active member	\$0.13	\$0.21	-\$0.08
Unexplained ¹			-\$0.56
Cost per active member	\$1.20	\$2.46	-\$1.26

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).
2. You had 4.0 service to employers FTE which was 38% less than the peer median of 6.5. The percentage difference was less favorable on a 'per active members' basis (your 0.09 service to employers FTE per 10,000 active members was 34% less than the peer median of 0.14).

3B Service to Employers - Factors that impact productivity

1. Economies of scale

You had an economy of scale advantage. Your 257,255 active members was 0.5% higher than the peer median of 256,027.

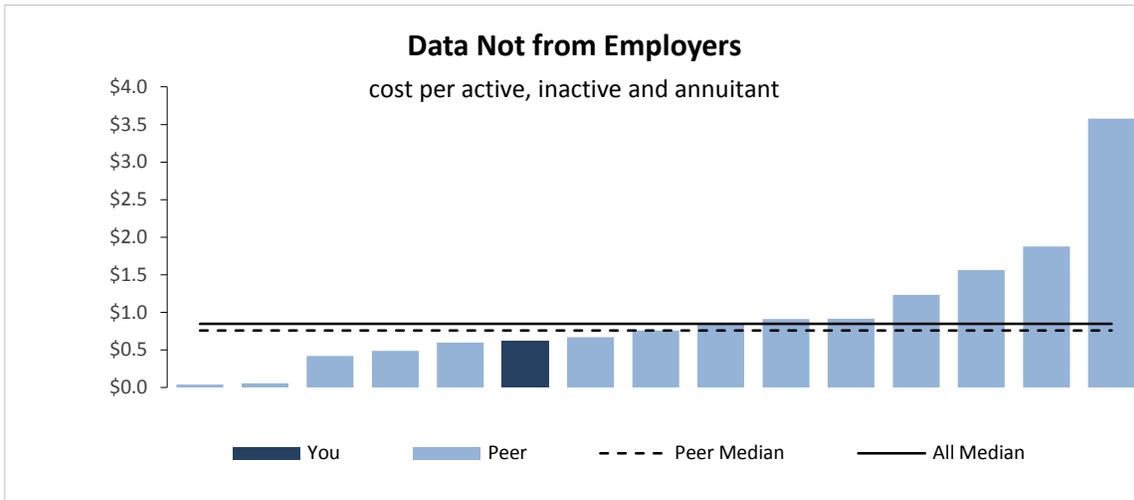


2. Additional service to employers work per active member

Causes of additional work	You	Peer Avg	Cost Impact
How many 'reconciliation points' (i.e., employers, state agencies, departments and/or service providers, etc.) do you deal with when:			
• Validating member data? (as a % of active members)	0.6%	0.6%	neutral
• Reconciling money issues? (as a % of active members)	0.6%	0.6%	neutral
Service transactions a % of active members:			
a) Incoming calls from employers?	2.6%	8.9%	decreasing
b) Email queries from employers?	0.9%	13.4%	decreasing
c) Conferences for employers?	0.0%	0.0%	neutral
d) Presentations given to employers such as orientation workshops or seminars on benefit changes, etc?	0.0%	0.0%	neutral
e) On-site reviews (or audits or inspections) of your employers? [For example, several systems perform reviews of their employers that have problems providing data and or contributions on a timely basis to ensure that they are correctly fulfilling their obligations to their members.]	0.0%	0.0%	neutral
f) Other site visits to employers [exclude 'd' and 'e' above]?	0.0%	0.0%	neutral

3C Data Not from Employers

Your data not from employers cost per active, inactive and annuitant was \$0.62. This was \$0.14 below the peer median of \$0.76.



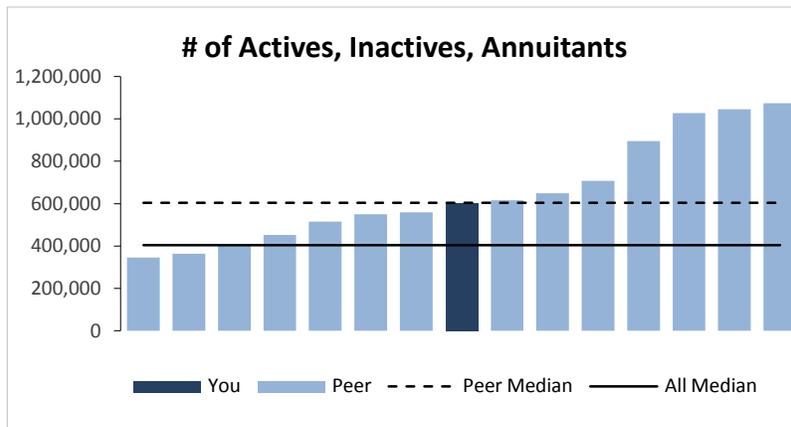
Reasons why your cost was below median	Comparison		Impact ¹ \$s per Active, Inactive and Annuitant
	You	Peer Median	
Equal salaries and benefits per direct FTE	\$76,756	\$76,756	\$0.00
Fewer direct FTE per 10,000 actives, inactives, annuitants (productivity) ²	0.10	0.14	-\$0.33
Equal third party costs per active, inactive and annuitant	\$0.05	\$0.05	\$0.00
Unexplained ¹			\$0.19
Cost per active, inactive and annuitant	\$0.62	\$0.76	-\$0.14

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).
2. You had 4.5 data not from employers FTE which was 15% less than the peer median of 5.3. The percentage difference was more favorable on a 'per actives, inactives, annuitants' basis (your 0.10 data not from employers FTE per 10,000 actives, inactives, annuitants was 30% less than the peer median of 0.14).

3C Data Not from Employers - Factors that impact productivity

1. Economies of scale

Your 603,983 actives, inactives, annuitants was the peer median. Thus the impact of economies of scale was minimized.

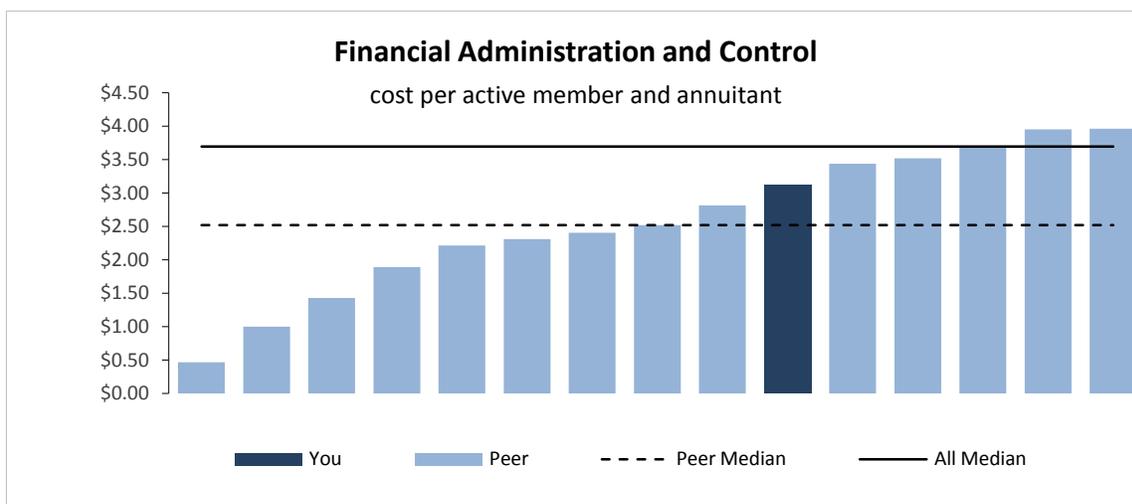


2. Additional data not from employers work per active, inactive and annuitant

Causes of additional work	You	Peer Avg	Cost Impact
Do you actively keep track of the addresses of inactive members?	Yes	93%Yes	increasing
If yes, inactive members as a % of actives, inactives, annuitants	36.4%	42.7%	decreasing
Status changes as a % of actives, inactives, annuitants:			
• Deaths	0.1%	0.2%	decreasing
• Non-death stops of annuities (i.e., dependent turns 21, term certain ends, etc.) [Exclude: re-hired annuitants]	0.0%	0.0%	neutral

4A Financial Administration and Control

Your financial administration and control cost per active member and annuitant was \$3.12. This was \$0.60 above the peer median of \$2.52.



Reasons why your cost was above median	Comparison		Impact ¹ \$s per Active Member and Annuitant
	You	Peer Median	
Lower salaries and benefits per direct FTE	\$94,054	\$99,960	-\$0.17
More direct FTE per 10,000 active members and annuitants (productivity) ²	0.29	0.26	\$0.28
Higher third party costs per active member and annuitant	\$0.79	\$0.25	\$0.54
Unexplained ¹			-\$0.05
Cost per active member and annuitant	\$3.12	\$2.52	\$0.60

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

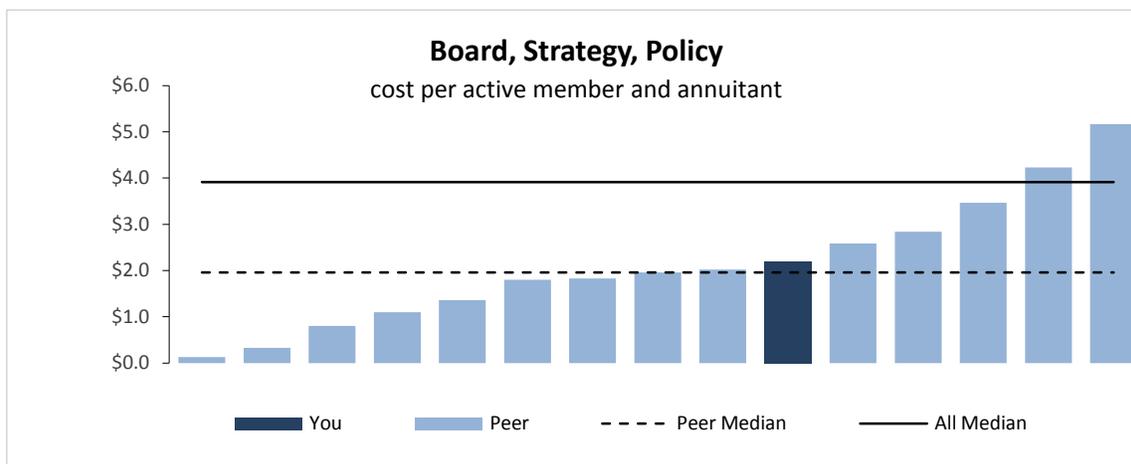
2. You had 12.9 financial administration and control FTE which was 6% more than the peer median of 12.2. The percentage difference was less favorable on a 'per active members and annuitants' basis (your 0.29 financial administration and control FTE per 10,000 active members and annuitants was 12% more than the peer median of 0.26).

Usually, the biggest reason for differences in this activity's cost is the number of financial administration and control FTE per 10,000 members. Two key reasons for differences in FTE per 10,000 (and/or third party costs) are:

- Economies of scale - Your 442,860 active members and annuitants was the peer median. Thus the impact of economies of scale was minimized.
- Doing more/less - For example, some systems have more extensive budgeting than others.

4B Board, Strategy, Policy

Your board, strategy, policy cost per active member and annuitant was \$2.19. This was \$0.23 above the peer median of \$1.96.



Reasons why your cost was above median	Comparison		Impact ¹ \$s per Active Member and Annuitant
	You	Peer Median	
Lower salaries and benefits per direct FTE	\$107,225	\$148,111	-\$0.66
More direct FTE per 10,000 active members and annuitants (productivity) ²	0.16	0.10	\$0.63
Higher third party costs per active member and annuitant	\$0.76	\$0.36	\$0.39
Unexplained ¹			-\$0.13
Cost per active member and annuitant	\$2.19	\$1.96	\$0.23

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

2. You had 7.1 board, strategy, policy FTE which was 48% more than the peer median of 4.8. The percentage difference was less favorable on a 'per active members and annuitants' basis (your 0.16 board, strategy, policy FTE per 10,000 active members and annuitants was 57% more than the peer median of 0.10).

Usually, the biggest reason for differences in this activity's cost is the number of board, strategy, policy FTE per 10,000 members. Two key reasons for differences in FTE per 10,000 (and/or third party costs) are:

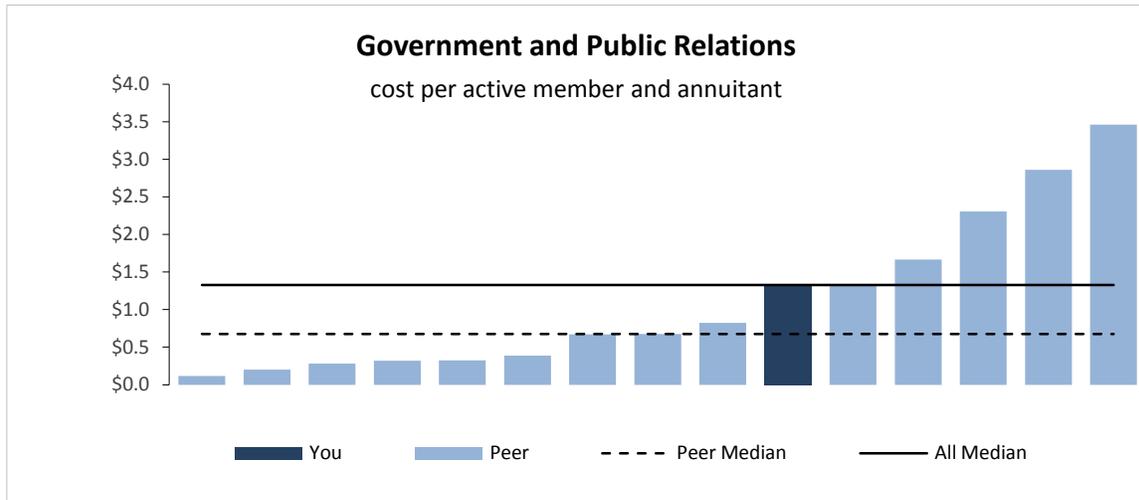
- Economies of scale - Your 442,860 active members and annuitants was the peer median. Thus the impact of economies of scale was minimized. Activity volume is a very important driver of productivity and costs.
- Doing more/less - For example, your 36 oversight meetings last year was above the peer median of 28.

# of meetings last year, including sub-committees	Peer		
	You	Median *	Peer Avg
a) Board of Trustees?	5	20	15.9
b) Non-board legislative oversight committee?	n/a	5	5.1
c) Advisory committee?	16	5	4.1
d) Members' Council?	4	4	0.3
e) Other?	11	4	2.7
Total	36	28	28

* Peer medians will not add to the total. Only averages are additive.

4C Government and Public Relations

Your government and public relations cost per active member and annuitant was \$1.32. This was \$0.65 above the peer median of \$0.67.



Reasons why your cost was above median	Comparison		Impact ¹ \$s per Active Member and Annuitant
	You	Peer Median	
Higher salaries and benefits per direct FTE	\$125,628	\$118,223	\$0.07
More direct FTE per 10,000 active members and annuitants (productivity) ²	0.10	0.06	\$0.44
Higher third party costs per active member and annuitant	\$0.27	\$0.06	\$0.21
Unexplained ¹			-\$0.07
Cost per active member and annuitant	\$1.32	\$0.67	\$0.65

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

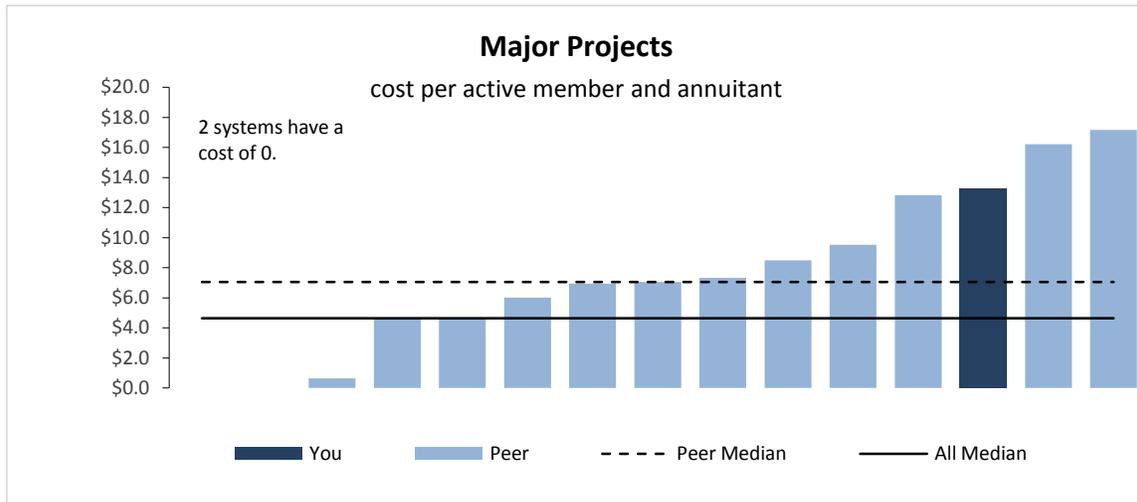
2. You had 4.3 government and public relations FTE which was 105% more than the peer median of 2.1. The percentage difference was more favorable on a 'per active members and annuitants' basis (your 0.10 government and public relations FTE per 10,000 active members and annuitants was 57% more than the peer median of 0.06).

Usually, the biggest reason for differences in this activity's cost is the number of government and public relations FTE per 10,000 members. Two key reasons for differences in FTE per 10,000 (and/or third party costs) are:

- Economies of scale - Your 442,860 active members and annuitants was the peer median. Thus the impact of economies of scale was minimized.
- Doing more/less - For example, some systems do not have any government relations staff.

5A-D Major Projects

Your major projects cost per active member and annuitant was \$13.27. This was \$6.22 above the peer median of \$7.05. This comparison includes both '5A and 5C Amortized major projects' plus '5B and 5D Major Projects (if you don't capitalize)'.

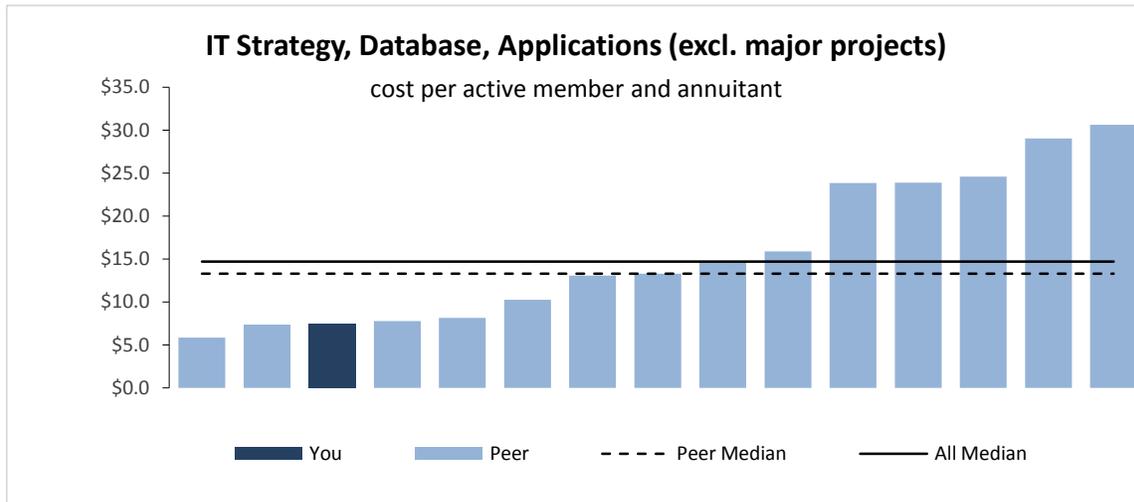


Reasons for differences in the cost for major projects include:

- Economies of scale - Scale is particularly important for major projects because of the substantial fixed costs of developing the IT infrastructure necessary for pension systems to operate. Your 442,860 active members and annuitants was the peer median. Thus the impact of economies of scale was minimized. But your largest peers still had more members over which to spread their major projects costs and your smallest peers had fewer members.
- Plan complexity - It is more expensive to develop and maintain IT systems for plans with complex rule sets. Your total plan complexity score was 100 out of 100. This was above the peer median of 71.
- IT investment cycle - If you recently upgraded your IT systems, then your amortization costs will be higher than a system that has not upgraded their IT systems since 1990.
- Capitalization - Systems that do not capitalize major project costs will have more variable major project costs. Systems that only recently started capitalizing major projects costs will have lower costs than systems that have been capitalizing for a long time.

6A IT Strategy, Database Management and Applications (excl. major projects)

Your IT strategy, database, applications (excl. major projects) cost per active member and annuitant was \$7.45. This was \$5.86 below the peer median of \$13.31.



Reasons why your cost was below median	Comparison		Impact ¹ \$s per Active Member and Annuitant
	You	Peer Median	
Lower salaries and benefits per direct FTE	\$94,716	\$117,329	-\$1.28
Equal direct FTE per 10,000 active members and annuitants ²	0.56	0.56	\$0.00
Equal third party costs per active member and annuitant	\$5.61	\$5.61	\$0.00
Unexplained ¹			-\$4.58
Cost per active member and annuitant	\$7.45	\$13.31	-\$5.86

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

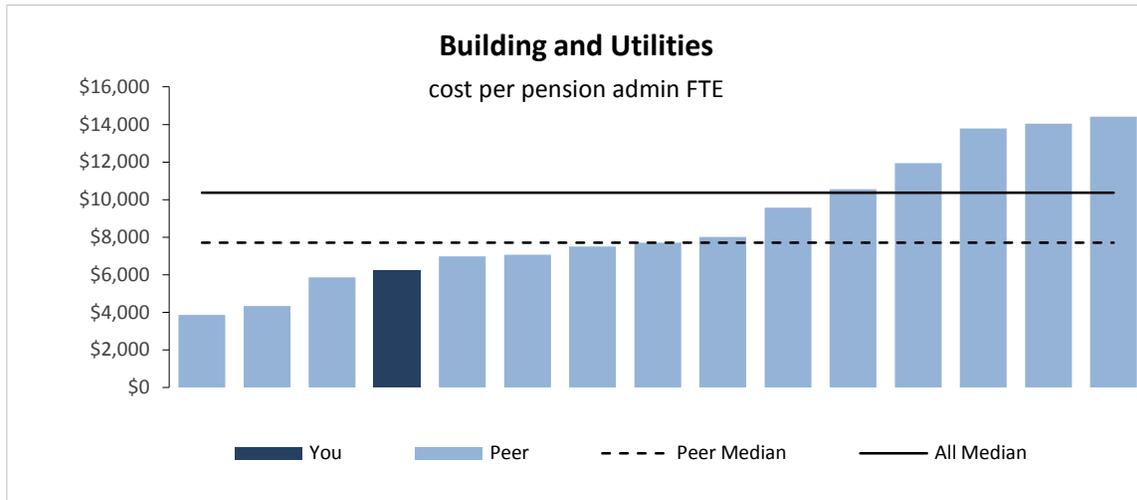
2. You had 25.0 IT strategy, database, applications (excl. major projects) FTE which was equal to the peer median of 25.0. The percentage difference was less favorable on a 'per active member and annuitant' basis (your 0.56 FTE per 10,000 active member and annuitant was equal to the peer median of 0.56) because you had an economy of scale equal to.

Three key reasons for differences in FTE per 10,000 (and/or third party costs) are:

- Economies of scale - Scale is particularly important for IT strategy, database, applications (excl. major projects) because of the substantial fixed costs of maintaining the IT infrastructure necessary for pension systems to operate. Your 442,860 active members and annuitants was the peer median. Thus the impact of economies of scale was minimized. But your largest peers still had more members over which to spread their IT strategy, database, applications (excl. major projects) costs and your smallest peers had fewer members.
- Plan complexity - It is more expensive to develop and maintain IT systems for plans with complex rule sets. Your total plan complexity score was 100 out of 100. This was above the peer median of 71.
- IT investment cycle

7A Building and Utilities

Your building and utilities cost per pension admin FTE was \$6,201.29. This was \$1,512.22 below the peer median of \$7,713.51.



Reasons why your cost was below median	Comparison		Impact ¹ \$s per Pension Admin FTE
	You	Peer Median	
Higher salaries and benefits per direct FTE	\$93,909	\$82,981	\$49
Fewer direct FTE per 100 pension admin FTE ²	0.45	0.82	-\$349
Lower third party costs per pension admin FTE	\$6,595	\$8,190	-\$1,595
Unexplained ¹			\$381
Cost per pension admin FTE	\$6,201	\$7,714	-\$1,513

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

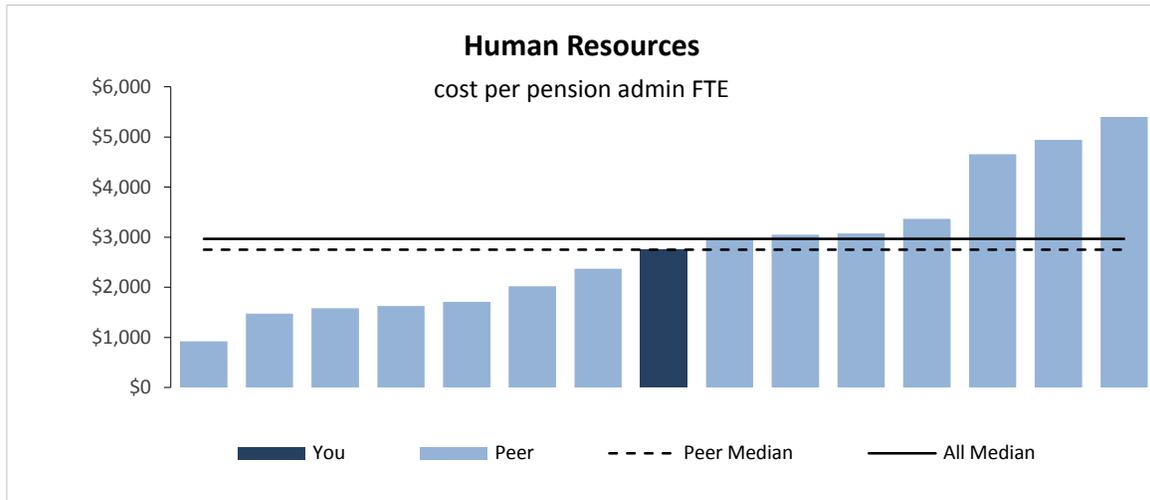
2. You had 1.1 building and utilities FTE which was 43% less than the peer median of 1.9. The percentage difference was more favorable on a 'per pension admin FTE' basis (your 0.45 FTE per 100 pension admin FTE was 45% less than the peer median of 0.82) because you had an economy of scale advantage.

The biggest reason for differences in building cost is usually differences in third party and other costs (i.e., rent, lease, building and office depreciation, utilities). Reasons why these costs differ include:

- Quality of the building
- Non-market pricing on property provided by the government
- Cost environment
- Square feet of workspace per FTE

7B Human Resources

Your human resources cost per pension admin FTE was \$2,753.05. This was equal to the peer median.



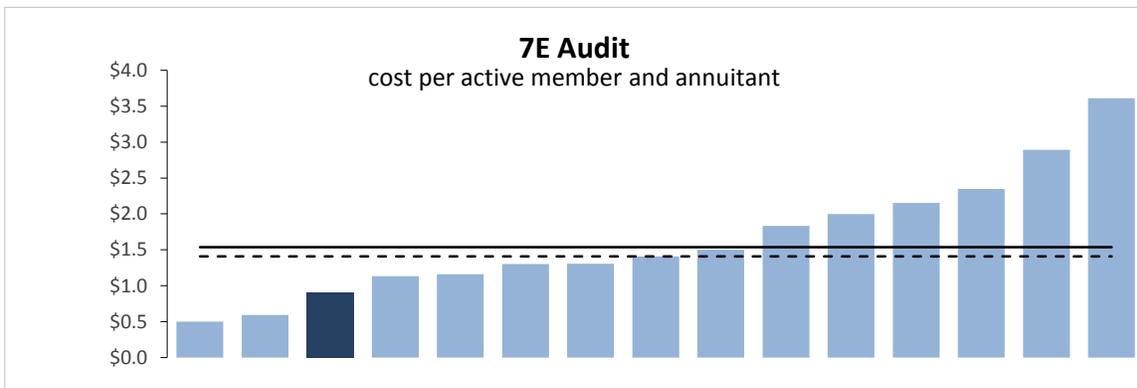
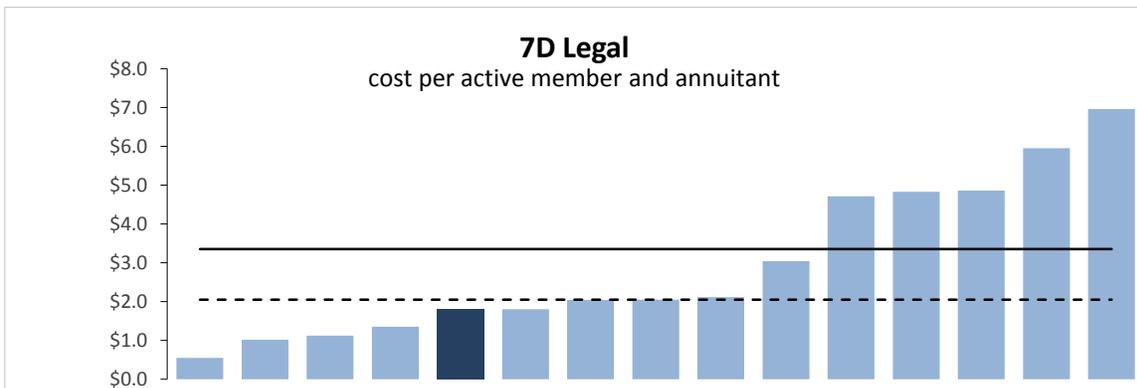
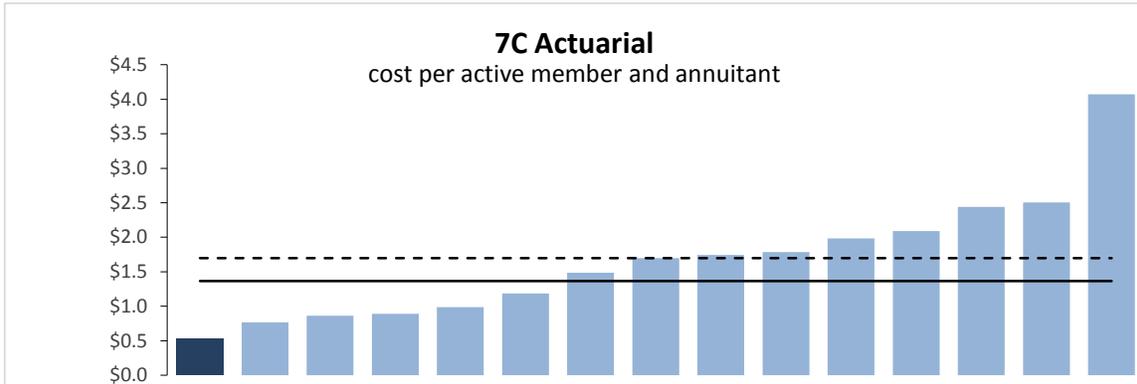
Reasons why your cost was equal to median	Comparison		Impact ¹ \$s per Pension Admin FTE
	You	Peer Median	
Lower salaries and benefits per direct FTE	\$93,183	\$105,000	-\$289.09
More direct FTE per 100 pension admin FTE ²	2.45	2.34	\$97.52
Higher third party costs per pension admin FTE	\$835	\$798	\$37.17
Unexplained ¹			\$154.39
Cost per pension admin FTE	\$2,753	\$2,753	\$0.00

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).
2. You had 6.0 human resources FTE which was 9% more than the peer median of 5.5. The percentage difference was more favorable on a 'per pension admin FTE' basis (your 2.45 FTE per 100 pension admin FTE was 4% more than the peer median of 2.34) because you had an economy of scale advantage.

7C-E Professional Costs

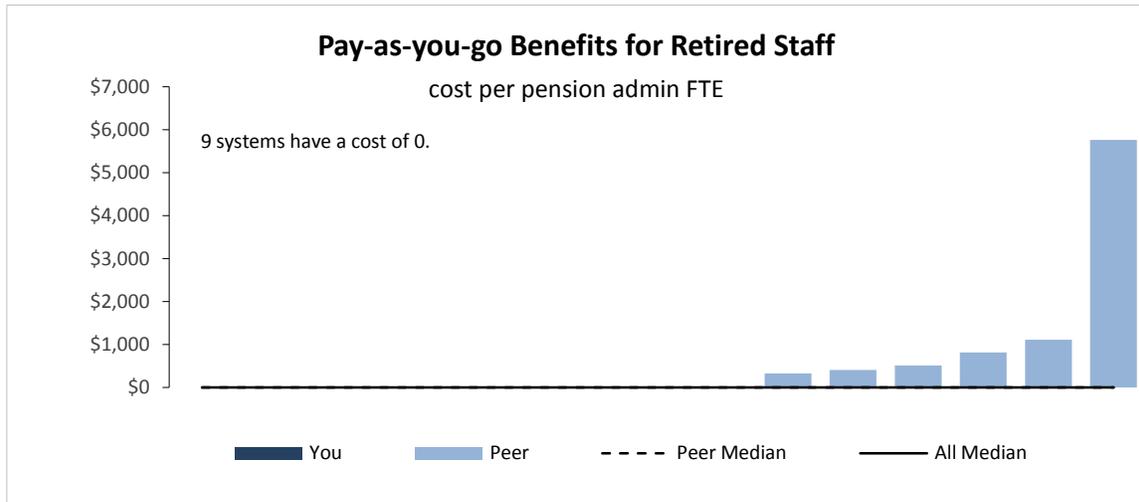
Your cost for activity:

- Your actuarial cost per active member and annuitant was \$0.53. This was \$1.17 below the peer median of \$1.70.
- Your legal cost per active member and annuitant was \$1.81. This was \$0.25 below the peer median of \$2.06.
- Your audit cost per active member and annuitant was \$0.91. This was \$0.50 below the peer median of \$1.41.



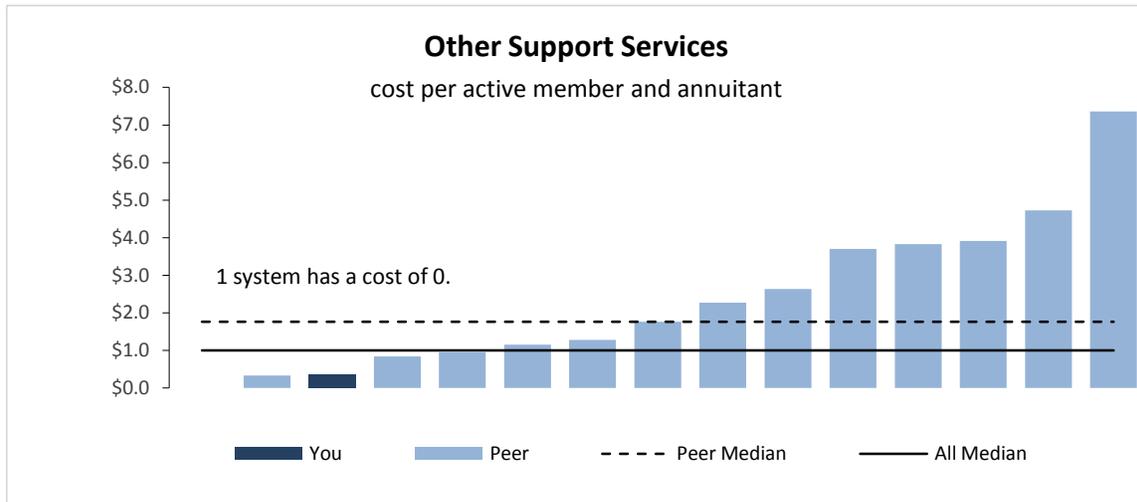
7F Pay-as-you-go benefits for retired staff

You have no cost for this activity. The peer median cost was \$0.00.



7G Other Support Services

Your other support services cost per active member and annuitant was \$0.36. This was \$1.40 below the peer median of \$1.76. The biggest reason why was that you had fewer direct FTE per 10,000 active members and annuitants².



Reasons why your cost was below median	Comparison		Impact ¹ \$s per Active Member and Annuitant
	You	Peer Median	
Lower salaries and benefits per direct FTE	\$78,059	\$88,166	-\$0.04
Fewer direct FTE per 10,000 active members and annuitants ²	0.0	0.2	-\$1.14
Lower third party costs per active member and annuitant	\$0.11	\$0.27	-\$0.16
Unexplained ¹			-\$0.06
Cost per active member and annuitant	\$0.36	\$1.76	-\$1.40

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

2. You had 1.7 other support services FTE which was 73% less than the peer median of 6.3. The percentage difference was more favorable on a 'per active member and annuitant' basis (your 0.04 other support services FTE per 10,000 active member and annuitant was 79% less than the peer median of 0.18).

Three key reasons for differences in FTE per 10,000 (and/or third party costs) are:

- Economies of scale - Scale is particularly important for other support services because of the substantial fixed costs of maintaining the IT infrastructure necessary for pension systems to operate. Your 442,860 active members and annuitants was the peer median. Thus the impact of economies of scale was minimized. But your largest peers still had more members over which to spread their other support services costs and your smallest peers had fewer members.
- Plan complexity - It is more expensive to develop and maintain IT systems for plans with complex rule sets. Your total plan complexity score was 100 out of 100. This was above the peer median of 71.
- IT investment cycle

Alternative comparison: Fully-attributed front-office activity costs

An alternative way of analyzing and comparing activity costs is by attributing 100% of back office costs (i.e., governance and financial control, major projects, IT, and support services and other) to the front office activities. Front office activities are the activities that come in contact with clients or employers, such as paying pensions, pension inceptions, and member calls. The methodology used to calculate fully-attributed costs is shown on the following page.

In 2010, CEM shifted the focus of its analysis from fully-attributed activity costs to direct activity costs because:

- Front-office managers did not recognize or trust the fully attributed costs.
- It is impossible to ensure consistency in attribution methodology for IT and major project costs. Therefore, differences in fully-attributed costs often reflected differences in attribution methodology.
- Reasons for differences in fully-attributed costs were often hidden and repetitive. For example, unusually high building and utilities costs could become a recurring reason for differences in all fully-attributed costs.

Fully-Attributed Activity Costs (\$s per unit of activity volume)																
Activity	Cost per:	You	Peer							All						
			Avg	Max	Q3	Med	Q1	Min	#	Avg	Max	Q3	Med	Q1	Min	#
1. Member Transactions																
a. Pension Payments	annuitant	24	18	51	17	16	13	4	15	26	133	29	19	12	3	53
b. Pension Inceptions	new payee inception	464	472	1,386	587	371	287	172	15	746	7,832	933	503	271	78	53
c. Withdrawals and Transfers-out	withdrawal and transfer-out	402	288	1,425	383	124	84	23	15	955	16,383	623	264	113	0	51
d. Purchases and Transfers-in	purchase and transfer-in	698	1,095	7,728	821	554	313	109	15	5,836	233,911	1,310	599	349	0	51
e. Disability	disability application	1,440	3,094	8,181	4,139	2,691	1,152	467	15	3,984	30,232	4,696	2,835	1,132	202	36
2. Member Communication																
a. Call Center	call and email	18	26	89	28	24	15	10	15	31	136	43	26	14	0	53
b. Mail Room, Imaging	incoming mail	13	15	46	17	14	10	4	15	25	168	29	15	8	1	53
c. 1-on-1 Counseling	member counseled 1-on-1	190	272	800	368	242	135	62	15	352	5,582	294	168	97	0	49
d. Presentations and Group Counseling	member presentation	1,769	4,168	26,050	3,627	2,130	1,516	499	15	112,250	5,506,113	4,293	2,551	1,531	0	51
e. Written Pension Estimates	written estimate	65	123	473	165	67	51	9	15	461	3,827	311	127	41	0	53
f. Mass Communication	active member and annuitant	4	6	13	7	5	4	3	15	8	25	11	6	4	0	53
3. Collections and Data Maintenance																
a. Data and Money from Employers	active member	8	18	58	23	13	8	4	15	29	186	31	20	9	1	53
b. Service to Employers	active member	2	8	18	9	7	5	2	15	9	62	12	7	4	0	53
c. Data Not from Employers	active, inactive and annuitant	1	3	8	4	2	1	0	15	4	15	5	2	1	0	53
Total Pension Administration	active member and annuitant	68	90	188	103	83	66	45	15	121	460	138	95	77	10	53
Non-Pension																
1f. Healthcare Administration	annuitant	25	16	61	29	4	0	0	15	12	131	4	0	0	0	45
1g. Optional and Third Party Administered Benefits	active member	11	7	34	10	3	0	0	15	4	34	5	0	0	0	45

Calculation of fully-attributed front-office costs

(Fully-attributed costs are compared in the alternative comparison on the previous page)

Activity	Direct Staff (# FTE)	Direct Costs (Salaries + Third Party)	Attributions ¹				Fully-Attributed		
			5. Major Projects	6a IT Strategy, DB Mgmt, Appli-cations	6b + 7a - g Support Services and Other	4. Governance & Financial Control	Cost per \$000s	Cost per unit ³	Cost per Active Member and Annuitant
1. Member Transactions									
a. Pension Payments	11.4	1,305	1,607	902	413	284	4,511	24	10.19
b. Pension Inceptions	15.3	1,070	2,156	1,211	554	381	5,372	464	12.13
c. Withdrawals and Transfers-out	4.2	360	592	333	152	105	1,541	402	3.48
d. Purchases and Transfers-in	1.6	156	226	127	58	40	606	698	1.37
e. Disability	9.2	906	1,297	728	333	229	3,493	1,440	7.89
f. Healthcare Administration	12.3	1,181	1,733	974	446	306	4,640	25	10.48
g. Optional and Third Party Administered Benefits	7.3	770	1,029	578	264	182	2,822	11	6.37
2. Member Communication									
a. Call Center	29.5	1,901	0	0	1,069	734	3,704	18	8.36
b. Mail Room, Imaging	16.3	1,171	0	0	590	406	2,167	13	4.89
c. 1-on-1 Counseling	9.3	670	0	0	337	231	1,239	190	2.80
d. Presentations and Group Counseling	7.5	550	0	0	272	187	1,008	1,769	2.28
e. Written Pension Estimates	11.9	862	0	0	431	296	1,589	65	3.59
f. Mass Communication	9.1	1,205	0	0	330	227	1,761	4	3.98
3. Collections and Data Maintenance									
a. Data and Money from Employers	15.4	1,080	0	0	558	383	2,021	8	4.56
b. Service to Employers	4.0	309	0	0	145	100	553	2	1.25
c. Data Not from Employers	4.5	373	0	0	163	112	648	1	1.46
4. Governance and Financial Control									
a. Financial Administration and Control	12.9	1,562	0	0	467	-2,029	0		
b. Board, Strategy, Policy	7.1	1,098	0	0	257	-1,355	0		
c. Government and Public Relations	4.3	662	0	0	156	-817	0		
5. Major Projects									
a. Amortization of non-IT Major Projects	n/a	0	0				0		
b. Non-IT Major Projects (if you don't capitalize)	3.1	384	-384				0		
c. Amortization of IT Major Projects	n/a	141	-141				0		
d. IT Major Projects (if you don't capitalize)	41.9	8,113	-8,113				0		
6. Information Technology									
a. IT Strategy, Database, Applications (excl. major projects)	25.0	4,852		-4,852			0		
b. IT Desktop, Networks, Telecom	11.3	2,702			-2,702		0		
7. Support Services and Other									
a. Building and Utilities	1.1	1,721			-1,721		0		
b. Human Resources	6.0	764			-764		0		
c. Actuarial	0.0	266			-266		0		
d. Legal and Rule Interpretation	7.7	905			-905		0		
e. Internal and External Audit	2.7	456			-456		0		
f. Pay-as-you-go Benefits for Retired Staff	n/a	0			0		0		
g. Other Support Services	1.7	182			-182		0		
Total Administration	293.6	37,675	0	0	0	0	37,675		85.07
less: ²									
1f. Healthcare Administration							-4,640		-10.48
1g. Optional and Third Party Administered Benefits							-2,822		-6.37
Total Pension Administration							30,214		68.22

1. Attributions of activities 5a-d and 6a are per your survey responses. Attributions of activities 6b and 7a-g are pro rata based on direct FTE (unless you provided the attributions yourself). Similarly attributions of activity 4 is done pro rata based on direct FTE.

2. The fully-attributed costs of activities 1f and 1g are excluded from pension administration costs to ensure comparability.

3. Units vary by activity. Units are described in the second column on the previous page.

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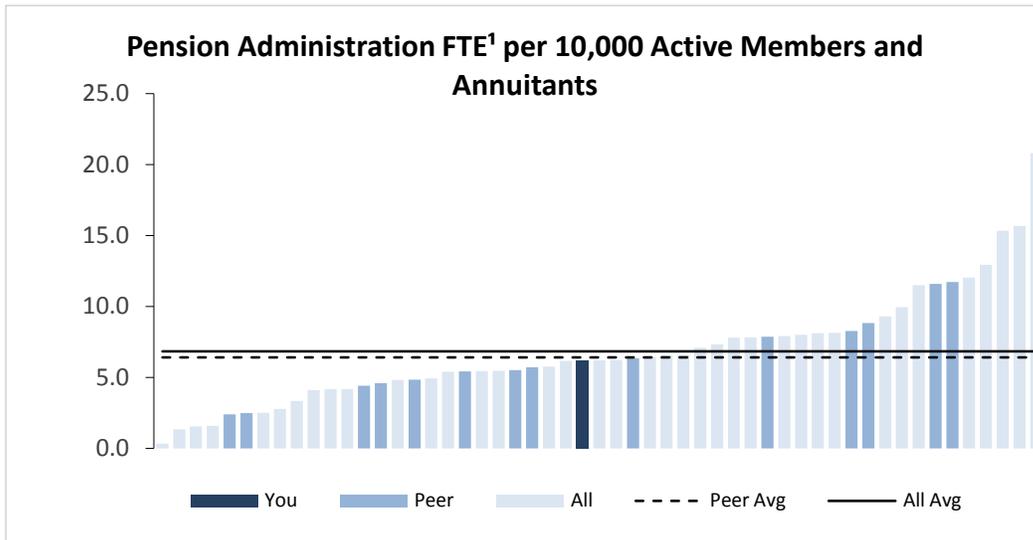
Staff Costs and Productivity

This section includes comparisons to your peers, in aggregate and by activity, of:

- Full-time-equivalent staff (FTE) per member
- Salary and benefits per FTE
- Productivity (transaction volumes per FTE)

Total FTE

Differences in the number of full-time-equivalent staff (FTE) used to serve members is a key reason for differences in costs between similarly organized systems. Generally the more FTE you use to serve members, the higher your costs. You had 6.19 pension administration FTE¹ per 10,000 members. This was below the peer average of 6.41.



1. Pension administration FTE excludes: FTE whose salaries are being capitalized, FTE administering healthcare and FTE administering optional benefits.

Reasons for differences in total FTEs used to serve members include differences in:

- Outsourcing. For example, if you outsource legal or actuarial work, you will have fewer FTE than systems that do this work using internal staff.
- Transactions volumes, which in turn are caused by differences in:
 - Services provided, for example, some plans do not offer financial planning
 - Member mix and demographics, for example, active members generate more transactions than inactive members
- Productivity (i.e., transaction volumes per FTE) which in turn is caused by differences in:
 - Service levels, for example, shorter wait times may require more staff
 - Staff skills and productivity
 - Organizational effectiveness
 - Economies of scale
 - Plan rule complexity
 - IT capability

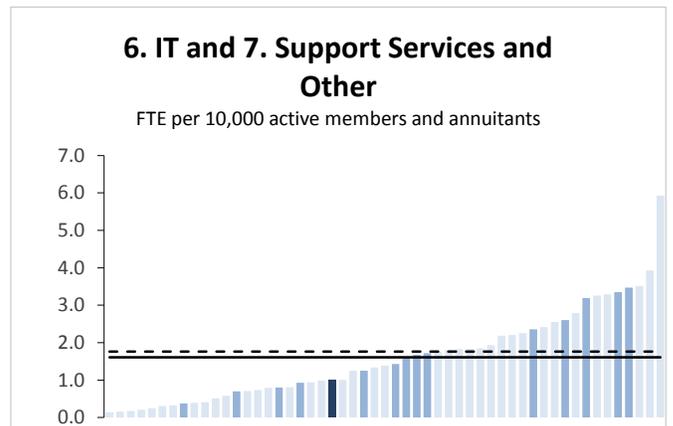
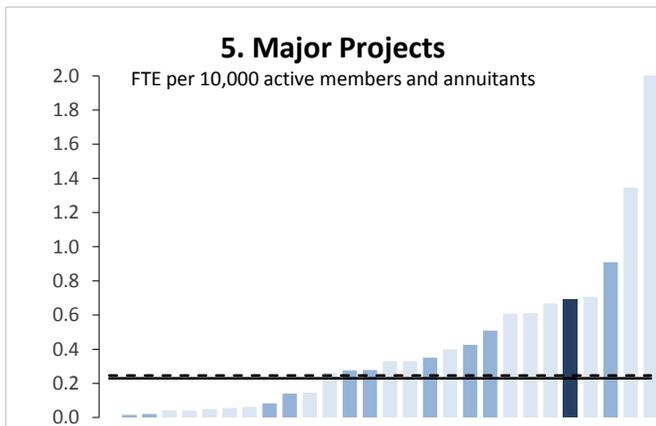
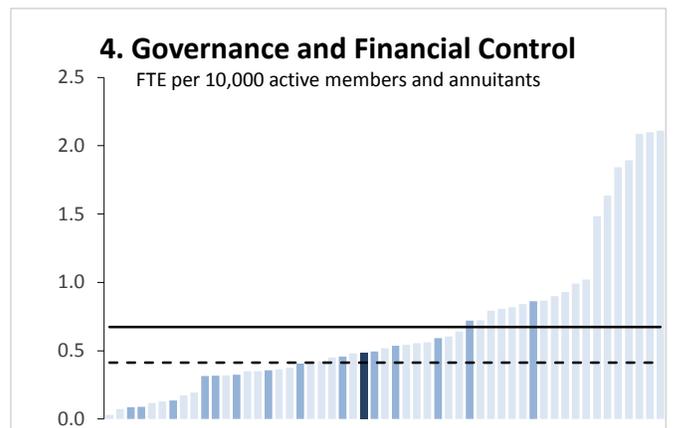
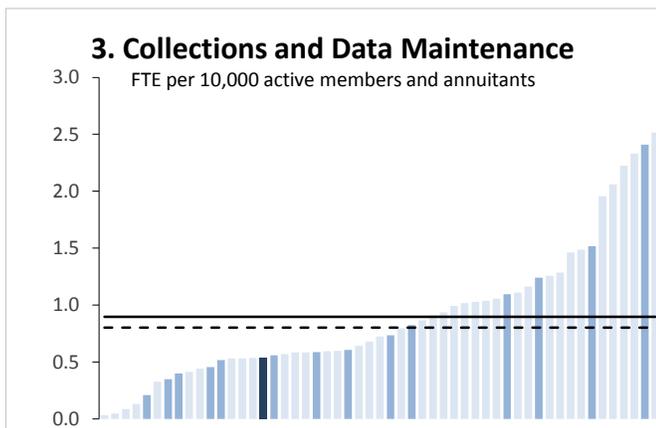
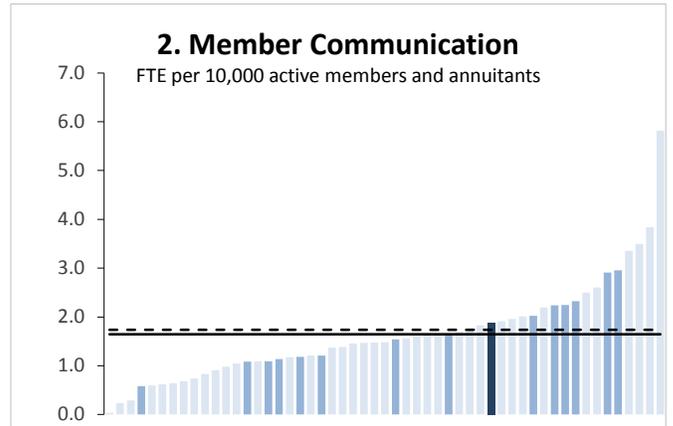
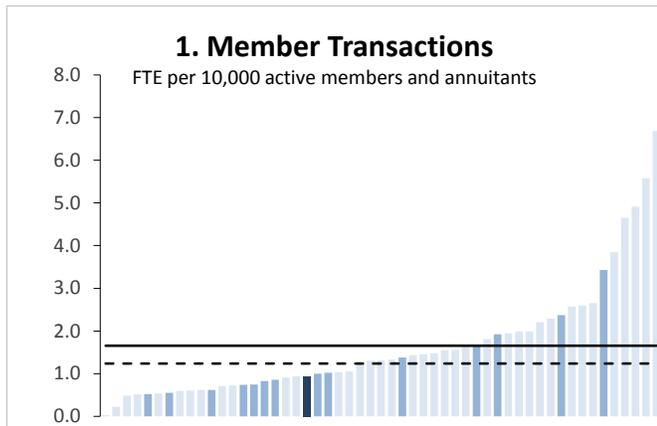
FTE by activity

Activity	# of Direct ¹ FTE			# of FTE per 10,000 Active Members and Annuitants		
	You	Peer Avg	All Avg	You	Peer Avg	All Avg
1. Member Transactions						
a. Pension Payments	11.4	12.7	11.2	0.26	0.23	0.29
b. Pension Inceptions	15.3	24.3	25.2	0.35	0.49	0.60
c. Withdrawals and Transfers-out	4.2	8.8	8.7	0.09	0.19	0.32
d. Purchases and Transfers-in	1.6	9.0	10.4	0.04	0.15	0.35
e. Disability	<u>9.2</u>	<u>10.1</u>	<u>8.1</u>	<u>0.21</u>	<u>0.18</u>	<u>0.22</u>
Total Member Transactions	41.7	64.9	63.6	0.94	1.24	1.77
2. Member Communication						
a. Call Center	29.5	38.3	26.1	0.67	0.78	0.67
b. Mail Room, Imaging	16.3	11.9	10.5	0.37	0.26	0.28
c. 1-on-1 Counseling	9.3	12.1	7.2	0.21	0.25	0.21
d. Presentations and Group Counseling	7.5	7.1	7.2	0.17	0.15	0.14
e. Written Pension Estimates	11.9	5.8	6.7	0.27	0.13	0.22
f. Mass Communication	<u>9.1</u>	<u>7.1</u>	<u>7.2</u>	<u>0.21</u>	<u>0.16</u>	<u>0.21</u>
Total Member Communication	83.6	82.3	64.8	1.89	1.74	1.73
3. Collections and Data Maintenance						
a. Data and Money from Employers	15.4	23.1	20.2	0.35	0.47	0.56
b. Service to Employers	4.0	7.9	7.6	0.09	0.18	0.19
c. Data Not from Employers	<u>4.5</u>	<u>7.2</u>	<u>6.6</u>	<u>0.10</u>	<u>0.16</u>	<u>0.17</u>
Total Collections and Data Maintenance	23.9	38.3	34.4	0.54	0.80	0.92
4. Governance and Financial Control						
a. Financial Administration and Control	12.9	10.6	12.5	0.29	0.24	0.36
b. Board, Strategy, Policy	7.1	5.2	8.2	0.16	0.12	0.24
c. Government and Public Relations	<u>4.3</u>	<u>4.1</u>	<u>3.2</u>	<u>0.10</u>	<u>0.09</u>	<u>0.11</u>
Total Governance and Financial Control	24.3	19.9	23.8	0.55	0.44	0.71
5. Major Projects						
a. Amortization of non-IT Major Projects ²	n/a	n/a	n/a	n/a	n/a	n/a
b. Non-IT Major Projects (if you don't capitalize)	3.1	2.7	1.8	0.07	0.11	0.18
c. Amortization of IT Major Projects ²	n/a	n/a	n/a	n/a	n/a	n/a
d. IT Major Projects (if you don't capitalize)	<u>41.9</u>	<u>12.0</u>	<u>6.8</u>	<u>0.95</u>	<u>0.34</u>	<u>0.41</u>
Total Major Projects	45.0	14.7	8.6	1.02	0.45	0.58
6. Information Technology						
a. IT Strategy, Database, Applications (excl. major projects)	25.0	37.6	25.3	0.56	0.85	0.80
b. IT Desktop, Networks, Telecom	<u>11.3</u>	<u>15.8</u>	<u>8.6</u>	<u>0.26</u>	<u>0.32</u>	<u>0.29</u>
Total Information Technology	36.3	53.4	34.0	0.82	1.16	1.10
7. Support Services and Other						
a. Building and Utilities	1.1	5.1	4.5	0.02	0.13	0.12
b. Human Resources	6.0	7.5	6.0	0.14	0.15	0.19
c. Actuarial	0.0	1.6	1.7	n/a	0.04	0.06
d. Legal and Rule Interpretation	7.7	8.9	8.1	0.17	0.18	0.26
e. Internal and External Audit	2.7	4.1	4.5	0.06	0.09	0.15
f. Pay-as-you-go Benefits for Retired Staff	n/a	n/a	n/a	n/a	n/a	n/a
g. Other Support Services	<u>1.7</u>	<u>8.7</u>	<u>5.3</u>	<u>0.04</u>	<u>0.20</u>	<u>0.21</u>
Total Support Services and Other	19.2	35.9	30.0	0.43	0.78	0.99
Total Pension Admin FTE (excludes below)	274.0	309.5	259.3	6.19	6.62	7.81
FTE whose salaries are being capitalized	0.0	13.4	15.1	n/a	0.44	0.42
1f. Healthcare Administration	12.3	7.7	4.5	0.28	0.31	0.55
1g. Optional and Third Party Administered Benefits	7.3	5.3	2.4	0.16	0.15	0.15
Total Administration FTE	293.6	335.8	281.4	6.63	7.51	8.92

1. Direct staff includes staff directly performing the activity, plus related support and management staff that are in the same department and directly support the activity.

2. We are unable to identify the historic FTE embedded in activities 5a. and 5c. amortization of major projects.

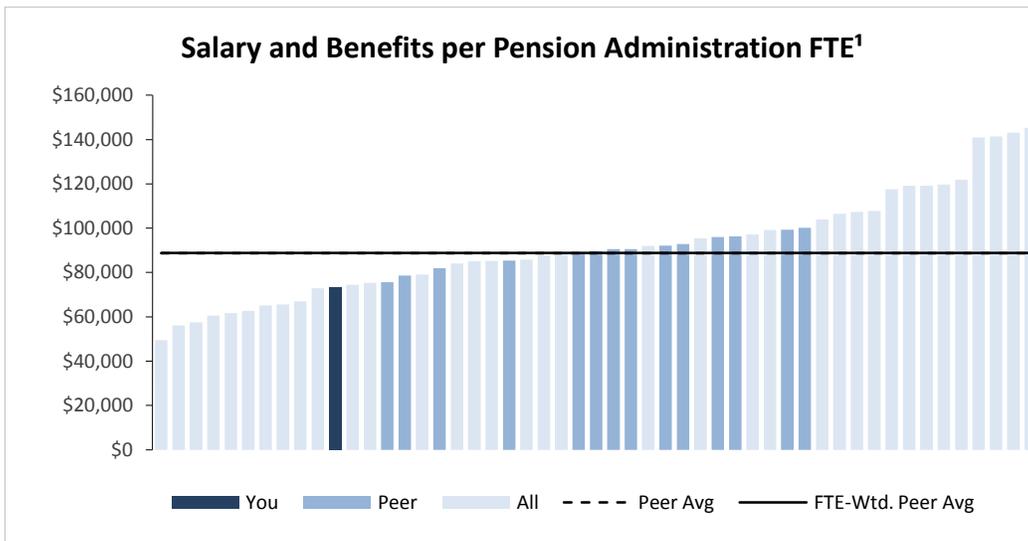
FTE per 10,000 members by activity aggregates



Salaries and benefits

Your salaries and benefits per pension administration FTE¹ was \$73,107. This was 18% below the peer average of \$88,715.

If you want to understand how salaries and benefits impact relative cost performance, the more relevant average is the FTE-weighted peer average because salary differences matter more for peers with more FTEs. Your salaries and benefits per pension administration FTE of \$73,107 was below the FTE-weighted peer average of \$88,806.



1. Pension administration FTE excludes: FTE whose salaries are being capitalized, FTE administering healthcare and FTE administering optional benefits. In order to avoid double counting when explaining why your total administration costs differ from the peer average, it also excludes the salaries and FTE of activity 6b. IT Desktop, Networks, Telecom, 7a. Building and Utilities, 7b. Human Resources, and, 7f. Pay-as-you-go Benefits for Retired Staff.

Salaries and benefits include compensation (salary, wages, overtime, bonuses), benefits (pensions, healthcare), related payroll taxes, and charges paid by the employer (as opposed to the employee). Salary and benefits per FTE may differ because of:

- Cost environment
- Staff with different skills and experience. Different activities require different skills sets. Therefore, salaries and benefits are compared by activity on page 7 of this section.
- Outsourcing. For example, if you outsource higher paying jobs by using consultants (i.e., legal, actuarial) your average salary might be lower.

Other costs that tend to vary per FTE include activities: 6b. IT Desktop, Networks, Telecom, 7a. Building and Utilities, 7b. Human Resources, and, 7f. Pay-as-you-go Benefits for Retired Staff. These costs are compared in Section 4 - Activity Costs.

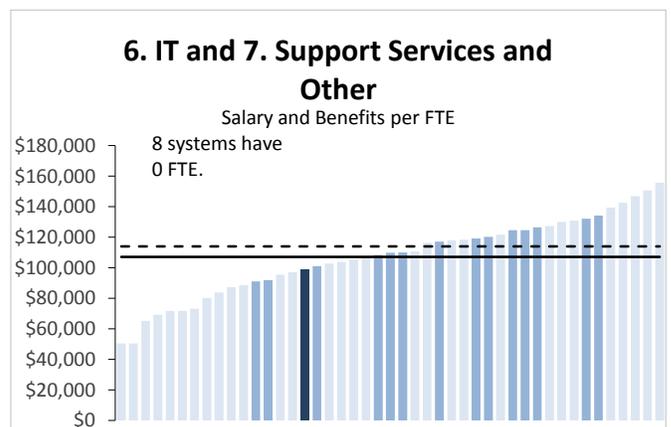
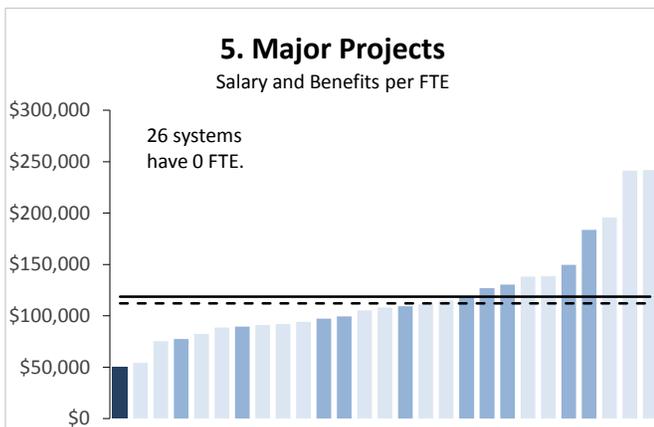
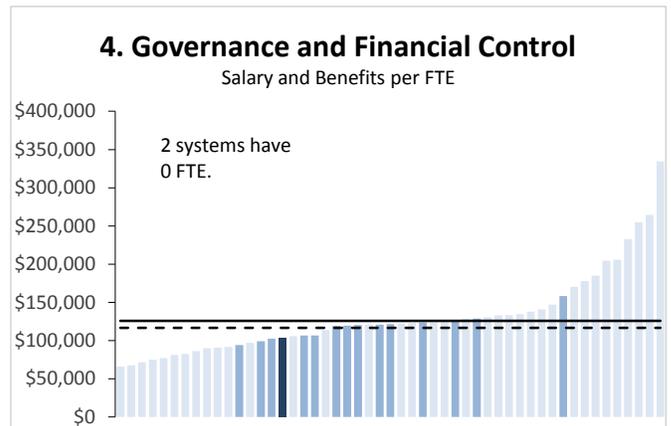
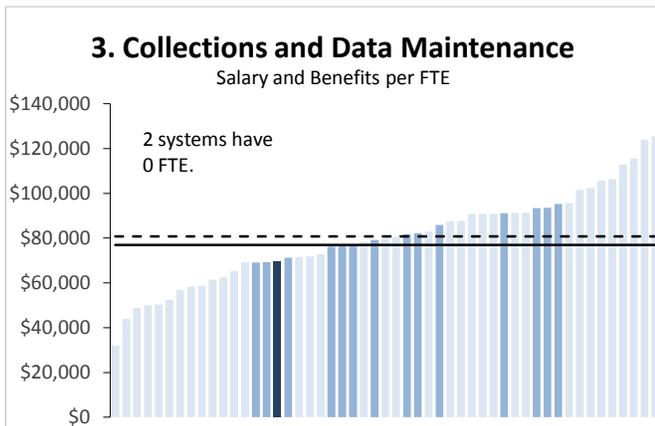
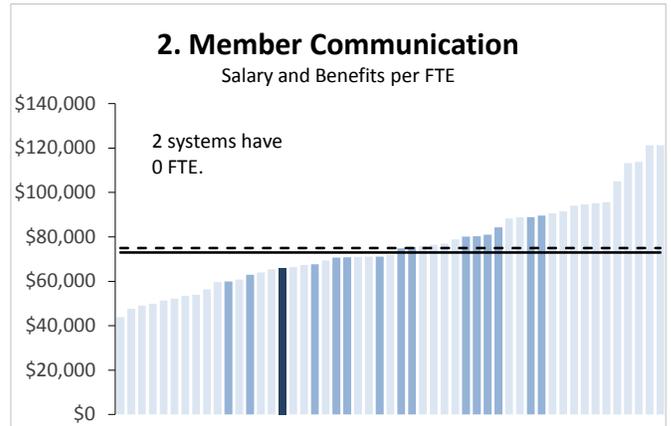
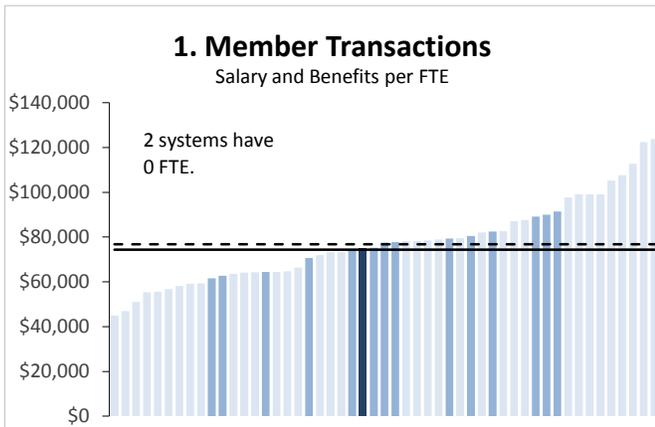
Salaries and benefits per FTE by activity

Activity	Salaries and Benefits per FTE			Salaries and Benefits as a % of Direct Activity Cost		
	You	Peer Avg	All Avg	You	Peer Avg	All Avg
1. Member Transactions						
a. Pension Payments	\$80,684	\$80,081	\$76,186	70%	57%	59%
b. Pension Inceptions	\$69,850	\$76,675	\$73,592	100%	95%	86%
c. Withdrawals and Transfers-out	\$78,714	\$75,253	\$78,671	92%	88%	86%
d. Purchases and Transfers-in	\$87,063	\$79,131	\$79,748	89%	92%	91%
e. Disability	<u>\$73,109</u>	<u>\$77,889</u>	<u>\$76,792</u>	74%	66%	76%
	\$75,084	\$76,814	\$74,442			
2. Member Communication						
a. Call Center	\$63,749	\$72,518	\$69,126	99%	93%	85%
b. Mail Room, Imaging	\$54,810	\$63,602	\$65,397	76%	75%	65%
c. 1-on-1 Counseling	\$71,108	\$79,532	\$74,304	99%	91%	87%
d. Presentations and Group Counseling	\$72,253	\$85,316	\$84,631	99%	78%	79%
e. Written Pension Estimates	\$71,445	\$77,437	\$72,870	99%	96%	91%
f. Mass Communication	<u>\$77,275</u>	<u>\$90,306</u>	<u>\$90,437</u>	58%	48%	50%
	\$66,156	\$74,952	\$73,041			
3. Collections and Data Maintenance						
a. Data and Money from Employers	\$67,773	\$81,517	\$77,239	97%	94%	82%
b. Service to Employers	\$68,650	\$86,268	\$83,641	89%	91%	82%
c. Data Not from Employers	<u>\$76,756</u>	<u>\$75,636</u>	<u>\$72,490</u>	93%	88%	79%
	\$69,611	\$80,708	\$76,936			
4. Governance and Financial Control						
a. Financial Administration and Control	\$94,054	\$107,732	\$102,032	78%	85%	79%
b. Board, Strategy, Policy	\$107,225	\$145,841	\$169,393	69%	75%	66%
c. Government and Public Relations	<u>\$125,628</u>	<u>\$121,486</u>	<u>\$133,484</u>	82%	85%	70%
	\$103,490	\$116,712	\$125,986			
5. Major Projects						
a. Amortization of non-IT Major Projects	n/a	n/a	n/a	n/a	n/a	n/a
b. Non-IT Major Projects (if you don't capitalize)	\$83,839	\$96,141	\$98,545	68%	72%	69%
c. Amortization of IT Major Projects	n/a	n/a	n/a	n/a	n/a	n/a
d. IT Major Projects (if you don't capitalize)	<u>\$47,599</u>	<u>\$116,160</u>	<u>\$118,516</u>	25%	57%	53%
	\$50,096	\$112,038	\$118,768			
6. Information Technology						
a. IT Strategy, Database, Applications (excl. major projects)	\$94,716	\$119,268	\$113,580	49%	59%	44%
b. IT Desktop, Networks, Telecom	<u>\$109,947</u>	<u>\$113,097</u>	<u>\$107,001</u>	46%	39%	30%
	\$100,351	\$117,091	\$110,262			
7. Support Services and Other						
a. Building and Utilities	\$93,909	\$83,889	\$78,860	6%	12%	9%
b. Human Resources	\$93,183	\$104,570	\$109,721	73%	80%	66%
c. Actuarial	n/a	\$153,302	\$141,168	0%	26%	31%
d. Legal and Rule Interpretation	\$98,844	\$122,302	\$121,294	84%	69%	67%
e. Internal and External Audit	\$108,296	\$119,377	\$118,709	64%	60%	57%
f. Pay-as-you-go Benefits for Retired Staff	n/a	n/a	n/a	n/a	100%	100%
g. Other Support Services	<u>\$78,059</u>	<u>\$91,301</u>	<u>\$94,447</u>	73%	64%	56%
	\$96,281	\$107,800	\$108,442			
Total Pension Administration ¹	\$75,124	\$90,398	\$92,695	61%	61%	53%
Total Pension Admin excluding activities 6b, 7a, 7b, and 7f ²	\$73,107	\$88,715	\$88,141	65%	66%	58%

1. Pension administration FTE excludes: FTE whose salaries are being capitalized, FTE administering healthcare and FTE administering optional benefits.

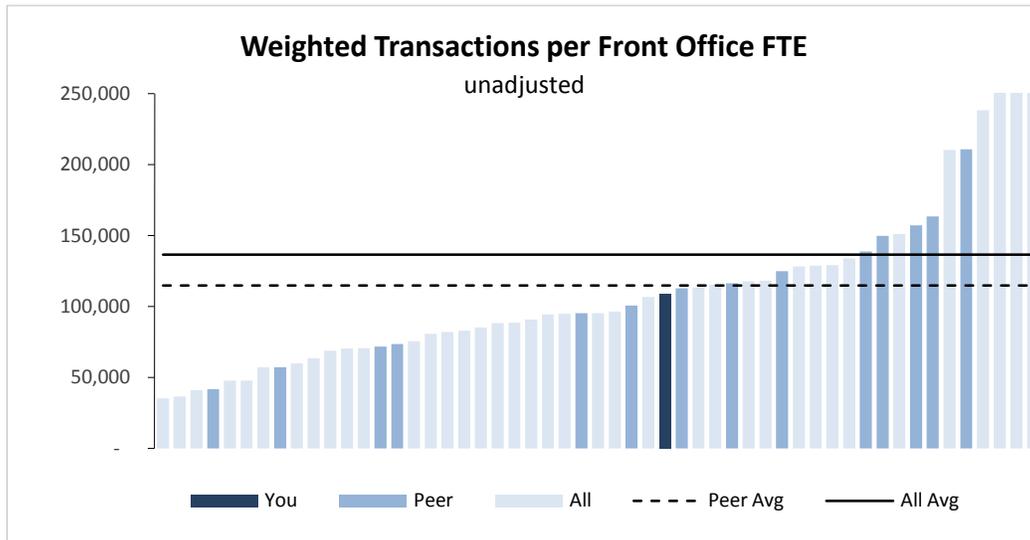
2. Section 3 'Total Costs' and the Executive Summary use the FTE-weighted peer average of \$88,806 to explain cost differences. It is used to explain cost differences because salary differences matter more for peers with more FTEs. To avoid double counting items quantified separately in the cost model, the FTE-weighted average also: (i) excludes activities 6b, 7a, 7b and 7f, and, (ii) weights front and back office salaries per your ratio of front to back office FTE.

Salaries and benefits per FTE by activity aggregates



Productivity

Total productivity is defined as the number of weighted transactions per front-office, full-time-equivalent staff (FTE). Your productivity was 108,714 per front-office FTE. This was below the in-house peer average of 114,796.



Weighted transaction volumes equal the cost-weighted average of front-office activity volumes. It is a measure of work. Details of the calculation are shown in Section 6 Transaction Volumes. Front office activities are the activities that come in contact with clients or employers, such as paying pensions, pension inceptions and member calls. It excludes support activities such as Governance and Financial Control, Major Projects and Support Services.

Differences in productivity are caused by differences in:

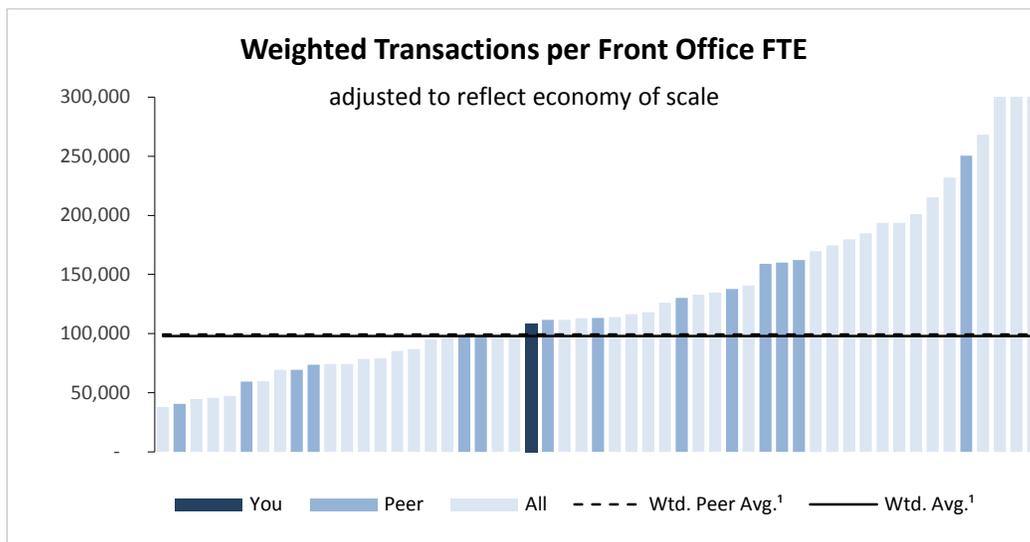
- Economies of scale (see next page)
- Staff skills and staff productivity
- IT capability / online transactions
- Service levels, for example, shorter wait times may require more staff
- Complexity of plan rules
- Using more consultants and third parties to do part of the work
- Projects
- Organization design

It is important to emphasize that total productivity is not a measure of staff productivity; staff productivity is however a component of total productivity.

Productivity - adjusted for economies of scale

Productivity is impacted by economies of scale. CEM research shows that, on average, smaller systems have lower productivity than larger systems. In section 3 Total Costs when we explain reasons for differences between your cost and the peer average, we quantify the impact of economies of scale separately from the impact of productivity. Thus we need to adjust the productivity of your peers for economies of scale to avoid double counting.

After adjusting for economies of scale, your productivity (weighted transaction volumes per FTE) was 9% above the weighted peer average.



1. The peer and all averages are weighted by workloads (i.e., weighted transactions per member) because differences in productivity matter more for peers with higher workloads when explaining cost differences.

Productivity by activity

Productivity by activity must be interpreted cautiously because annual fluctuations in activity volumes can cause large swings in productivity. Unusually high volumes in a given year will make you look more productive than normal. Unusually low volumes will make you look less productive.

Productivity by Front-Office Activity					
Front-Office Activities		Activity Volume per FTE			
		You	Peer Avg	All Avg	
1. Member Transactions					
a. Pension Payments	Annuitants	16,281	30,421	41,244	
b. Pension Inceptions	New Payee Inceptions	757	712	805	
c. Withdrawals and Transfers-out	Withdrawals and Transfers-out	913	2,599	1,639	
d. Purchases and Transfers-in	Purchases and Transfers-in	543	620	518	
e. Disability	Disability Applications	264	225	190	
2. Member Communication					
a. Call Center	Calls and Emails	6,931	9,660	10,348	
b. Mail Room, Imaging	Incoming Mail	10,169	22,079	24,967	
c. 1-on-1 Counseling	Members Counseled 1-on-1	700	1,122	1,580	
d. Presentations and Group Counseling	Member Presentations	76	150	118	
e. Written Pension Estimates	Written Estimates	2,042	3,880	9,609	
f. Mass Communication	Active Members and Annuitants	48,666	78,220	107,004	
3. Collections and Data Maintenance					
a. Data and Money from Employers	Active Members	16,705	22,368	32,642	
b. Service to Employers	Active Members	64,314	42,047	106,605	
c. Data Not from Employers	Actives, Inactives, Annuitants	134,218	340,860	456,972	
Weighted Transactions per Front Office FTE		108,714	114,796	136,442	
adjusted for Economies of Scale ^{1, 2}		108,714	99,316	97,993	

1. Productivity is impacted by economies of scale. CEM research shows that, on average, smaller systems have lower productivity than larger systems. In section 3 Total Costs when we explain reasons for differences between your cost and the peer average, we quantify the impact of economies of scale separately from the impact of productivity. Thus we need to adjust the productivity of your peers for economies of scale to avoid double counting.

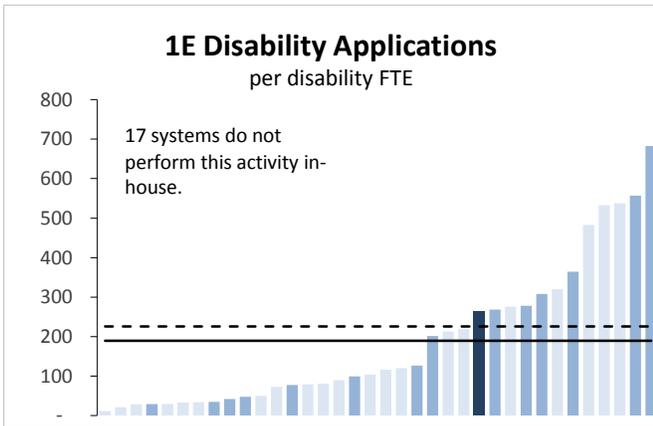
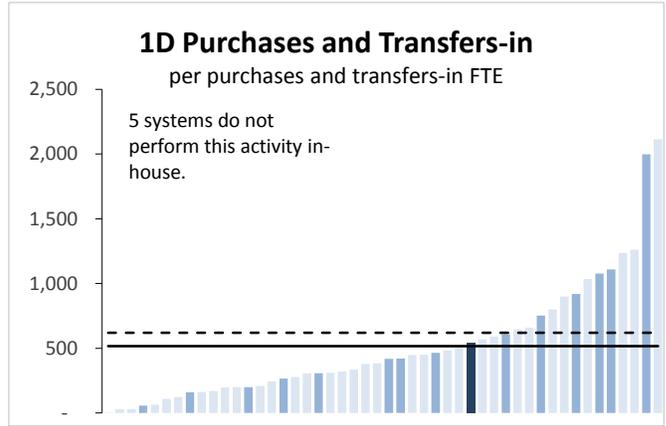
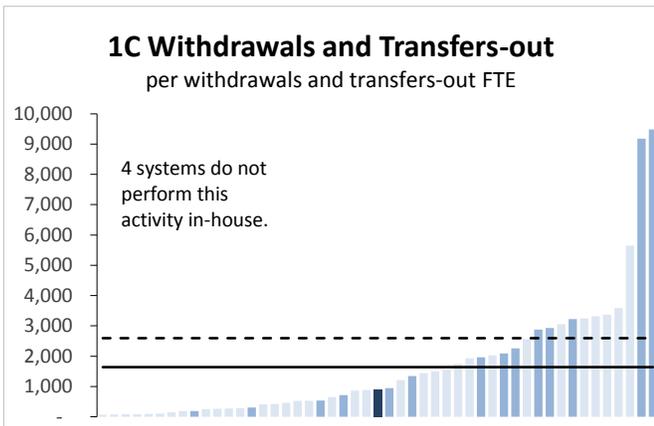
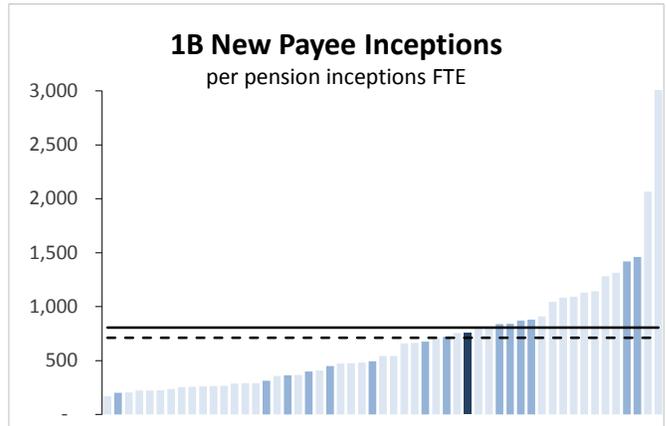
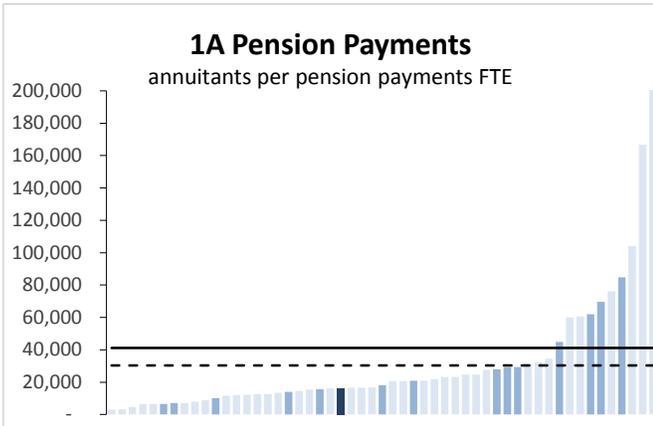
2. The peer and all averages, for this value only, are weighted by workloads (i.e., weighted transactions per member) because differences in productivity matter more for peers with higher workloads when explaining cost differences.

Differences in productivity are caused by differences in:

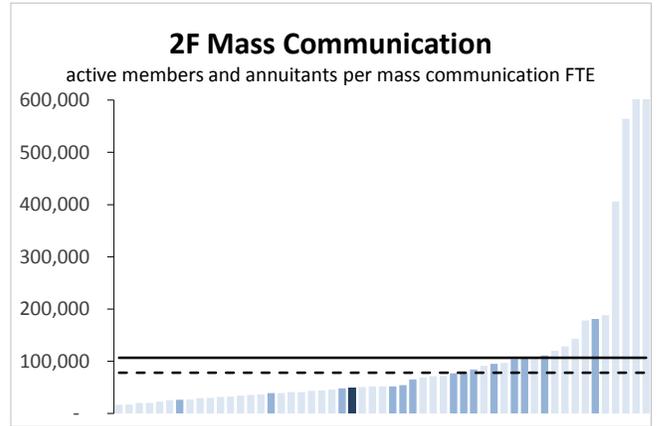
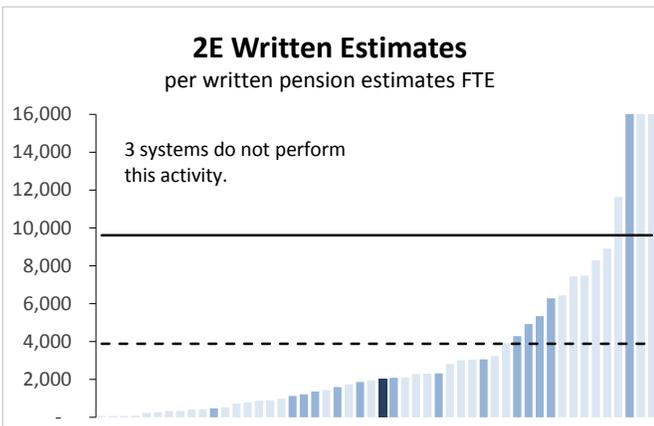
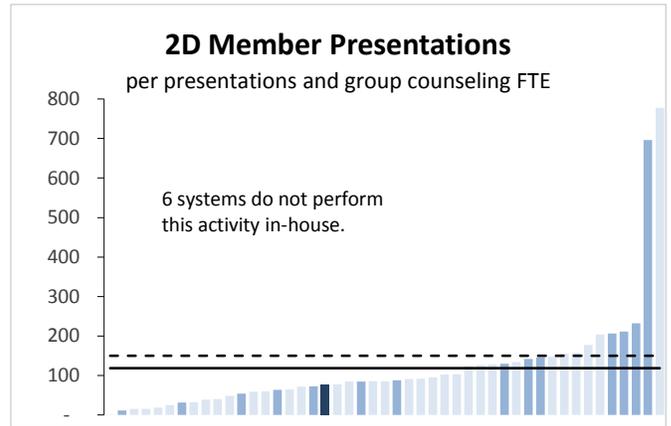
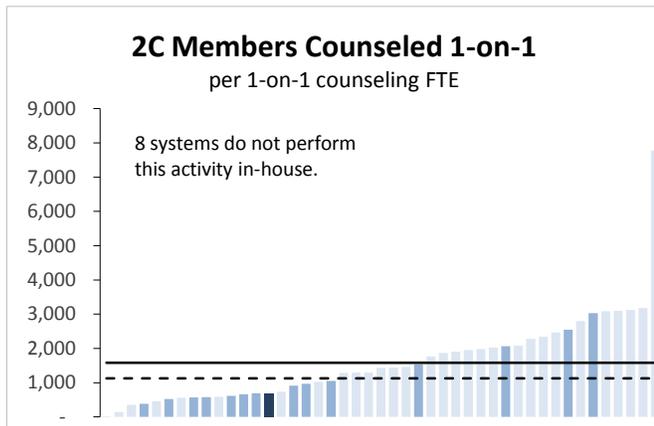
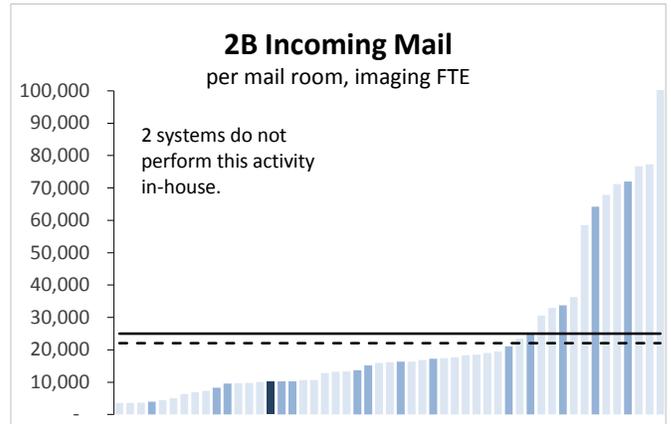
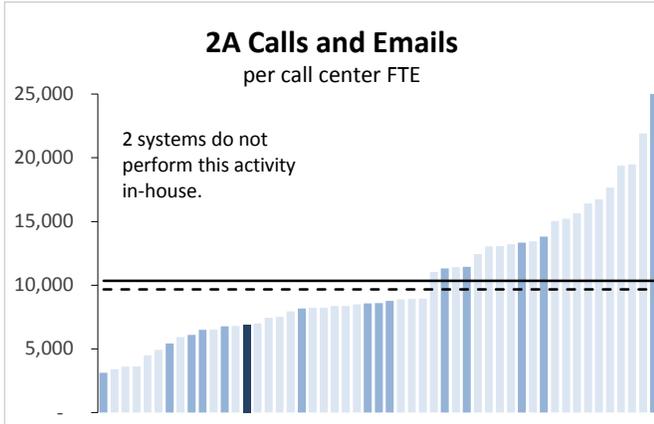
- Economies of scale (see previous page)
- Staff skills and staff productivity
- IT capability / online transactions
- Service levels, for example, shorter wait times may require more staff
- Complexity of plan rules
- Using more consultants and third parties to do part of the work
- Projects
- Organization design

It is important to emphasize that total productivity is not a measure of staff productivity; staff productivity is however a component of total productivity.

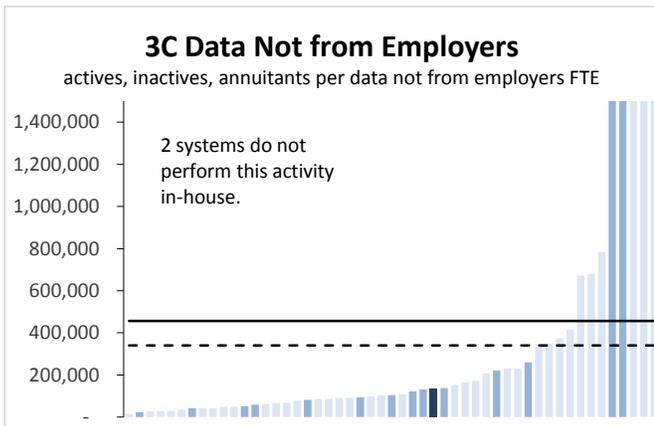
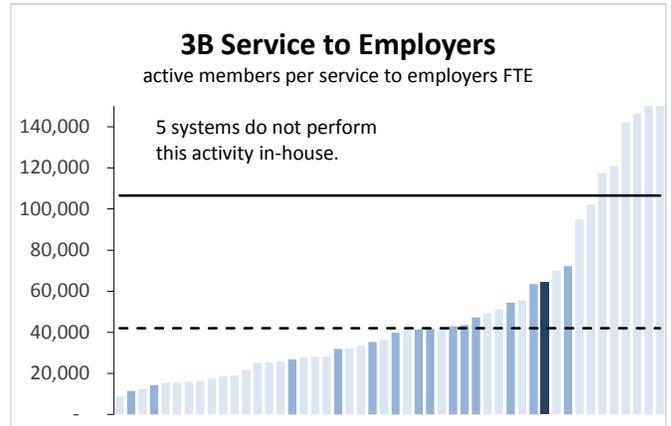
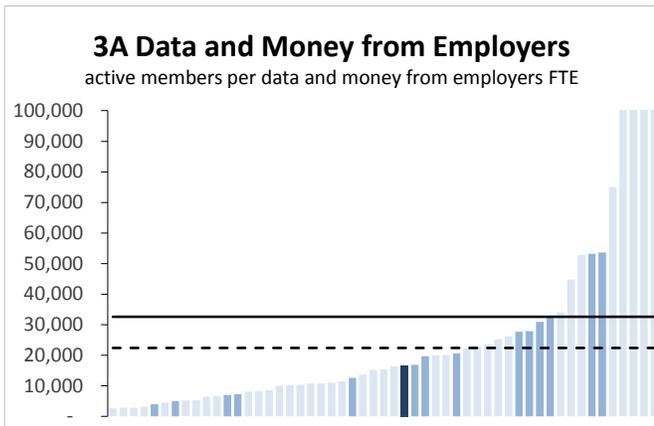
Productivity by activity - member transactions



Productivity by activity - member communication



Productivity by activity - collections and data maintenance



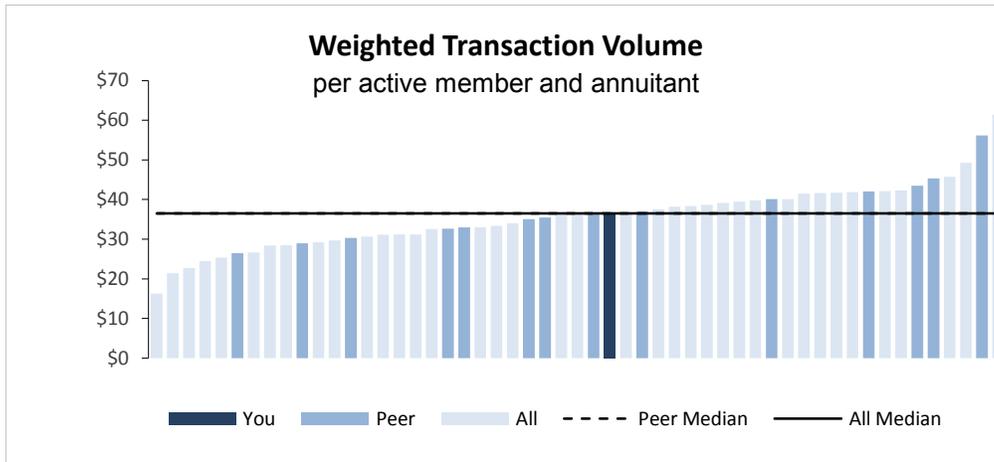
Transaction Volumes

This section contains:

- Comparisons of the most important pension administration transaction volumes for each front-office activity. Transactions are a major driver of costs. It is higher cost to have more transactions per member.
- Comparisons of total workloads - your weighted transaction volumes per member. This shows whether your transaction volumes are more or less costly in aggregate.

Workload: Weighted transaction volume per member

Your weighted transaction volume was \$36.63 per active member and annuitant. This was above the peer median of \$36.49.



Your weighted transaction volume per member indicates whether you are doing more or less administration work per member in aggregate than your peers. This could be due to reasons that are beyond your control, or because you are voluntarily doing more work for your members. Differences in work reflect differences in:

- Activities that you administer. For example, some systems do not administer disability.
- Service levels
- Membership mix
- Member demographics

The calculation of your weighted transaction volume is shown on the following page.

Interpreting your weighted transaction volumes

Transaction volumes are an important driver of costs. As shown in 'section 3 - Total Cost', your below average weighted transaction volumes decreased your total cost by an estimated \$0.59 per member relative to the peer average.

Mindful that transaction volumes are a significant driver of cost, this is one area to focus attention on in terms of potentially saving money. You may look at where you process more work than your peers with a view to reducing that volume (provided you have control over the volume).

Calculation of your weighted transaction volume

Your weighted transaction volume equals the cost weighted average of the 14 'front-office' pension administration transaction volumes shown in the table below.

Calculation of Your Weighted Transactions per Member			
Transaction (or Cost Driver) by Front-Office Activity	Your Volume (A)	Weight = All Median Cost per Transaction (B)	Weighted Volume (A x B)
1. Member Transactions			
a. Pension Payments (Annuitants)	185,605	\$8.46	1,571,145
b. New Payee Inceptions	11,582	\$155.88	1,805,437
c. Withdrawals and Transfers-out	3,834	\$93.92	360,100
d. Purchases and Transfers-in	868	\$236.37	205,170
e. Disability Applications	2,425	\$1,301.51	3,156,171
2. Member Communication			
a. Calls and Emails	204,461	\$8.35	1,706,529
b. Incoming Mail	165,750	\$5.69	943,766
c. Members Counseled 1-on-1	6,511	\$58.74	382,488
d. Member Presentations	570	\$1,172.06	668,076
e. Written Estimates	24,304	\$39.91	970,071
f. Mass Communication (Active Members and Annuitants)	442,860	\$3.51	1,556,245
3. Collections and Data Maintenance			
a. Data and Money from Employers (Active Members)	257,255	\$6.72	1,729,327
b. Service to Employers (Active Members)	257,255	\$2.54	654,331
c. Data Not from Employers (Actives, Inactives, Annuitants)	603,983	\$0.85	511,291
Total			16,220,148
Total per active member and annuitant			\$36.63

Methodology notes

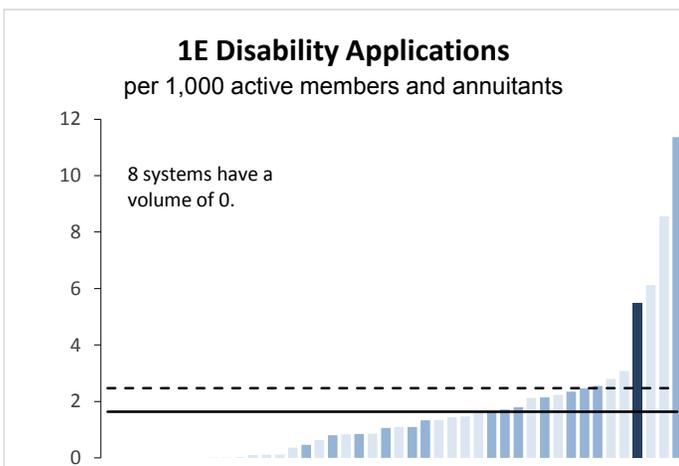
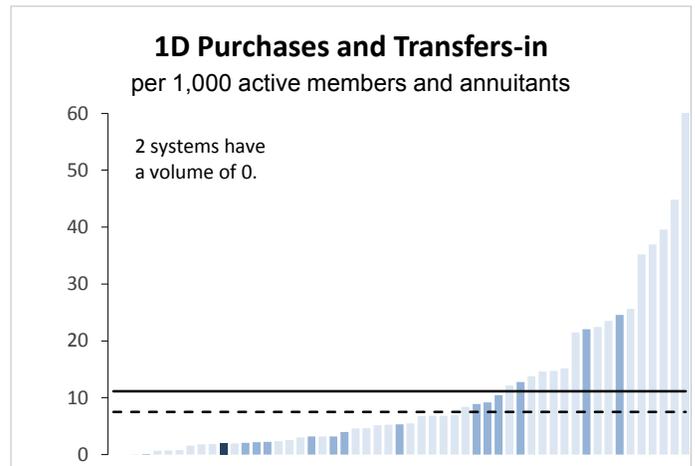
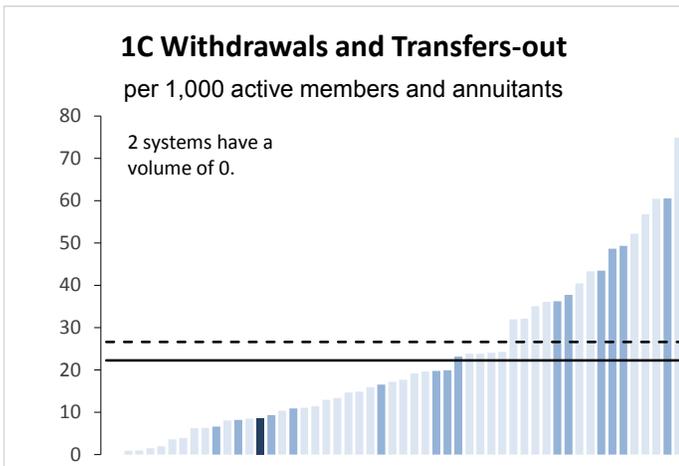
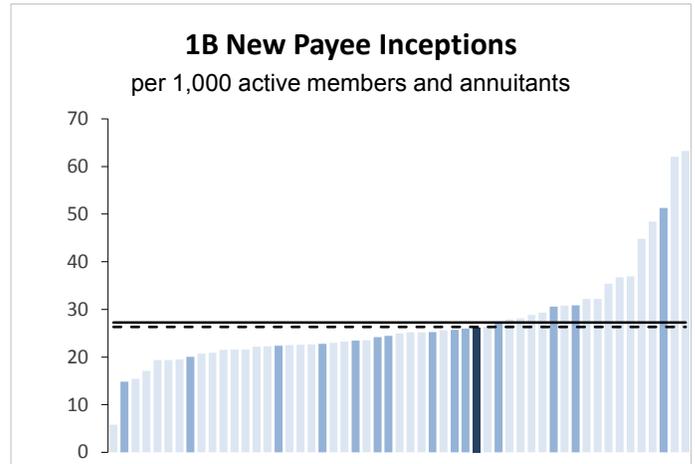
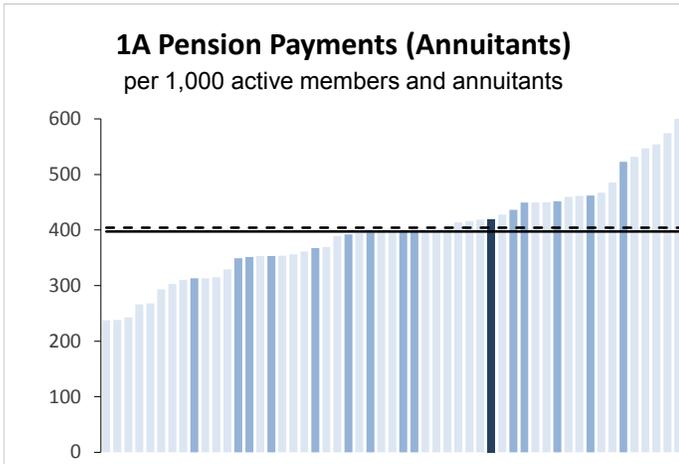
- **Weights** - The weights used for all activities are the all median cost per transaction. This enables us to normalize for the substantial differences in time and effort expended on each type of task. For example, a 1-on-1 counseling session is more costly and time consuming than answering a telephone call. This difference is reflected in the weights where the cost per 1-on-1 counseling session of \$58.74 is approximately 7 times higher than the cost per call of \$8.35.
- **Back-Office Activities** (e.g., Governance and Financial Control, Major Projects and Support Services) - The work of back-office activities is excluded from the weighted transaction volume score. This is because most work of back-office activities cannot be analyzed in terms of transaction volumes. For example, it would be nearly impossible to consider the role of a CEO in terms of the number of transactions that he or she processes.
- **Web** - Transaction volumes are weighted the same regardless of channel. Online transactions typically cost less, but if we applied a lower weight, then a system that has achieved a high level of online functionality would be unfairly penalized.
- **Secondary versus primary cost drivers** - The activity volumes used to determine your weighted transaction volume score are the primary cost drivers for each activity. Secondary cost drivers are ignored in this section because they are usually relatively immaterial.
- **Using members as a proxy** - For some activities, we have used members (or member subsets such as annuitants) as a proxy for the activity's transactions. For example, active members are used as a proxy for the transactions of the Collections and Data Maintenance activity. The implicit assumption is that data maintenance transactions, such as address changes, will occur at similar ratios of members for all systems.

Comparison of transaction volumes by activity

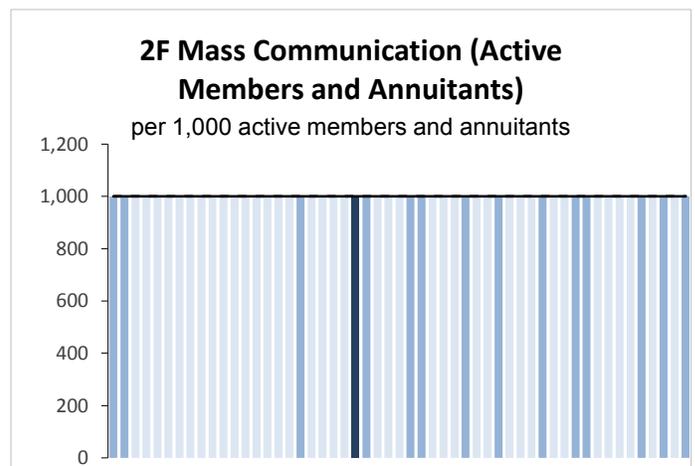
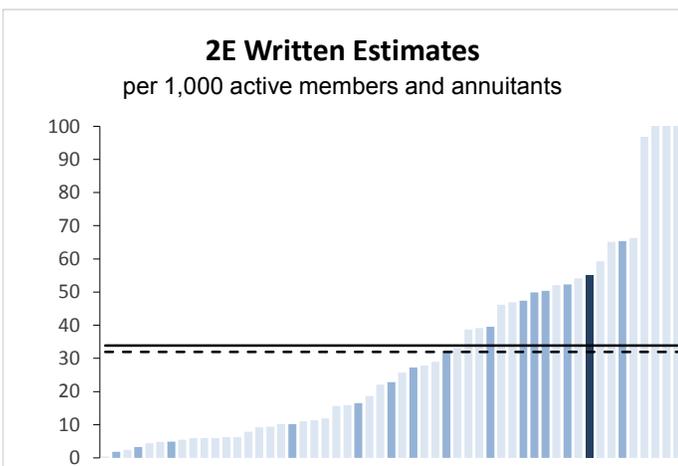
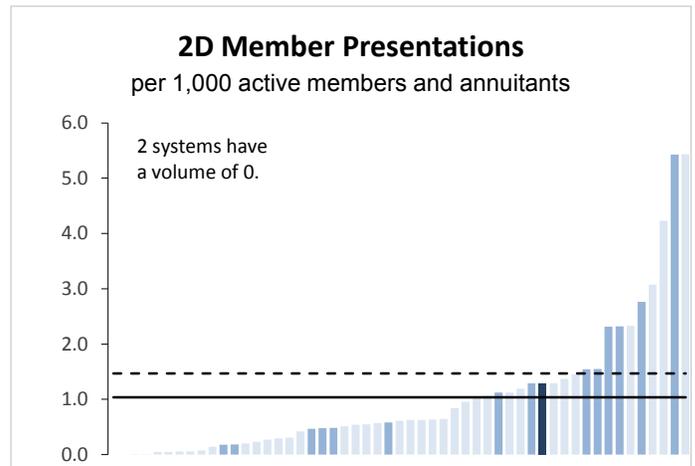
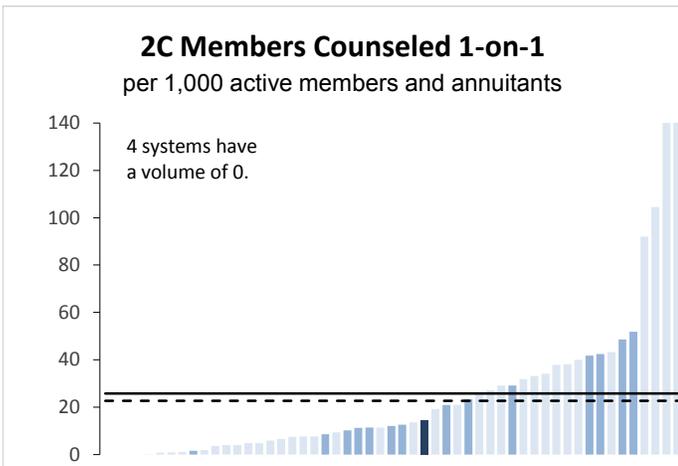
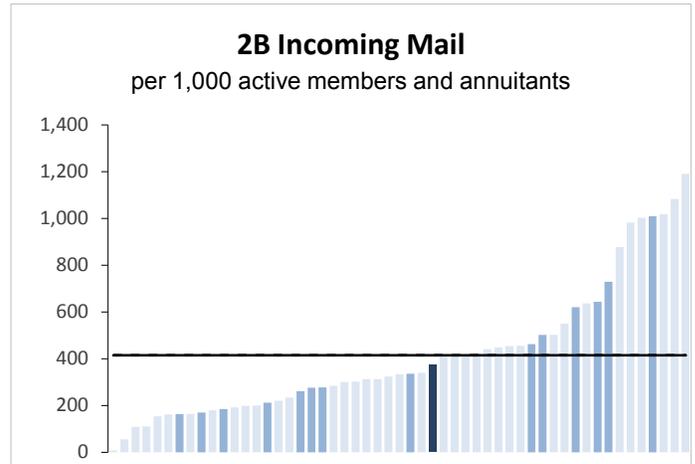
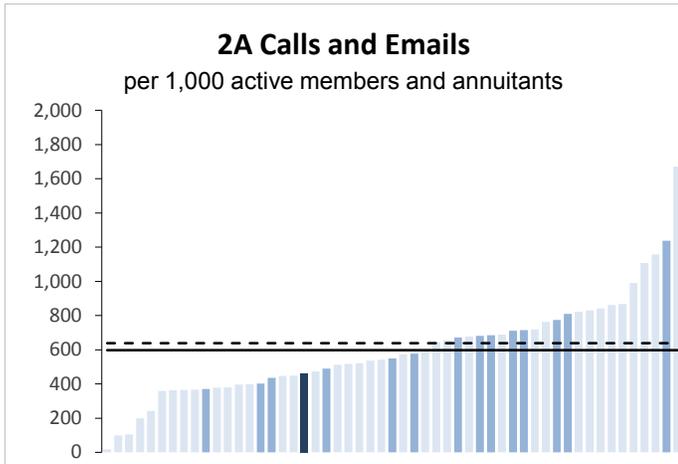
The table below shows whether you are doing more or fewer transactions per member than your peers by front-office activity. All volumes in the table are compared 'per 1,000 active members and annuitants' even if all member types do not always cause the volume. This is because active members and annuitants is the divisor when comparing total cost per member. Therefore, to know how volumes impact your relative total cost performance, they need to be compared on the same basis.

Comparisons of Transaction Volumes by Activity				
Transaction (or Cost Driver) by Front-Office Activity	Your Volume	Volume per 1,000 Active Members and Annuitants		
		You	Peer Avg	All Avg
1. Member Transactions				
a. Pension Payments (Annuitants)	185,605	419	404	397
b. New Payee Inceptions	11,582	26	26	27
c. Withdrawals and Transfers-out	3,834	9	27	22
d. Purchases and Transfers-in	868	2	7	11
e. Disability Applications	2,425	5	2	2
2. Member Communication				
a. Calls and Emails	204,461	462	638	598
b. Incoming Mail	165,750	374	415	416
c. Members Counseled 1-on-1	6,511	15	23	26
d. Member Presentations	570	1	1	1
e. Written Estimates	24,304	55	32	34
f. Mass Communication (Active Members and Annuitants)	442,860	1,000	1,000	1,000
3. Collections and Data Maintenance				
a. Data and Money from Employers (Active Members)	257,255	581	596	603
b. Service to Employers (Active Members)	257,255	581	596	603
c. Data Not from Employers (Actives, Inactives, Annuitants)	603,983	1,364	1,433	1,359
Cost Weighted Total		\$36,626	\$37,272	\$35,796

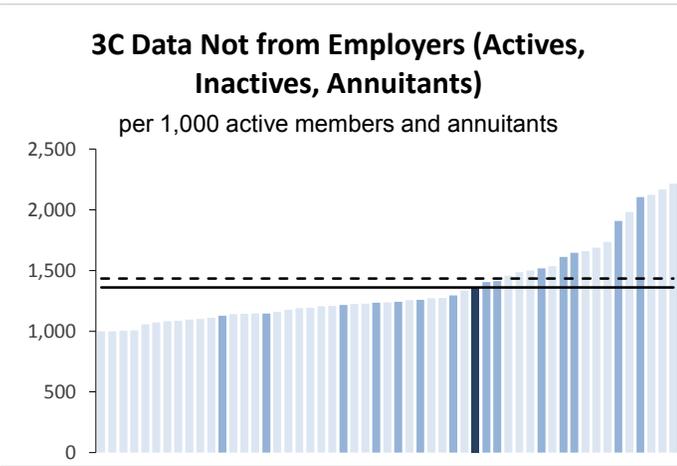
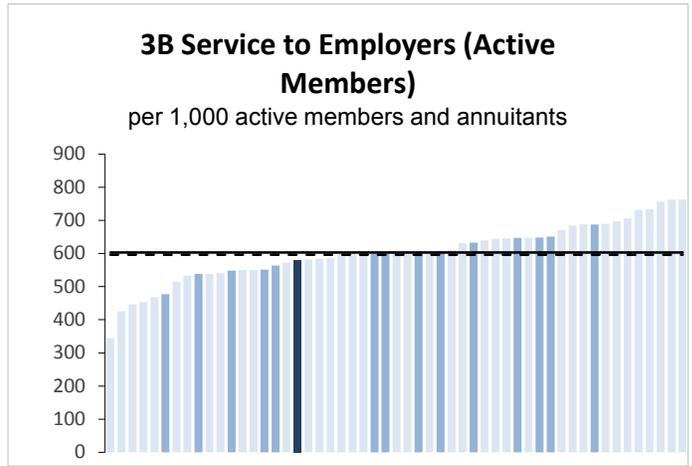
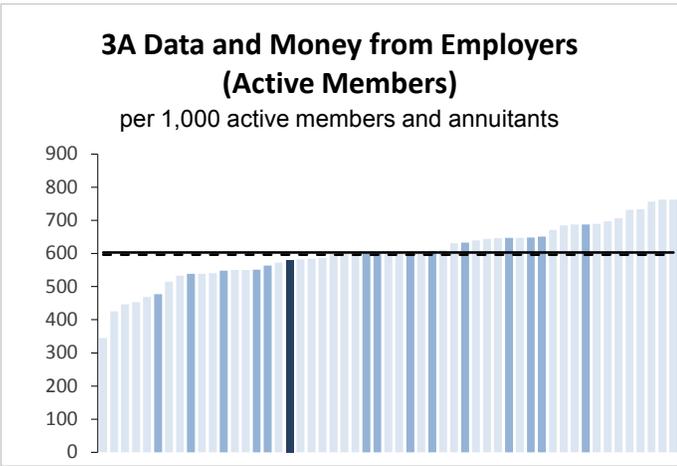
Member transactions per 1,000 members: Graphical comparisons



Communications transactions per 1,000 members: Graphical comparisons



Collections and data transactions per 1,000 members: Graphical comparisons



Online transactions

Online Tool	% offering tool			If offered: Volume per 1,000 active members and annuitants		
	You	Peer	All	You	Peer Median	All Median
Benefit calculators						
In non-secure area	Yes	67% Yes	47% Yes	333	220	212
In secure area not linked to member data	No	20% Yes	11% Yes	n/a	16	71
In secure area linked to member's salary and service data	No	80% Yes	85% Yes	n/a	445	322
Service credit purchase calculator	Yes	73% Yes	72% Yes	9	20	29
Register for counseling sessions	No	50% Yes	31% Yes	n/a	5	4
Real-time access to available dates and times	n/a	100% Yes	80% Yes			
Register for counseling presentations	Yes	73% Yes	56% Yes	26	13	15
Live chat	No	0% Yes	6% Yes	n/a	n/a	6
Change address	No	80% Yes	82% Yes	n/a	22	21
Change beneficiary	No	47% Yes	45% Yes	n/a	22	31
Change email address	No	80% Yes	83% Yes	n/a	96	23
Reset password	No	86% Yes	78% Yes	n/a	98	78
Tools for annuitants						
Change banking information for direct deposit	No	60% Yes	47% Yes	n/a	9	4
Change tax withholding amount	No	73% Yes	58% Yes	n/a	15	6
Download or print duplicate tax receipts	No	87% Yes	70% Yes	n/a	47	30
View annuity payment details	No	93% Yes	75% Yes	n/a	132	90
Submit a retirement application	No	40% Yes	25% Yes	n/a	10	10
View status of online retirement application	n/a	67% Yes	41% Yes	n/a	61	57
Apply for a refund or a transfer-out	No	47% Yes	31% Yes	n/a	7	6
Digital file of recent correspondence and member documents	No	47% Yes	37% Yes	n/a	218	161
Download member statement	No	80% Yes	87% Yes	n/a	109	112
Upload documents	No	33% Yes	22% Yes	n/a	1	1
View pensionable earnings and/or service without downloading	No	80% Yes	85% Yes	n/a	416	323
If yes:						
Are both salary and service data available?	n/a	100% Yes	98% Yes			
Is online data up-to-date to the most recent pay period?	n/a	83% Yes	73% Yes			
Is a complete annual history from the beginning of employment provided?	n/a	67% Yes	59% Yes			
If you administer a core DC or hybrid DB/ DC plan:						
Switch between investment options	No	80% Yes	79% Yes	n/a	6	8
Change deferral percentage selections for regular contributions	No	50% Yes	36% Yes	n/a	6	6
Initiate withdrawals	No	40% Yes	40% Yes	n/a	8	47
View current valuation of their account	No	90% Yes	73% Yes	n/a	366	366

Offering online transactions as an option is higher service. Online transactions can also reduce costs provided sufficient volumes are achieved.

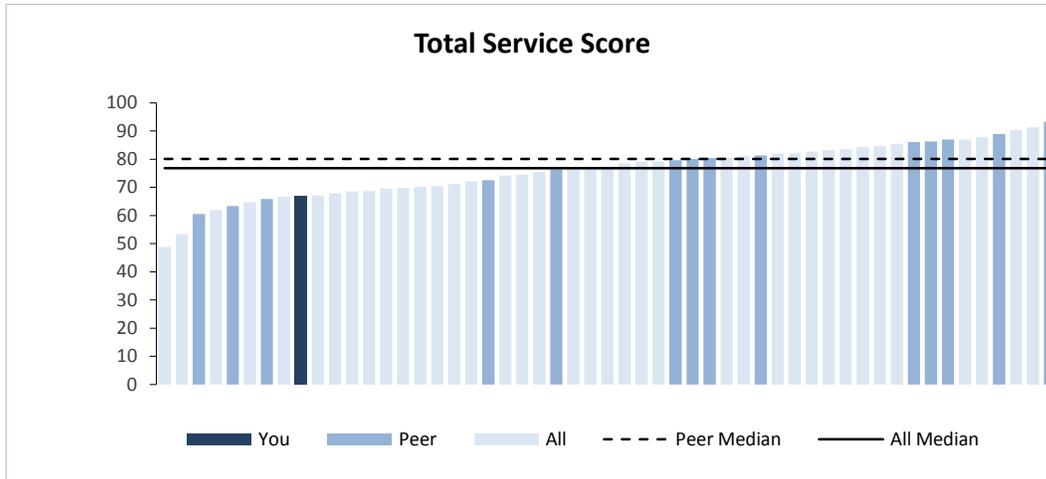
Service Levels

This section:

- Analyzes your current service levels relative to your peers, and other retirement systems in the U.S., Canada, Denmark, Sweden and the Netherlands to identify what you do and how it compares to others.
- Identifies areas where you may be able to improve or reduce your service levels.
- Provides details of the methodology and criteria we used to evaluate your service levels.

Total Service Score

Your total service score was 67 out of 100. This was below the peer median of 80.



Your total service score is the weighted average of your service scores for the activities shown on the next page.

Interpreting your service score

A higher service score is not necessarily better. This is because:

- High service may not always be cost effective or optimal. For example, it is clearly higher service for your members to have a contact center open 24 hours a day but few systems would be able to justify the cost.
- Our 'weights' are an approximation of the importance of an individual service element. The weights will not always reflect the relative importance that you or your members attach to an individual service element.

The service measures are most useful for identifying what you are doing differently than your peers. Understanding these differences can give you ideas on how you may want to improve or reduce the service you provide to your members.

Service scores by activity

Your total service score is the weighted average of your service scores for each of the activities shown in the table below. The rationale for the weighting scheme is discussed on the following page.

Service Scores by Activity													
Activity	Weight ¹	You ^{2, 3}				Peer 2015				All 2015			
		2015	2014	2013	2012	Avg	Max	Med	Min	Avg	Max	Med	Min
1. Member Transactions													
a. Pension Payments	19.7%	99	99	99	99	100	100	100	99	99	100	100	81
b. Pension Inceptions	7.4%	91	91	91	91	80	100	87	10	83	100	88	10
c. Withdrawals and Transfers-out	1.3%	28	28	10	10	77	100	93	5	72	100	82	0
d. Purchases and Transfers-in	3.1%	90	90	76	82	75	100	84	0	72	100	82	0
e. Disability	3.8%	82	82	82	82	80	100	82	10	81	100	85	10
2. Member Communication													
a. Call Center	21.2%	40	43	42	49	63	96	62	40	66	96	67	29
c. 1-on-1 Counseling	7.4%	72	72	73	71	82	99	87	48	71	99	78	0
d. Member Presentations	6.5%	93	93	92	96	87	100	90	58	76	100	85	0
e. Written Pension Estimates	4.7%	70	72	63	74	81	100	86	45	79	100	79	44
f. Mass Communication													
• Website ²	11.3%	22	18	18	18	70	89	79	22	68	92	71	21
• News and targeted communication	2.8%	88	79	79	79	79	95	82	42	72	100	77	15
• Member statements	4.7%	84	84	81	81	81	97	86	53	78	100	80	15
3. Quality Indicators													
Satisfaction Surveying	5.0%	38	22	22	11	44	80	38	0	40	99	37	0
Disaster Recovery	1.0%	58	58	58	58	88	100	84	58	88	100	90	48
Total service score	100%	67	66	65	67	78	93	80	61	76	93	77	49

1. The rationale for the weighting scheme is shown on the next page. Other systems may have slightly different activity weights than you. Their weights reflect the member transactions that they administer. For example, you administer disability whereas some of your peers do not. Therefore, the average total service score will not match the activity weight multiplied by the average activity service score.

2. Website capabilities are also incorporated in the service scores for other activities. Those activities and the contribution of the website-related part of the score are: 1a Pension Payments, 1.0%, 2c 1-on-1 Counseling, 1.3%, 2d Member Presentations, 2.4% and 2e Written Pension Estimates, 2.1%, for a total of 6.8%

3. Historic scores have been restated to reflect changes in methodology.

Rationale for the weighting scheme

CEM considered the following 7 criteria to determine the weights used to calculate your total service score:

1. **Feedback from Participants**

The weights reflect feedback from participants solicited at on-site meetings, symposiums and peer conferences.

2. **Relative Cost of Each Activity**

As shown in section 3, the average participant spends 4.7% of its annual budget on member calls versus 1.6% for 1-on-1 counseling. Thus, based solely on relative cost, member calls are 3.0 times more important than 1-on-1 counseling.

3. **Relative Volume of Each Activity** (i.e., how many times does the service 'touch' a member?)

The average system does 27 pension inceptions and receives 598 member calls for every 1,000 active members and annuitants. Thus, based solely on relative volume, calls are 22.0 times more important than pension inceptions.

4. **Expectations Based on External Experience**

Members have external comparisons for receiving payments, telephone calls, and annual statements (for example, they can compare some of your services with the services provided by their bank). However, it is unlikely that they can compare a pension inception. It is important to recognize that members can compare some processes externally.

5. **Personalized Human Contact**

Research shows that human contact provides the greatest opportunity for generating customer satisfaction. Thus, based solely on personalized human contact, counseling and calls are more important than 'no contact' activities such as the website or paying pensions.

6. **About Members' Money**

Nothing gets a member's attention faster than their own money. Based on this criterion, things like benefit calculators linked to member data, benefit statements and paying pensions are much more important than newsletters or brochures.

7. **Mission Critical**

Paying pensions is mission critical. Producing newsletters is not.

Service Trends

Service Score Trends by Activity															
Activity	You					4-Year ¹ Peer Average					4-Year ¹ All Average				
	2012	2013	2014	2015	% ²	2012	2013	2014	2015	% ²	2012	2013	2014	2015	% ²
1. Member Transactions															
a. Pension Payments	99	99	99	99	0.0%	100	99	100	100	0.0%	99	99	99	99	0.0%
b. Pension Inceptions	91	91	91	91	0.0%	77	79	77	80	1.3%	79	80	81	82	1.3%
c. Withdrawals and Transfers-out	10	10	28	28	40.9%	66	72	70	77	5.3%	61	62	69	72	5.7%
d. Purchases and Transfers-in	82	76	90	90	3.2%	71	73	71	75	1.8%	64	67	71	73	4.5%
e. Disability	82	82	82	82	0.0%	80	80	81	80	0.0%	81	83	84	84	1.2%
2. Member Communication															
a. Call Center	49	42	43	40	-6.5%	63	59	60	63	0.0%	65	64	65	67	1.0%
c. 1-on-1 Counseling	71	73	72	72	0.5%	82	82	82	82	0.0%	74	76	76	76	0.9%
d. Member Presentations	96	92	93	93	-1.1%	88	86	88	87	-0.4%	81	80	81	80	-0.4%
e. Written Pension Estimates	74	63	72	70	-1.8%	76	76	76	81	2.1%	77	78	77	79	0.9%
f. Mass Communication															
• Website	18	18	18	22	6.9%	67	69	70	70	1.5%	67	68	68	69	1.0%
• News and targeted communication	79	79	79	88	3.7%	74	74	75	79	2.2%	73	73	73	74	0.5%
• Member statements	81	81	84	84	1.2%	78	79	79	81	1.3%	77	77	77	78	0.4%
3. Quality Indicators															
Satisfaction Surveying	11	22	22	38	51.2%	38	40	44	44	5.0%	39	41	42	44	4.1%
Disaster Recovery	58	58	58	58	0.0%	87	87	88	88	0.4%	88	88	89	91	1.1%
Total Service Score	67	65	66	67	0.0%	76	76	76	78	0.9%	76	76	76	77	0.4%

1. Trend analysis is based on systems that have participated for 4-consecutive years (15 peers and 42 World systems). This ensures that trends are not caused by changes in the composition of the participants.

2. % is the compound annual growth rate from 2012 to 2015.

Historic scores have been restated to reflect changes in methodology. If any service question was not asked in a prior year, we used your response from the year when the question was first asked as a default.

Where can you potentially improve your score?

Potential Improvement in Total Service Score by Activity			
Activity	Weight	Your Service Score	Potential improvement in your total service score if you scored 100 for the activity ¹
1. Member Transactions			
a. Pension Payments	19.7%	98.5	0.3 points
b. Pension Inceptions	7.4%	91.3	0.6 points
c. Withdrawals and Transfers-out	1.3%	28.0	0.9 points
d. Purchases and Transfers-in	3.1%	90.0	0.3 points
e. Disability	3.8%	82.0	0.7 points
2. Member Communication			
a. Call Center	21.2%	40.0	12.7 points
c. 1-on-1 Counseling	7.4%	72.0	2.1 points
d. Member Presentations	6.5%	93.0	0.5 points
e. Written Pension Estimates	4.7%	70.4	1.4 points
f. Mass Communication			
• Website	11.3%	22.0	8.8 points
• News and targeted communication	2.8%	88.0	0.3 points
• Member statements	4.7%	83.8	0.8 points
3. Quality Indicators			
Satisfaction Surveying	5.0%	37.8	3.1 points
Disaster Recovery	1.0%	58.0	0.4 points
Total	100%	67.0	33.0 points

1. Each listed potential improvement to total service score equals 100 minus your 2015 score multiplied by the weight used to determine the total service score.

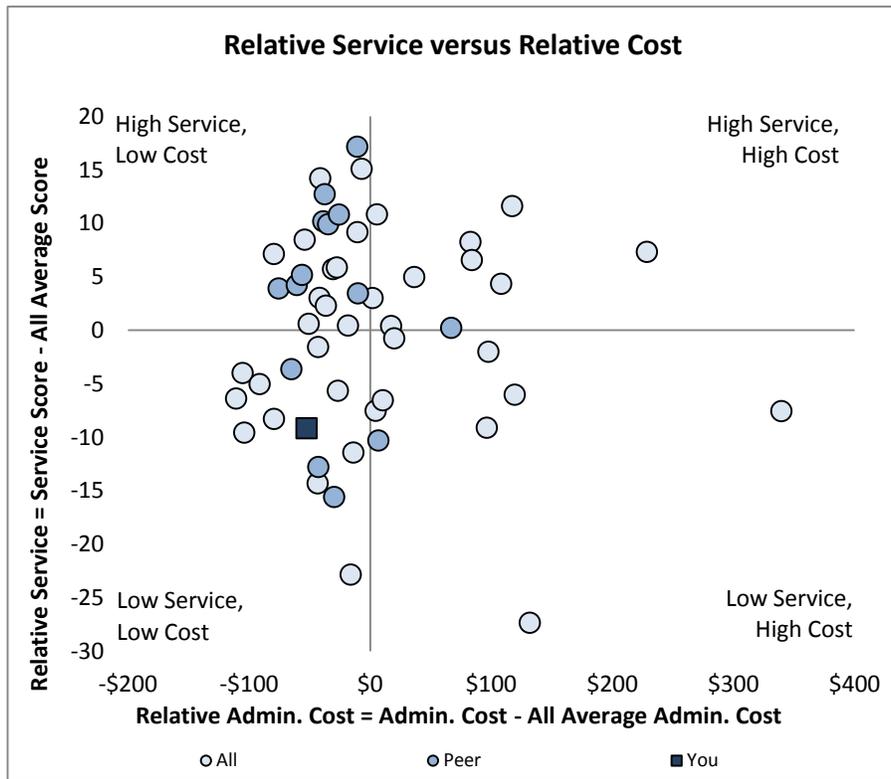
Biggest potential improvements to your total service score

CEM is not recommending these changes. Higher service is not necessarily optimal or cost effective. We include this summary analysis because many participants want to know what they would have to do to achieve a higher score. For a complete list of all improvements required to achieve a perfect service score, please refer to the last pages of this section.

The table below lists five key areas where the biggest potential improvements to your total service score can be made.

Biggest potential improvements to your total service score		
Rank	Factor	Potential Improvement
# 1	On average, members calling your call center reach a knowledgeable person in 253 seconds. To achieve a perfect service score, members must reach a knowledgeable person on the phone in 20 seconds or less.	+ 3.82
# 2	18.3% of your incoming calls resulted in undesired outcomes. To achieve a perfect service score, members must experience no undesired call outcomes.	+ 3.10
# 3	Your interactive calculator is not linked to member data. To achieve a perfect service score you must link member data to your interactive calculator.	+ 2.27
# 4	You have 3 menu layers. To achieve a perfect service score you must have one or fewer menu layers.	+ 1.70
# 5	0.5% of your total 1-on-1 sessions were located in the field. To achieve a perfect service score, the number of 1-on-1 sessions located in the field must be 25% or more.	+ 1.02

Relationship between service and pension administration cost

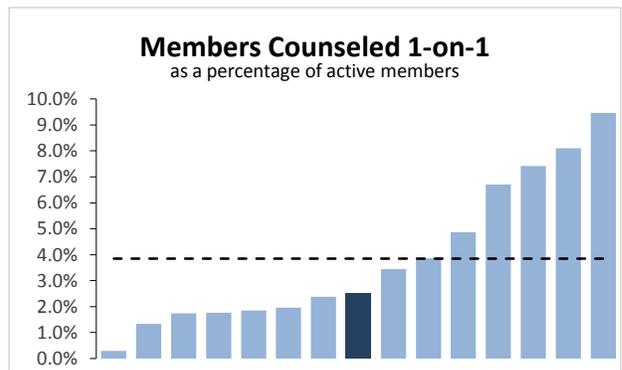
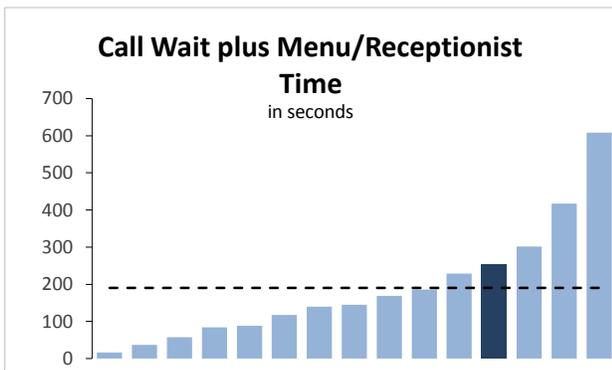
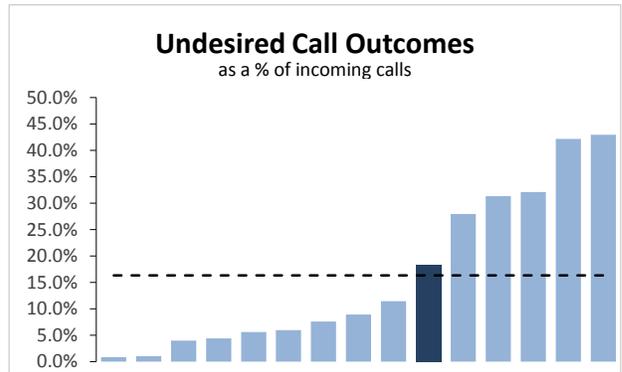
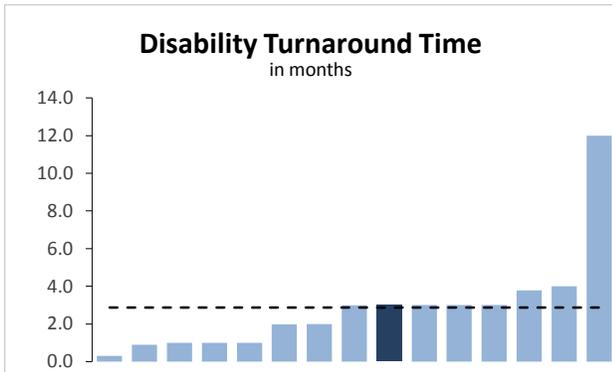
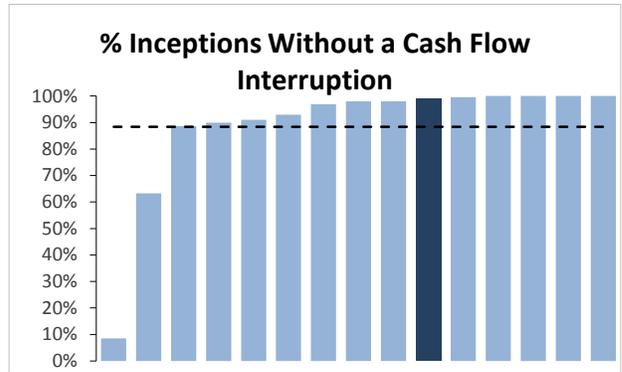
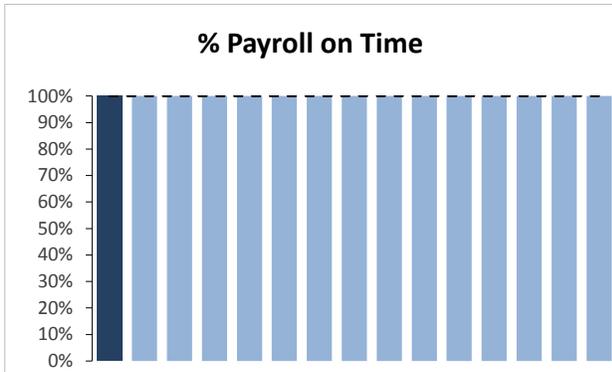


Service scores are not good predictors of costs because:

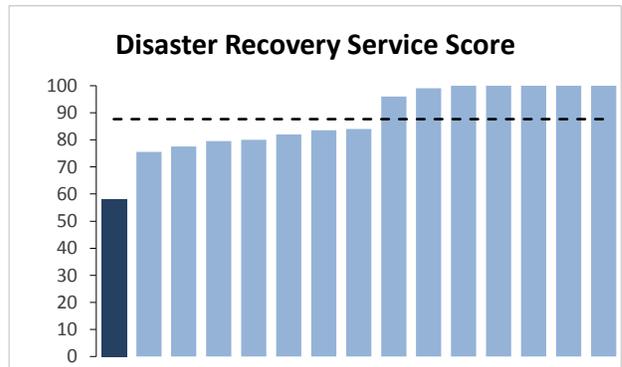
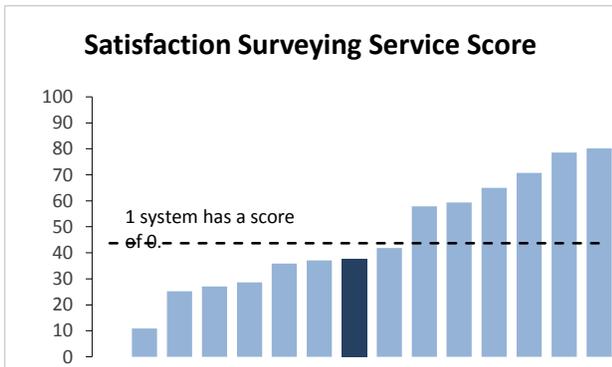
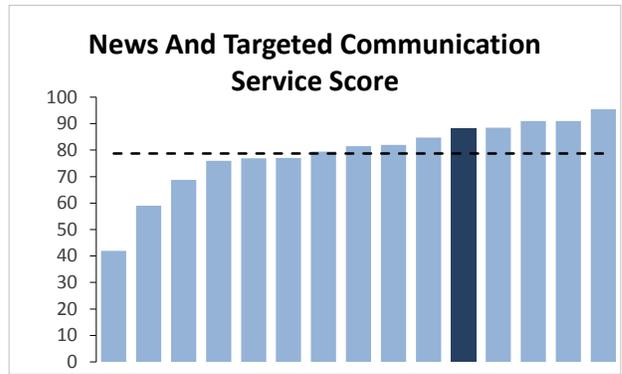
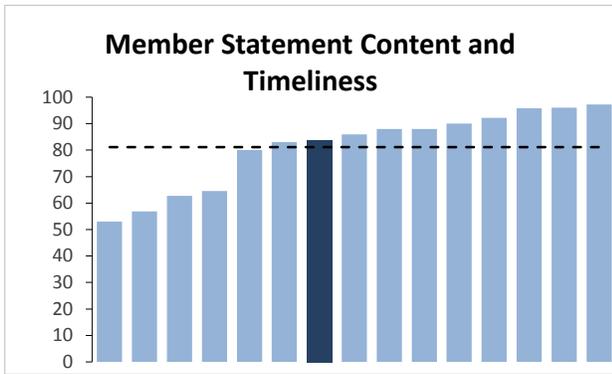
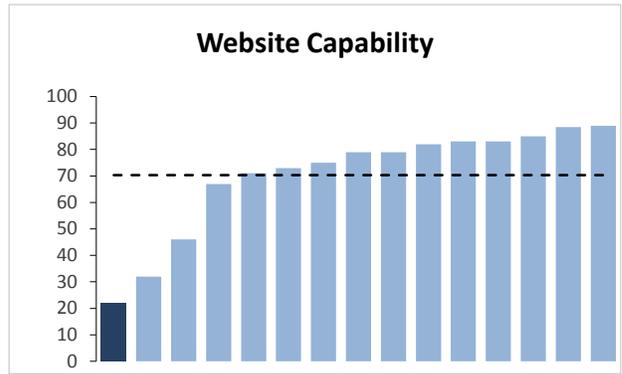
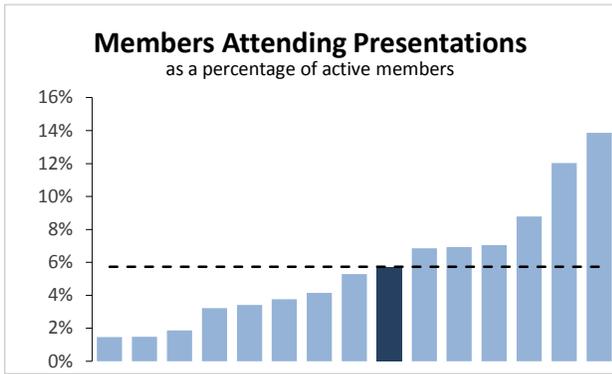
- Costs are driven much more by the volume of service transactions (e.g., the number of calls, 1-on-1 sessions, presentations, etc.) than they are by their timeliness, availability, or quality.
- Service is partly a function of historic investment in information technology. These historic costs are not always reflected in current administration costs.

Graphical comparison of key measures

This page shows key service metrics that are especially important from a member's perspective.

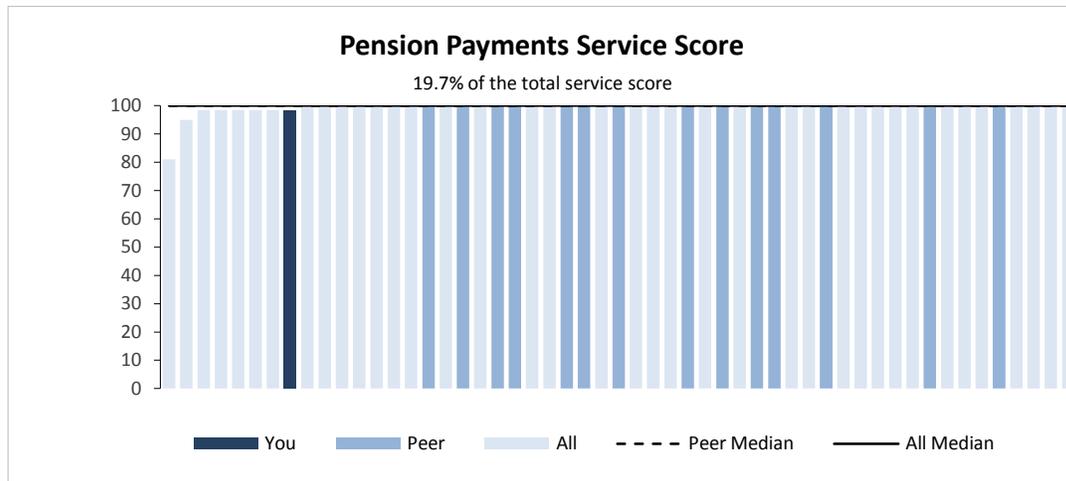


Graphical comparison of key measures



1A Pension Payments

Your service score for paying pensions was 99 out of 100. This was below the peer median of 100.

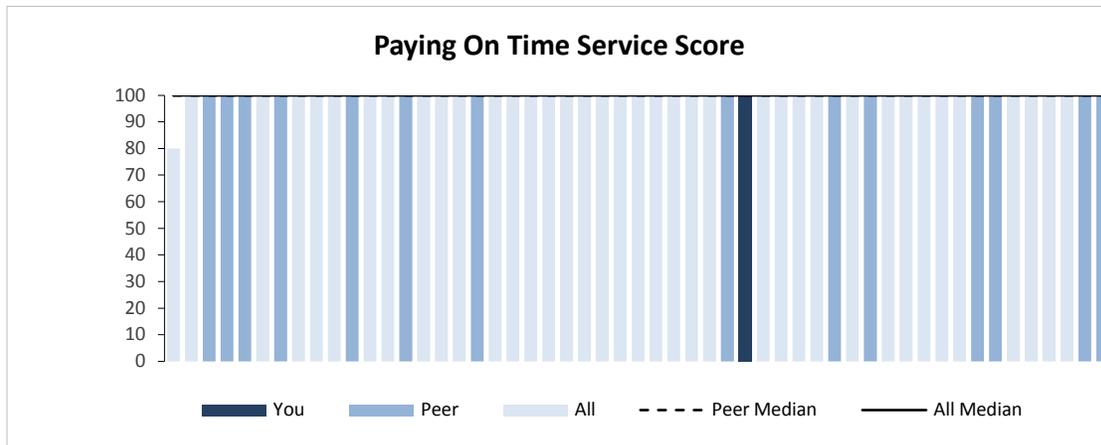


Your service score for 1a pension payments is the weighted total of the components shown in the table below. The methodology and data used to determine your scores for each of these components is described in detail on the following pages.

Pension Payments Service Score Components		
	Weight	Your Score
a. Paying on time	95%	100.0
b. Payment advices	5%	70.0
Weighted Total	100%	98.5

a. Paying on time

Your service score for paying on time was 100 out of 100. This was equal to the peer median.



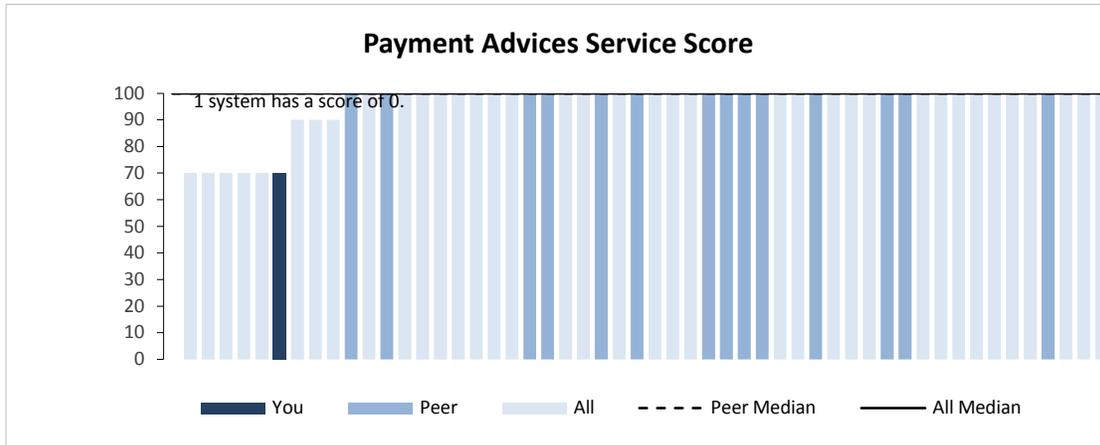
1. Scoring method	Your Data	Your Score
+ 100 if none of your pension payrolls were late vis-à-vis your normal payment cycle, otherwise 100 - (10 X number of late payrolls X average days late)	n/a	100
Total score		100

2. Rationale for the scoring method
Paying pensions on time is a critical component for all retirement systems. A perfect score requires that all regular payments are paid on time to the correct annuitants.

3. Survey questions used	You	Peer Avg
Q11 Were any of your pension payrolls late vis-à-vis your normal payment cycle? [For example, a payroll might be late because of IT system problems, etc.]	No	0% Yes
a) How many payrolls were late?	n/a	n/a
b) On average, how many days late were they?	n/a	n/a

b. Payment advices

Your service score for payment advices was 70 out of 100. This was below the peer median of 100.



1. Scoring method		Your Data	Your Score
+ 100	if payment advices can be viewed online	No	0.0
<u>Or if you send payment advices by paper:</u>			
+ 80	if you send payment advices detailing the gross payment and deductions with every payment, 70 if every time amount changes, 50 if payment advices are sent quarterly, otherwise 0	Every Time Amount Changes	70.0
+ 20	if you can comply with a request not to send a payment advice	No	0.0
Total score			70.0

2. Rationale for the scoring method

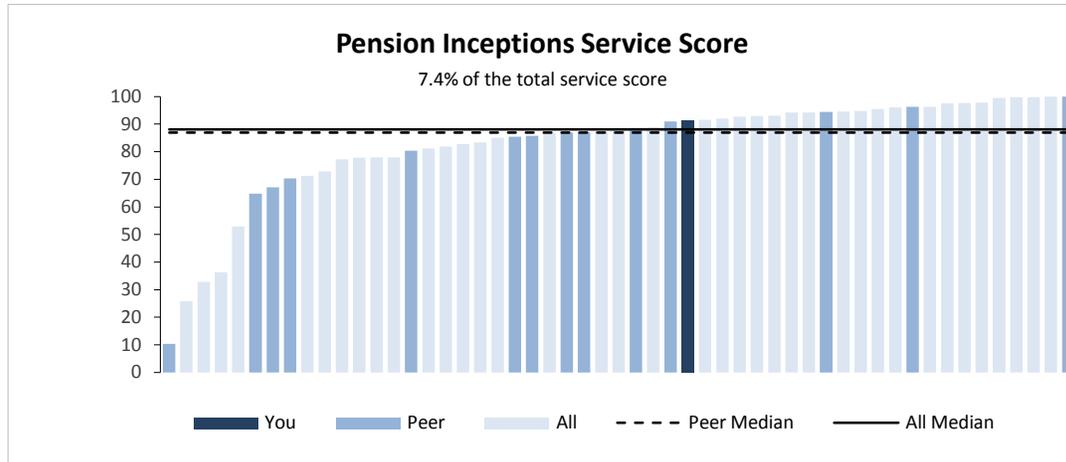
Paperless is most cost-effective. Therefore, systems that provide payment advices online get full points. Alternatively, systems that still send paper and can comply with a members request not to send payment advices, also receive the highest score.

b. Payment advices

3. Survey questions used		You	Peer Avg
Q13	Do you send out payment advices (i.e., gross/ net specifications) in paper format to members receiving EFT payments?	Yes	100% Yes
	a) How frequently do you send payment advices with your EFT payments detailing the gross payment and deductions?	Every Time Amount Changes	6 times
	b) Can you comply with a member's request not to send them payment advices?	No	27% Yes
Q81	Indicate whether the following capabilities are available on your website and provide volumes:		
	o) View pension payment details? [i.e., gross amounts, deductions]	No	93% Yes

1B Pension Inceptions

Your service score for pension inceptions was 91 out of 100. This was above the peer median of 87.

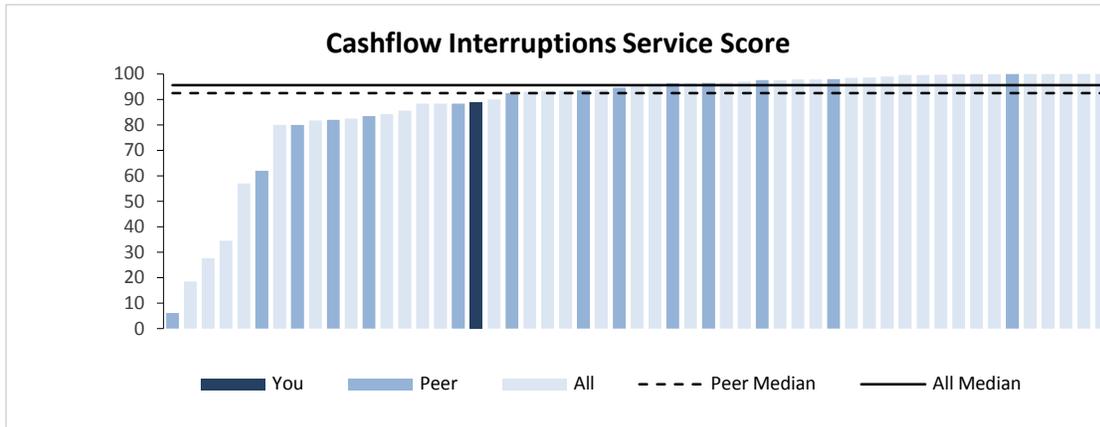


Your service score for 1b pension inceptions is the weighted total of the components shown in the table below. The methodology and data used to determine your scores for each of these components is described in detail on the following pages.

Pension Inceptions Service Score Components		
	Weight	Your Score
a. Cashflow interruptions	78%	89.0
b. Survivor pensions	11%	99.0
c. Red tape	11%	100.0
Weighted Total	100%	91.3

a. Cashflow interruptions

Your service score for cashflow interruptions was 89 out of 100. This was below the peer median of 93.



1. Scoring method		Your Data	Your Score
+ 100	if 100% of your service pensions were incepted without a cashflow interruption greater than 1 month, otherwise 100 X percent of inceptions that occur within 1 month of final paycheck	99.0%	99.0
- 10	If a service retirement is based on estimates, less: 10 X percent of service retirements based on estimates X average number of months to finalize / 3 [Subject to a maximum deduction of 10 and a minimum score of 0]	Yes 99.0% 6.0	-10.0
Total score			89.0

2. Rationale for the scoring method

Retiring members should not experience a cash flow interruption between their final pay check and their first pension check. A cash flow interruption could cause financial hardship.

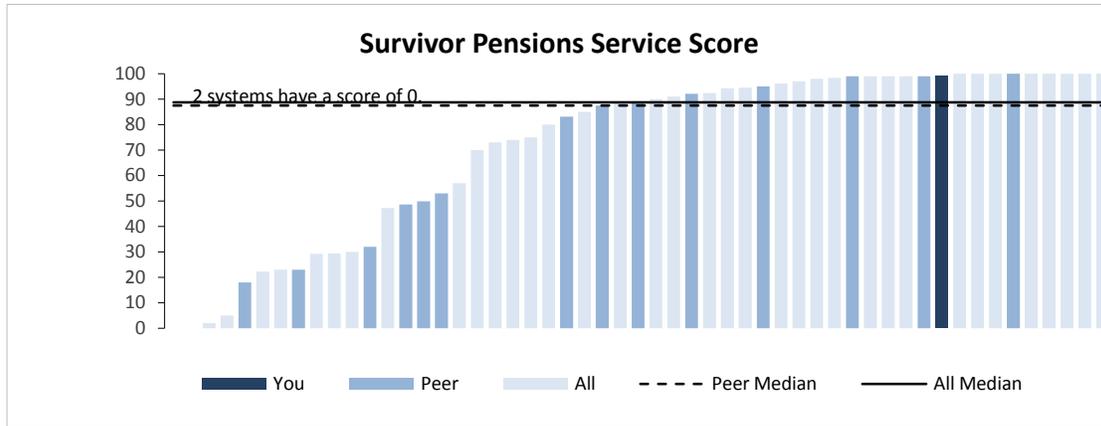
When pension payments are based on estimates, the sooner the amount is finalized, the better because estimates can cause financial uncertainty.

a. Cashflow interruptions

3. Survey questions used		You	Peer Avg
Q17	What percentage of annuity inceptions for: a) Retiring active members are paid without an interruption of cash flow greater than 1 month between the final pay check and the first pension check?	99.0%	88.4%
Q18	Will you initiate a service retirement pension based on existing data or estimates, recognizing that you will have to finalize the payments later after you get final data? a) If yes, what proportion of your service retirement inceptions to retiring active members was based on existing data or estimates? b) On average, how long did it take to finalize service retirement inceptions based on estimates? (in months)	Yes 99.0%	87% Yes 69.7%
		6.0	4.3 months

b. Survivor pensions

Your service score for survivor pensions was 99 out of 100. This was above the peer median of 88.



1. Scoring method		Your Data	Your Score
+ 100	if all of your survivor pensions were incepted without a cashflow interruption greater than 1 month, otherwise: 100 x percent of pensions paid without interruption to survivors	99.0%	99.0
Total score			99.0

2. Rationale for the scoring method

An interruption in a pension benefit at the death of the primary annuitant creates potential hardship for the survivor at a difficult time. A perfect score requires that all survivor pensions are paid without interruption.

3. Survey questions used		You	Peer Avg
Q17	What percentage of annuity inceptions for: b) Survivors are paid without an interruption of cash flow between the pensioner's final pension check and the survivor's first pension check?	99.0%	71.2%

c. Red tape

1. Scoring method		Your Data	Your Score
+ 80	if you do not require notarization of retirement applications, or + 40 if you require notarization of some retirement applications	not required	80.0
+ 20	if you do not require birth/marriage certificates before incepting a pension	not required	20.0
Total score			100.0

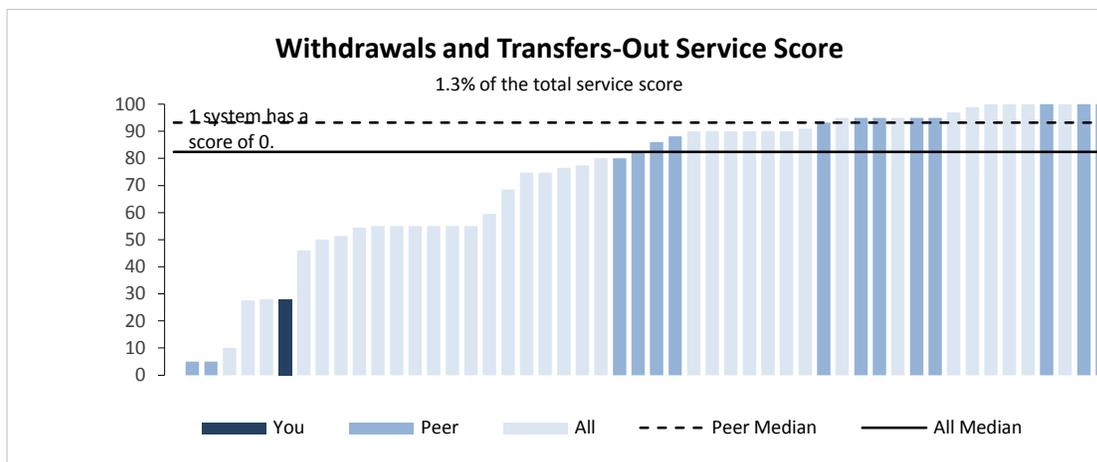
2. Rationale for the scoring method

Extra red tape creates work for members and may not provide additional protection for the system. For example, notarizations can be fraudulent. Many systems have decided that the potential risk reduction does not justify the inconvenience caused to members.

3. Survey questions used		You	Peer Avg
Q19	Do you require birth certificates and/or marriage certificates before incepting a pension?	No	40% Yes
Q20	Do you require notarization of normal or early retirement applications?	No	27% Yes

1C Withdrawals and Transfers-out

Your service score for refunds, transfers-out and withdrawals was 28 out of 100. This was below the peer median of 93.



1. Scoring method		Your Data	Your Score
<u>Withdrawal timeliness</u>			
+ 45	if withdrawals are completed in 30 days or less, otherwise 45 - 1.8 for each day over 30 days [Subject to a minimum score of 0]	60 days	0.0
<u>Transfers-out timeliness</u>			
+ 45	if transfers-out are completed in 30 days or less, otherwise 45 - 0.9 for each day over 30 days [Subject to a minimum score of 0]	60 days	18.0
<u>No red tape</u>			
+ 10	if you do not require notarization for refund or transfer-out applications, 5 if some applications require notarization, 0 if notarization is required	not required	10.0
Total score			28.0

2. Rationale for the scoring method

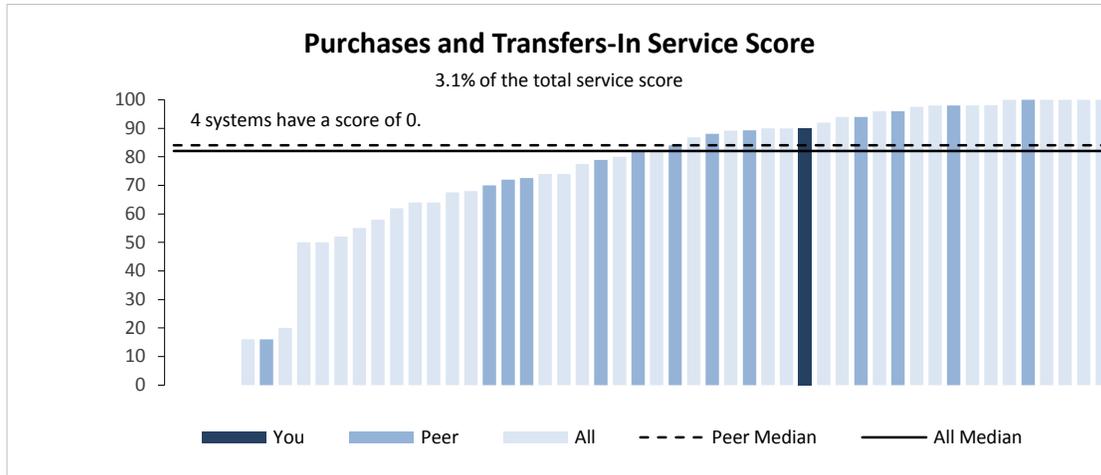
Speed from request to completion is what matters to members, regardless of whether the delays are caused by internal or external parties.

1C Withdrawals and Transfers-out

3. Survey questions used		You	Peer Avg
Q22	How long does it take on average for you to issue a refund check, including any required wait period, beginning from the time of the initial request by the member (in days)?	60	37 days
	a) Are you legislated to have a wait period before you can effect a refund?	No	53% Yes
	b) How long is the wait period? (in days)	n/a	35 days
	c) Can the wait period be waived?	n/a	38% Yes
Q23	How long does it take on average for you to complete an individual transfer-out to an external system, including delays caused by external parties, beginning from the time of initial request by the member (in business days)?	60	57 days
Q24	Do you require notarization of refund or transfer-out applications?	No	7% Yes

1D Purchases and Transfers-in

Your service score for purchases and transfers-in was 90 out of 100. This was above the peer median of 84.



1. Scoring method		Your Data	Your Score
<u>Service credit purchase estimates</u> + 80 if you can provide an estimate in 1 day or less, otherwise 80 - 2 per day over 1 day [Subject to a minimum score of 0]		5 days	72.0
<u>Transfers-in</u> + 20 if a member's transfer-in application is processed within 1 month, otherwise 20 - 2 per month over 1 month [Subject to a minimum score of 0]		2.0 months	18.0
Total score			90.0

2. Rationale for the scoring method

From a member perspective, faster is higher service.

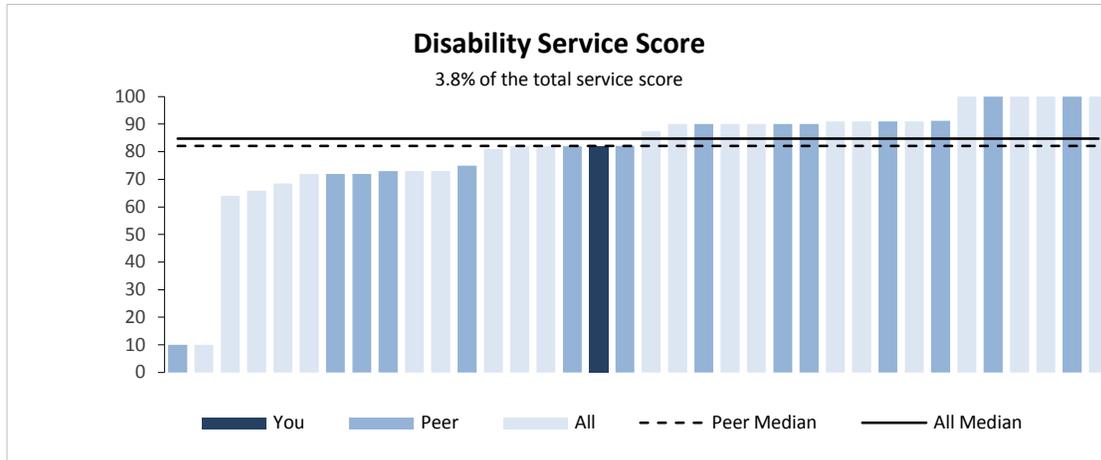
The score for transfers-in is mostly based on your own timeliness. A small part of the score is based on the total time it takes to complete transfers-in (i.e., including delays caused by third parties). Speed from request to completion is what matters to members, regardless of whether the delays are caused by internal or external parties.

1D Purchases and Transfers-in

3. Survey questions used		You	Peer Avg
Q27	On average, how many business days does it take from the date of first request to provide a written service credit purchase cost?	5	31 days
Q28	How long does it take on average for you to do individual transfers-in? [Months from request to completion including delays caused by external parties]	2	2 months

1E Disability

Your service score for disability was 82 out of 100. This was equal to the peer median.



1. Scoring method		Your Data	Your Score
+ 90	if you return a decision on a disability application in 1 month or less, otherwise 90 - 9 for each month over 1 month [Subject to a minimum score of 0]	3.0 months	72
+ 10	if you do not require notarization of disability applications, 5 if some applications require notarization, 0 if notarization is required	not required	10
Total score			82

2. Rationale for the scoring method

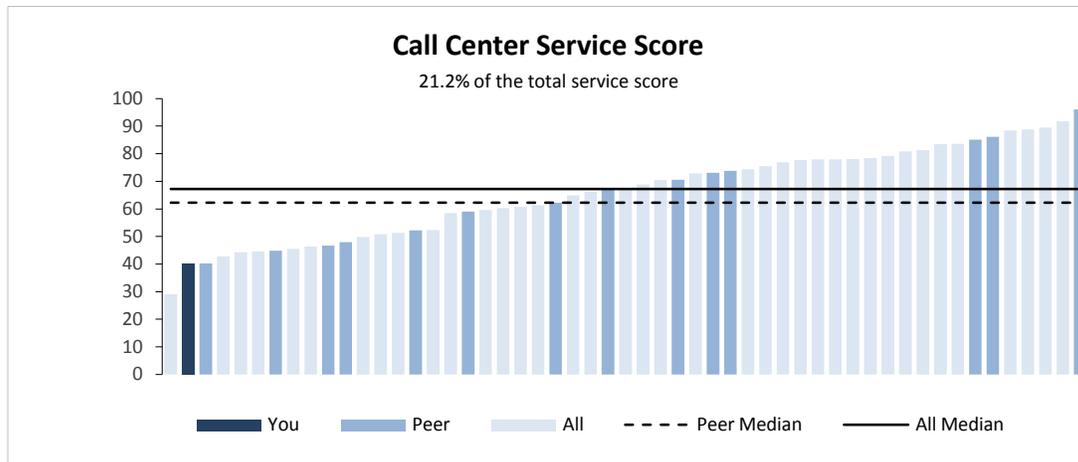
Taking more than 1 month to return a decision in a disability application can cause financial insecurity for members. Faster turnaround times are higher service from the member's perspective.

Requiring notarization causes delays and inconvenience from the member's perspective.

3. Survey questions used		You	Peer Avg
Q32	How many months, on average, does it take to return a decision on a disability application from: a) date of initial request from a member?	3.0	3 months
Q34	Do you require notarization of disability applications?	No	33% Yes

2A Call Center

Your call center service score was 40 out of 100. This was below the peer median of 62.

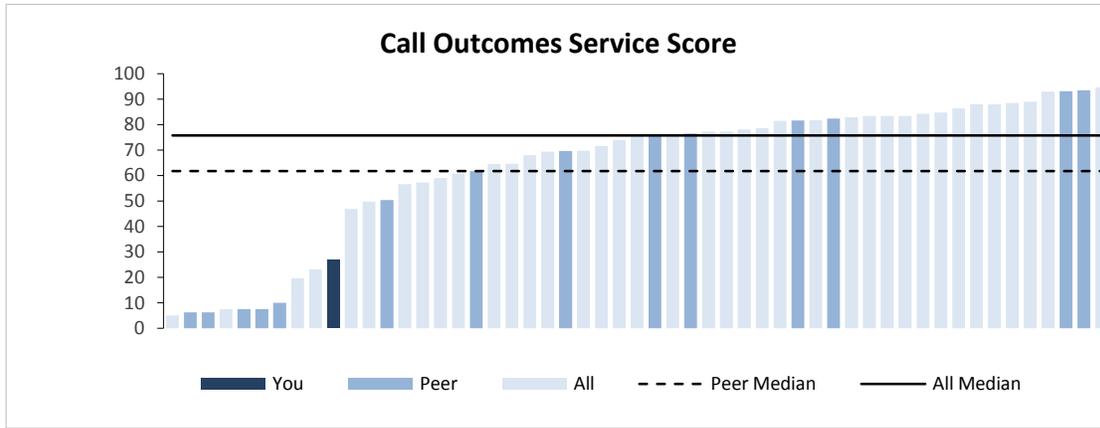


Your service score for 2a call center is the weighted total of the components shown in the table below. The methodology and data used to determine your scores for each of these components is described in detail on the following pages.

Call Center Service Score Components		
	Weight	Your Score
a. Call outcomes	20%	26.8
b. Call wait time	20%	2.0
c. Menu layers	10%	20.0
d. CRM and other capability	35%	56.5
e. Call quality	15%	83.1
Weighted Total	100%	40.0

a. Call outcomes

Your service score for call outcomes was 27 out of 100. This was below the peer median of 62.



1. Scoring method		Your Data	Your Score
+ 90	if members experience no undesired call outcomes		90.0
	- % of calls resulting in other undesired outcomes X 400 [Subject to a minimum score of 0]	18.3%	<u>-73.2</u> 16.8
+ 10	if your call center is open 50 or more hours a week, otherwise 10 - 0.5 for each hour less than 50 hours per week [Subject to a minimum score of 0]	50.0	10.0
Total score			26.8

2. Rationale for the scoring method

A perfect score requires that all calls either get through to a knowledgeable person or are satisfied by self-serve options.

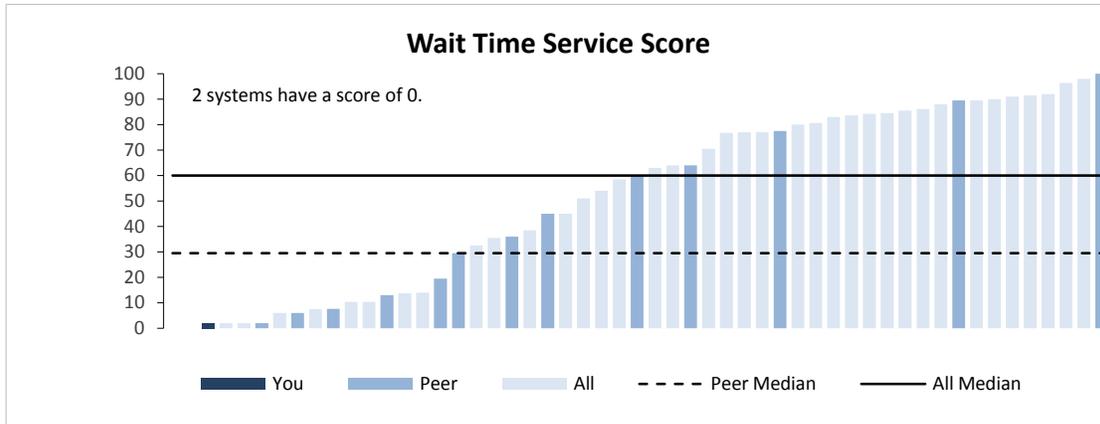
Shorter business hours are treated as an undesired outcome because after-hour callers do not reach a knowledgeable person.

a. Call outcomes

3. Survey questions used		You	Peer Avg
	<u>Desired call outcomes</u>		
Q35	a) Incoming calls that reach and are responded to by a knowledgeable service representative (i.e., exclude messages, etc.)?	146,083	
	c) Incoming calls satisfied by self-serve options, if any?	<u>39,485</u>	
	Total desired call outcomes (A)	185,568	
	<u>Undesired call outcomes during business hours</u>		
Q36	a) # Busy signal, never enters the system?	2,399	
	b) # Caller gets pre-recorded 'call another time' message during business hours?	n/a	
	c) # Voice mail takes a message during business hours?	n/a	
	d) # Abandoned calls (i.e., caller hangs-up while in a menu)?	25,546	
	e) # Abandoned calls (i.e., caller hangs-up while in a queue or on hold)?	13,639	
	f) # System hangs up on caller (or sends the caller back to the main menu) after he/she has waited in the queue longer than a pre-set time or if the queue becomes full?	n/a	
	g) # System sends the caller back to the main menu after he/she has waited in the queue longer than a pre-set time or if the queue becomes full?	n/a	
	h) # Busy signal after navigating an automated attendant menu, or after being transferred by a receptionist?	n/a	
	i) # Call rings unanswered during business hours?	n/a	
	# Receptionists takes a message	n/a	
Q41	If you have a callback feature, # of callback requests that were not completed	<u>n/a</u>	
	Total undesired call outcomes during business hours (B)	41,584	
	Undesired outcomes as a percentage of total incoming calls (B / C)	18.3%	16.3%
	Total incoming calls (C = A + B)	227,152	
	<u>Undesired outcomes after business hours</u>		
Q51	How many hours per week is your 'call center' operational?	50.0h	47.2h

b. Call wait time

Your service score for call wait time was 2 out of 100. This was below the peer median of 30.



1. Scoring method		Your Data	Your Score
<u>Calls</u>			
+ 90	if members reach a knowledgeable person in 20 seconds or less, otherwise 100 - 0.5 per second to reach a knowledgeable person [Subject to a minimum score of 0]	253 seconds	0.0
+ 2	if member is notified of expected wait time, or their place in the queue, when the expected wait exceeds a certain threshold	No	0.0
<u>Emails</u>			
+ 8	if wait time is 0.5 days or less, otherwise 8 - 4 for each day over 0.5 days [Subject to a minimum score of 0]	2.0 days	2.0
Total score			2.0

2. Rationale for the scoring method

A perfect score requires callers to reach a knowledgeable person with minimal wait time, to be notified of their expected wait time, and a turnaround for emails of half a day or faster.

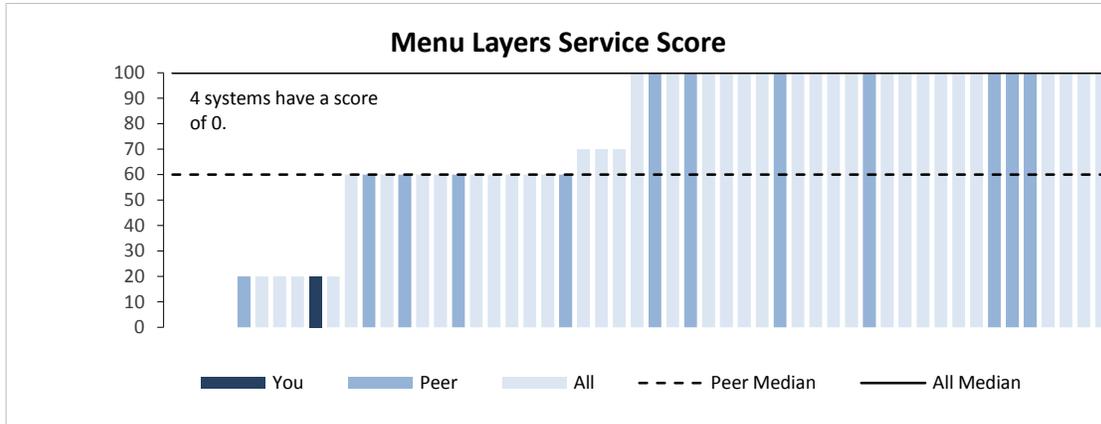
b. Call wait time

3. Survey questions used		You	Peer Avg
	Average total time in seconds for a caller to reach a knowledgeable person. This is the sum of the time to:	253	190
	<u>(1) Navigate menus</u>		
Q37	If you have a menu:	Yes	93% Yes
	b) What is the average time in seconds that it would take a caller to negotiate the menu and listen to menu options before the caller is forwarded to a live person (or queue for a live person)? (A)	60	68
	c1) If yes, what percentage of calls is the menu system by-passed? (B)	<u>n/a</u>	<u>n/a</u>
	Adjusted time to navigate the menu = (A) X [1 - (B)]	60	68
	<u>(2) Navigate receptionists</u>		
Q38	If a receptionist usually responds first to member calls:	No	0% Yes
	Do you have a queue for the receptionist(s)?	n/a	n/a
	a1) If yes, what is the average wait time in seconds in the queue for the receptionist(s)? (A)	n/a	n/a
	If no, average time to get through to the receptionist (i.e., time on hold etc.) is assumed to be 10 seconds	n/a	n/a
	b) Average time in seconds for a caller to explain his needs to a receptionist (assumed to be 25 seconds). (B)	n/a	n/a
	b1) Satisfied by the receptionist without forwarding? (C)	<u>n/a</u>	<u>n/a</u>
	Adjusted time to navigate receptionists = (A) + (B) X [1 - (C)]	n/a	n/a
	<u>(3) Wait in queue</u>		
Q39	If you have a queue for a pool of knowledgeable staff:	Yes	100% Yes
	a) Average wait time in seconds in queue for a service representative?	193	126
	b) % of calls forwarded by a receptionist, if applicable, to the queue.	<u>n/a</u>	<u>n/a</u>
	Adjusted wait in the queue = (A) X (B), if applicable	193	126
Q40	Does your system notify the caller of the expected wait time, or their place in the queue, for reaching a knowledgeable service representative if the expected wait exceeds a certain threshold?	No	47% Yes
Q52	Can members communicate questions using email?	Yes	93% Yes
	a) What is the average time (in business days) to respond to an email query? Do not include auto-responses or confirmation of email receipt.	2.0	1.5 days

The sum of the peer average time to navigate menus, receptionists and wait in queue will add to more than the whole because non-applicable responses are not included in the averages.

c. Menu layers

Your service score for menu layers was 20 out of 100. This was below the peer median of 60.



1. Scoring method		Your Data	Your Score
+ 100	if one or fewer menu layers, 60 if 2 menu layers, 20 if 3 menu layers, 0 if 4 or more menu layers	3	20.0
- 30	if a receptionist is the first point of contact.	No	0.0
Total score			20.0

c. Menu layers

2. Rationale for the scoring method

Members prefer to get through to a knowledgeable person who can answer their questions immediately. Irritation increases rapidly with the number of menu layers.

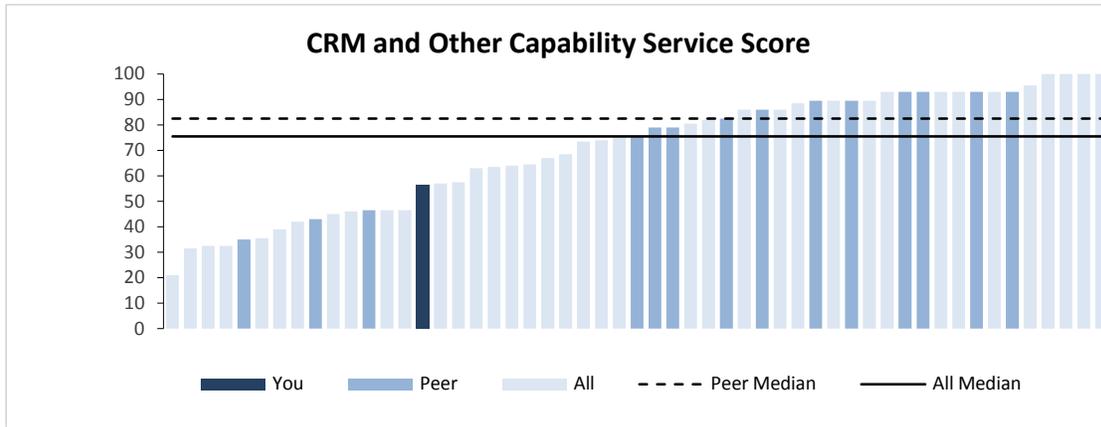
Receptionists are often more irritating than a menu layer because of the need to explain your needs twice, incorrect redirection, etc.

3. Survey questions used

		You	Peer Avg
Q37	Do you have a menu system that callers negotiate before speaking to someone? a) If yes, what is the average number of menu layers that must be navigated before a caller can speak to a live person?	Yes 3	93% Yes 2
Q38	When a member calls in, is the first point of human contact usually a receptionist(s) who transfers a high proportion of calls elsewhere in the organization? (indicate no if most calls go directly to a call center)	No	0% Yes

d. CRM and other capability

Your service score for CRM and other capability was 57 out of 100. This was below the peer median of 83.



d. CRM and other capability

1. Scoring method		Your Data	Your Score
<u>If you are able to provide the following information on an immediate real-time basis or conduct the following transactions over the phone:</u>			
+ 10	estimate of the member's pension at retirement	No	0.0
+ 12	estimate is linked to the member's actual account data	n/a	0.0
+ 7	model alternate annuity payment scenarios	n/a	0.0
+ 7	provide refund or transfer value if member exited employment at time of call	Yes	7.0
+ 4	provide pensionable salary	Yes	4.0
+ 4	provide service credit history including gaps	No	0.0
+ 7	estimate cost to purchase service credit	No	0.0
+ 7	change address	Yes	7.0
+ 7	change banking information	Yes	7.0
+ 7	add or change email address	Yes	7.0
<u>If you offer the following tools to help serve callers better:</u>			
+ 3.5	record of the member's previous calls to the system	Yes	3.5
+ 3.5	copies of recent correspondence online	Yes	3.5
+ 3.5	knowledge based online help system available for use by the service representative	Yes	3.5
+ 3.5	most recent member statement	Yes	3.5
+ 3.5	beneficiary information	Yes	3.5
+ 3.5	toll free number	Yes	3.5
+ 3.5	workflow system with the real-time status of open items	Yes	3.5
+ 3.5	call volume projections	No	0.0
Total score			56.5

2. Rationale for the scoring method

You can serve your members better if you have real time access to all of their records, have tools that enable you to provide immediate, informed and accurate answers to their questions, and can conduct transactions over the phone.

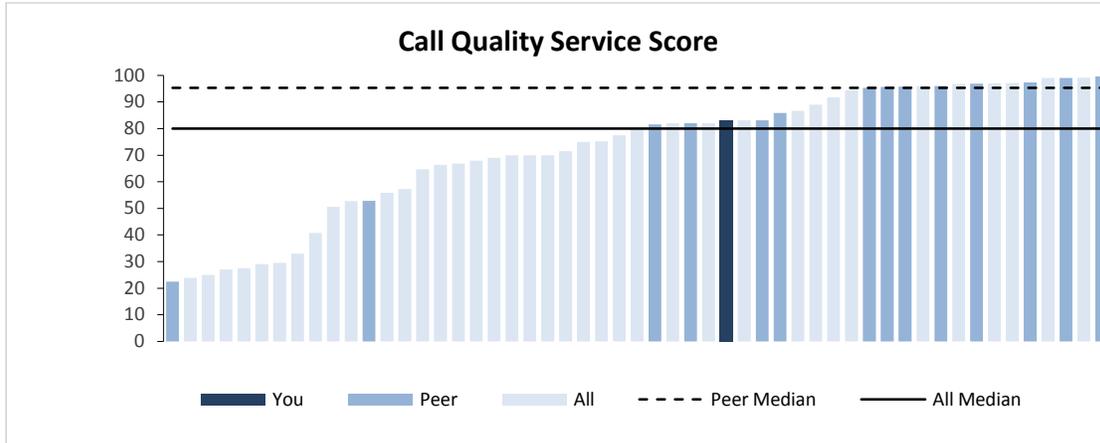
Your ability to serve members is greatly reduced if your capabilities or policies prevent you from answering questions over the phone.

d. CRM and other capability

3. Survey questions used		You	Peer Avg
Q44	When a member calls in, do you have immediate computer access to the following member data:		
	a) Record of the member's previous calls to the system?	Yes	80% Yes
	b) Copies of recent correspondence online?	Yes	100% Yes
	c) Knowledge based on-line help system available for use by the service representative?	Yes	87% Yes
	d) Most recent member statement?	Yes	100% Yes
	e) Beneficiary information?	Yes	100% Yes
Q45	Do your service representatives have real-time access to a workflow system that lets them know the status of open items?	Yes	100% Yes
Q46	Do you provide the following information on an immediate real-time basis to members over the phone?		
	a) Estimates of the member's pension at retirement?	No	73% Yes
	a1) Can you easily model and provide alternate annuity payment scenarios? [i.e., joint and 50% survivor, joint and 70% survivor, etc.]	n/a	73% Yes
	a2) Is the estimate based on an interactive benefit calculator linked to the member's actual account data?	n/a	73% Yes
	b) Refund or transfer value assuming the member exited employment at the time of the call?	Yes	93% Yes
	c) Pensionable salary?	Yes	93% Yes
	d) Service credit history including gaps?	No	87% Yes
	e) Cost to purchase service credit?	No	53% Yes
Q47	Can members calling in perform the following transactions over the phone:		
	a) Change address?	Yes	73% Yes
	b) Add or change email address?	Yes	73% Yes
	c) Change payment instructions? [i.e., bank account]	Yes	13% Yes
Q49	Do you have and use tools to help you project call volumes?	No	93% Yes
Q50	Do you have a toll free number (or a number where members are only charged the cost of a local call no matter where they are located) that members can call to get a real person (not just an info line)?	Yes	100% Yes

e. Call quality

Your service score for call quality monitoring was 83 out of 100. This was below the peer median of 95.



1. Scoring method		Your Data	Your Score
<u>Call quality monitoring</u>			
+ 55	if you review your staff's responses to member calls for coaching purposes 4 or more times per month; otherwise 13.75 X # of times per month you review calls	3	41.3
+ 15	if the review is based on listening in on a recording (versus a live call)	Recording	15.0
<u>First contact resolution</u>			
+ 30	if 100% of calls are satisfied by their first contact, 0 if 50% or fewer calls are satisfied by the first contact, otherwise 30 - 50 X (1 - % satisfied by the first contact) [Subject to a minimum score of 0, and 12 if not measured]	94%	26.9
Total score			83.1

e. Call quality

2. Rationale for the scoring method

Regularly monitoring and coaching your staff responses to member calls will improve quality and service. Monitoring recordings is superior to listening in live because it allows more time for review and it allows staff to listen to themselves.

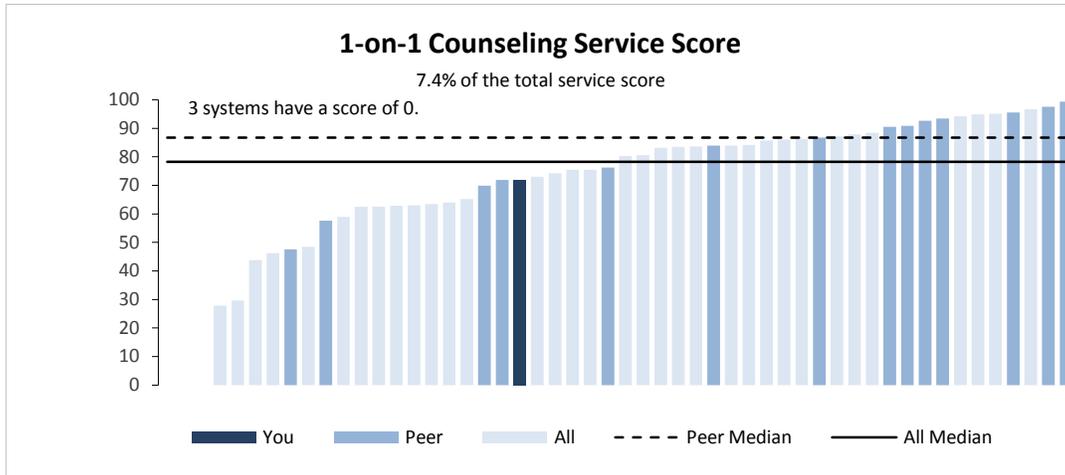
It is higher service if a caller's questions are immediately satisfied by the first contact without being transferred.

3. Survey questions used

		You	Peer Avg
Q42	c) % of calls satisfied by the first contact?	94%	91%
Q48	Do you review your staff's responses to member calls for coaching purposes on a regular basis? [As opposed to intermittent or only while training new service representatives, etc.]	Yes	93% Yes
	a) How many calls per agent per month (on average) do you monitor?	3	6
	b) Are you listening in on a live call or a recording?	Recording	28% Live

2C 1-on-1 Counseling

Your service score for 1-on-1 counseling was 72 out of 100. This was below the peer median of 87.

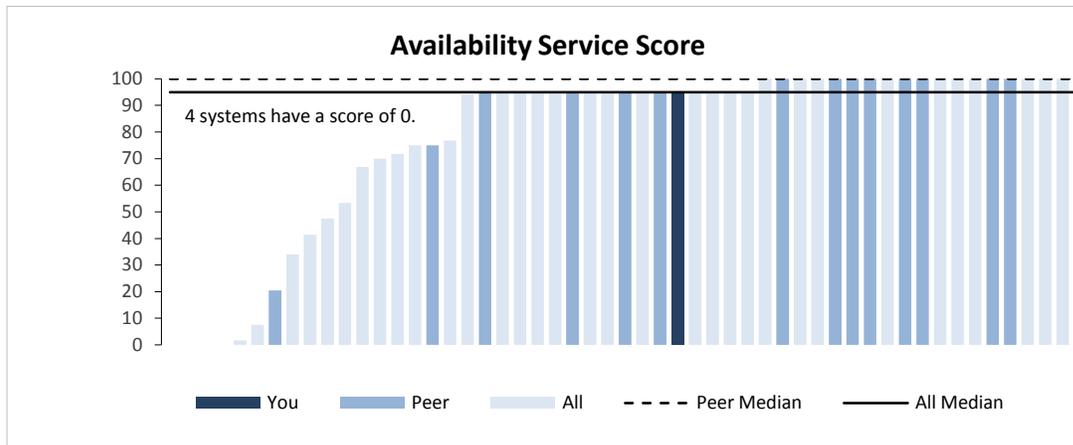


Your service score for 2c 1-on-1 counseling is the weighted total of the components shown in the table below. The methodology and data used to determine your scores for each of these components is described in detail on the following pages.

1-on-1 Counseling Service Score Components		
	Weight	Your Score
a. Availability	50%	95.0
b. Field locations	20%	31.3
c. Wait times	20%	71.3
d. Capability	10%	40.0
Weighted Total	100%	72.0

a. Availability

Your service score for availability was 95 out of 100. This was below the peer median of 100.



1. Scoring method		Your Data	Your Score
+ 70	if members counseled 1-on-1 as a % of your active members is 1%* or more, otherwise 7,000 X number of members counseled 1-on-1 as a % of active members	2.5%	70.0
+ 25	if 1-on-1 counseling is freely available, without limitations	Yes	25.0
+ 5	if 1-on-1 counseling is available outside of normal working hours, otherwise 0	No	0.0
Total score			95.0

* The limit above which a perfect score is achieved is shifted downwards from a maximum of 1% linearly with the fraction of total pension inceptions that occur online (e.g. if 50% of your total inceptions occur online, the limit is set to 0.5%).

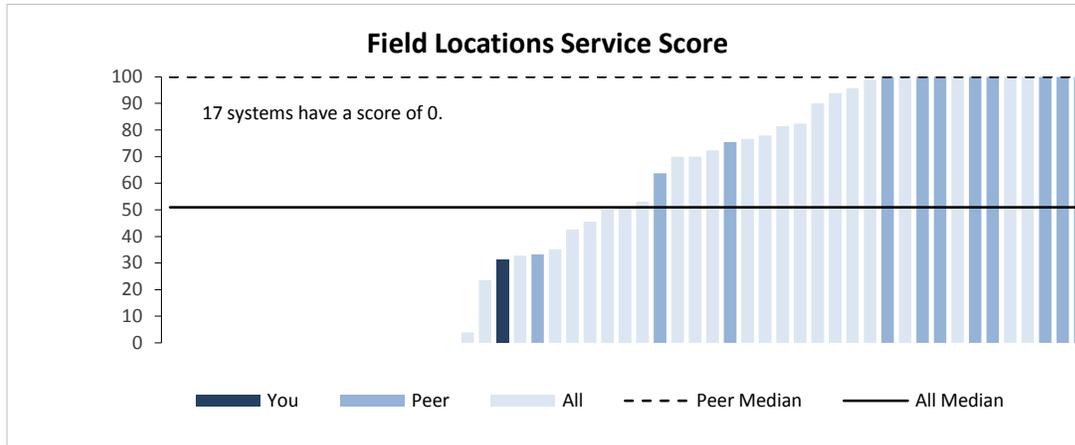
2. Rationale for the scoring method
Higher volumes relative to the number of pension inceptions occurring offline imply greater availability and value.
Members prefer freely available access to counseling with no time period limits, no limits on the number of sessions, etc.

a. Availability

3. Survey questions used		You	Peer Avg
Q56	Total number of members counseled 1-on-1 (A)	6,511	11,341
Q5	Active Members (B)	257,255	272,915
	Members counseled 1-on-1 as a percentage of active members (A / B)	2.5%	3.8%
Q57	Is 1-on-1 retirement counseling a freely available option for most members? [If the only 1-on-1 counseling you do is for VIPs, disability, exceptions and emergencies then your answer should be no.]	Yes	93% Yes
Q58	Do you limit 1-on-1 counseling by:		
	a) Requiring that members be within a certain time period of earliest possible retirement?	No	7% Yes
	b) Placing a limit on the number of counseling sessions a member can request?	No	7% Yes
	c) Indicating that members should contact their employers or unions first for counseling?	No	0% Yes
	d) Other (describe)?	No	7% Yes
Q61	Do you offer 1-on-1 counseling sessions after normal working hours, such as evenings and/or weekends?	No	60% Yes

b. Field locations

Your service score for field locations was 31 out of 100. This was below the peer median of 100.



1. Scoring method		Your Data	Your Score
+ 70	if the number of 1-on-1 sessions located in the field as % of total sessions is 25% or more, otherwise 280 X % of total sessions located in the field	0.5%	1.3
+ 30	if 75% or more of your 1-on-1 field sessions are held at locations separate from the employer, otherwise 40 X % of field sessions separate from the employer	100%	30.0
Total score			31.3

2. Rationale for the scoring method
A combination of in-house and in-the-field locations provides the best access for members to meet with you.
Field locations separate from the employer are preferred because they help preserve confidentiality and privacy.

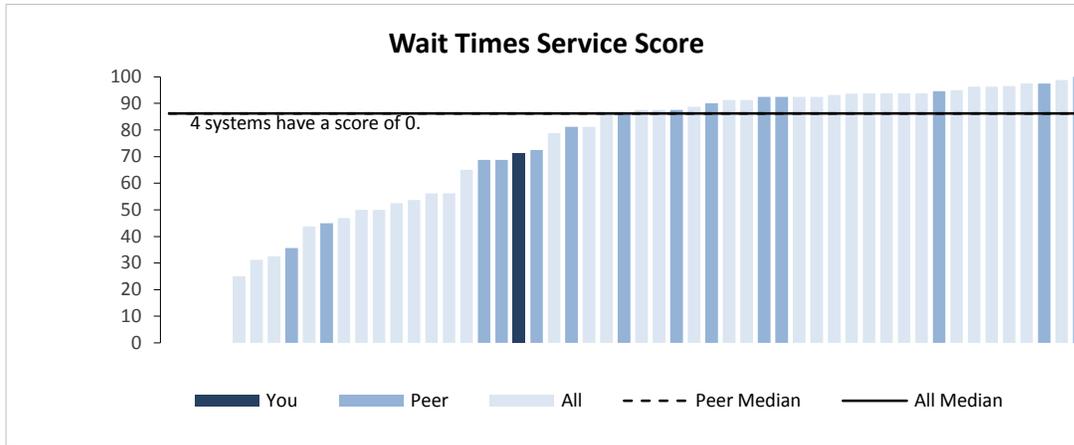
b. Field locations

3. Survey questions used		You	Peer Avg
Q56	Provide the number of members counseled 1-on-1 that were:		
	b) In the field at locations separate from the member's place of employment? (A)	30	3,783
	c) At the member's place of employment?	<u>0*</u>	<u>445</u>
	Total number of members counseled 1-on-1 in the field (B)	30	4,227
	% of 1-on-1 field sessions separate from employer (A / B)	100%	68%
	Total number of members counseled 1-on-1 (C)	6,511	11,341
	% of members counseled at 1-on-1 sessions held in the field (B / C)	0.5%	37.5%

* Your response was 'unknown'. A default was applied. See 'Appendix D' for details.

c. Wait times

Your service score for wait times was 71 out of 100. This was below the peer median of 86.



1. Scoring method		Your Data	Your Score
+ 25	if you offer pre-scheduled counseling	Yes	25.0
+ 25	If there is no wait time for pre-scheduled in-house counseling sessions, otherwise 25 - 1.25 X average number of days of wait time [Subject to a minimum score of 0]	18.0 days	2.5
+ 25	If there is no wait time for walk-in counseling, otherwise 25 - 1.25 X average number of minutes of wait time [Subject to a minimum score of 0]	5 min.	18.8
+ 25	if 0% of walk-ins requesting a counseling session were turned away because the wait was too long, otherwise 25 - 125 X % of walk-ins turned away [Subject to a minimum score of 0]	0.0%	25.0
Total score			71.3

2. Rationale for the scoring method

The shorter the wait times, the better.

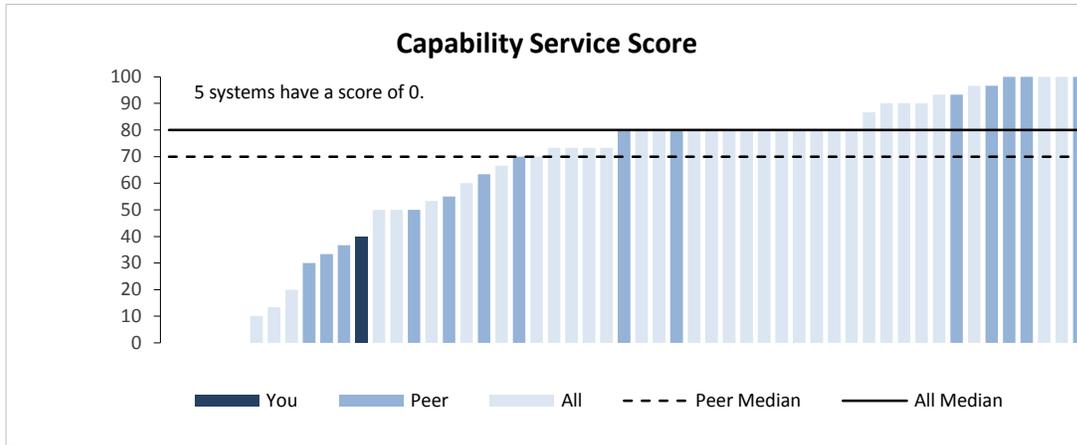
Some people like to be able to schedule an appointment. Also, a pre-scheduled session gives you the opportunity to prepare in advance.

c. Wait times

3. Survey questions used		You	Peer Avg
Q59	Do you provide counseling for walk-in traffic?	Yes	93% Yes
	a) On average, how long does a walk-in member that requests a counseling session typically have to wait till they can meet with a counselor? (minutes)	5	7 min
	b) Approximately what percentage of walk-in members requesting a counseling session are turned away, or scheduled for another time, or leave with their needs unsatisfied because they decide the wait was too long?	0.0%	7.4%
Q60	Do you offer prescheduled 1-on-1 counseling?	Yes	93% Yes
	a) If yes, how long does a member that requests a pre-scheduled counseling session typically have to wait, in business days, before he can meet with a counselor for an in-house 1-on-1 counseling session?	18.0	4.5 days

d. Capability

Your service score for capability was 40 out of 100. This was below the peer median of 70.



1. Scoring method		Your Data	Your Score
<u>Sessions</u>			
+ 50	if you can provide a new written estimate during each of walk-in, pre-scheduled in-house and in-the-field sessions, otherwise 16.7 for walk-in, 16.7 for pre-scheduled in-house and 16.7 for in-the-field	2 Yes	33.3
+ 10	if you can provide accurate service credit purchase cost estimates during each of walk-in, pre-scheduled in-house and in-the-field sessions, otherwise 3.3 for walk-in, 3.3 for pre-scheduled in-house and 3.3 for in-the-field	2 Yes	6.7
+ 20	if counseling takes place in a private office with a door during each of walk-in, pre-scheduled in-house and in-the-field sessions, otherwise 6.7 for walk-in, 6.7 for pre-scheduled in-house and 6.7 for in-the-field	0 Yes	0.0
<u>Coaching</u>			
+ 20	if you regularly review counselors for coaching purposes	No	0.0
Total score			40.0

d. Capability

2. Rationale for the scoring method

Members needs are best met when you can have a complete discussion about their retirement options. This includes being able to provide alternative scenarios to answer 'what-if' questions as they arise during 1-on-1 counseling sessions.

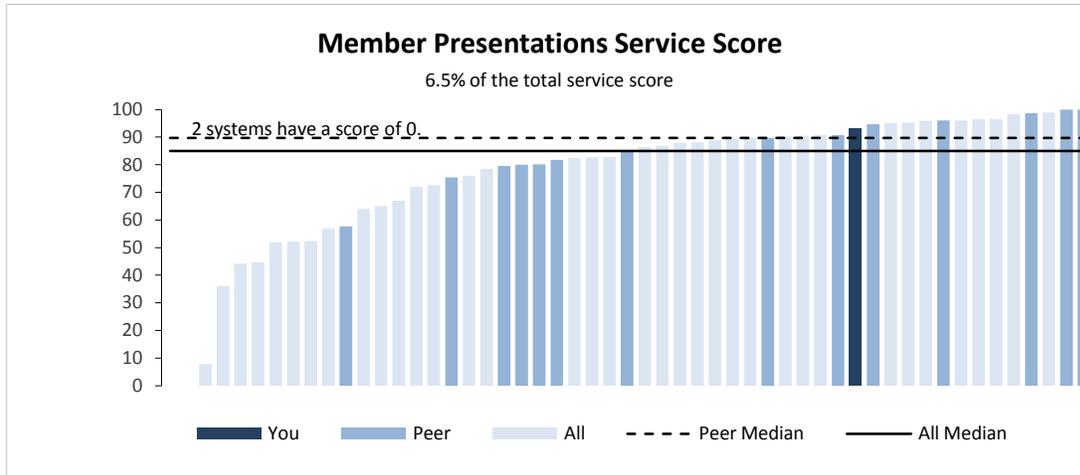
Members feel more comfortable if they can discuss their retirement income in an office with a door. If you review sessions for coaching purposes, this suggests that you monitor quality.

3. Survey questions used

		You	Peer Avg
Q63	a) Do almost all sessions take place in a private office with a door (versus a cubicle, etc.)?		
	a1) Walk-in traffic in-house?	No	86% Yes
	a2) Pre-scheduled in-house?	No	93% Yes
	a3) In-the-field?	No	75% Yes
	c) Do you provide new written estimates on a real-time basis for anybody that wants one?		
	c1) Walk-in traffic in-house?	Yes	79% Yes
	c2) Pre-scheduled in-house?	Yes	86% Yes
	c3) In-the-field?	No	67% Yes
	d) Do you provide an accurate cost to purchase service credit on a real-time basis for anybody that wants one?		
	d1) Walk-in Traffic In-house?	Yes	71% Yes
	d2) pre-scheduled In-house?	Yes	71% Yes
	d3) In-the-field?	No	58% Yes
Q64	Do you review 1-on-1 counseling sessions for coaching purposes on a regular basis? [As opposed to intermittent or only while training new counselors, etc.]	No	47% Yes

2D Presentations and Group Counseling

Your service score for member presentations was 93 out of 100. This was above the peer median of 90.



1. Scoring method		Your Data	Your Score
<u>Availability</u>			
+ 38	if attendees as a percent of active members is 2.5%* or more, otherwise 1,520 X attendees as percent of active members	5.7%	38.0
+ 23	if 95% or more of your presentations are held in the field or via live webcast, otherwise 23 X (percent field presentations / 95%)	82.6%	20.0
+ 5	if you offer presentations outside of normal working hours	Yes	5.0
<u>Group size</u>			
+ 20	if average of 20 attendees or fewer per presentation, otherwise 20 - 0.5 for each attendee over 20 [Subject to a minimum score of 0]	28.1	15.9
<u>Types</u>			
+ 12	if you have 3 or more different targeted types of presentations (excluding healthcare and benefit changes), otherwise 4 X the number of types of presentations	4	12.0
<u>Coaching</u>			
+ 2	if you regularly review presenters for coaching purposes	Yes	2.0
Total score			93.0

* The limit above which a perfect score is achieved is shifted downwards from a maximum of 2.5% linearly with the fraction of total pension inceptions that occur online (e.g. if 50% of your total inceptions occur online, the limit is set to 1.25%).

2D Presentations and Group Counseling

2. Rationale for the scoring method

Higher volumes relative to the number of pension inceptions occurring offline imply greater availability and value.

More choices of location and times provide easier access and convenience.

Smaller groups are preferred to larger groups. They provide more opportunities for individual attention.

3. Survey questions used

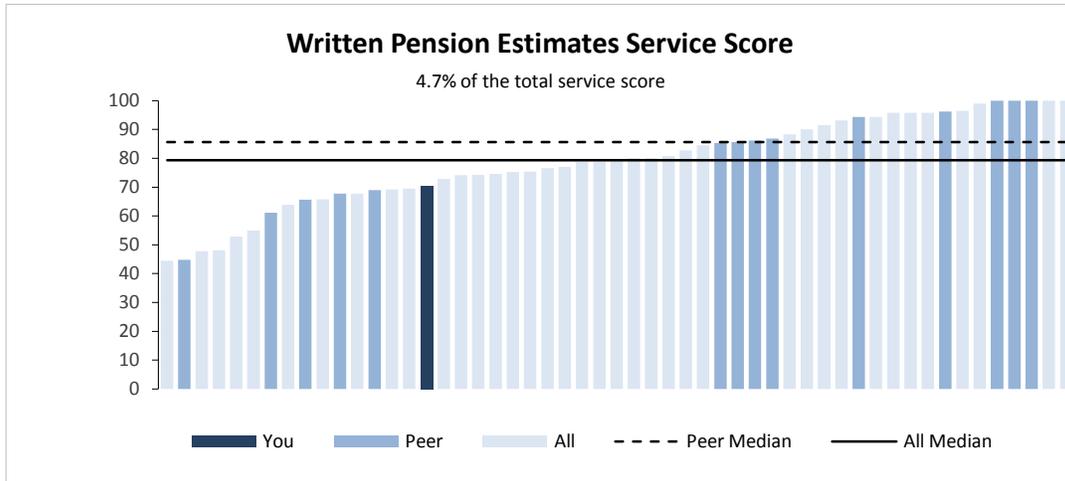
		You	Peer Avg
	<u>Availability</u>		
Q68	What was the total number of attendees at all of the presentations? [Exclude benefit fair attendees] (A)	14,726	15,262
Q5	Active Members (B)	257,255	272,915
	Attendees as a percent of active members (A / B)	5.7%	5.7%
Q67	How many presentations (including group counseling sessions) for members or annuitants [exclude presentations to employers] did you do that took place:		
	a) In-house?	91	36
	b) In the field? (C)	269	456
	c) Via live webinar? [i.e., a real-time, online presentation that allows two-way communication between the presenter and audience] (D)	<u>164</u>	<u>41</u>
	Total Presentations (E)	524	533
	In the field or webcast presentations as a percent of total presentations (C + D) / E	82.6%	90.2%
Q70	Do you offer presentations after normal working hours such as evenings and/or weekends?	Yes	100% Yes
	<u>Group size</u>		
	Average number of attendees per presentation (A / E)	28.1	36.4

2D Presentations and Group Counseling

3. Survey questions used		You	Peer Avg
	<u>Types</u>		
Q69	Did you do specific presentations for members, in the past fiscal year, targeted solely for:		
	a) New members?	Yes	93% Yes
	b) Members in mid career?	Yes	80% Yes
	c) Members approaching retirement or ready to retire?	Yes	100% Yes
	f) Other? (Please describe)	<u>Yes</u>	<u>73% Yes</u>
	Total presentation types	4	3
	<u>Coaching</u>		
Q71	Do you review presenters for coaching purposes on a regular and recurring basis? [As opposed to intermittent or only while training new presenters, etc.]	Yes	93% Yes

2E Written Pension Estimates

Your service score for written pension estimates was 70 out of 100. This was below the peer median of 86.

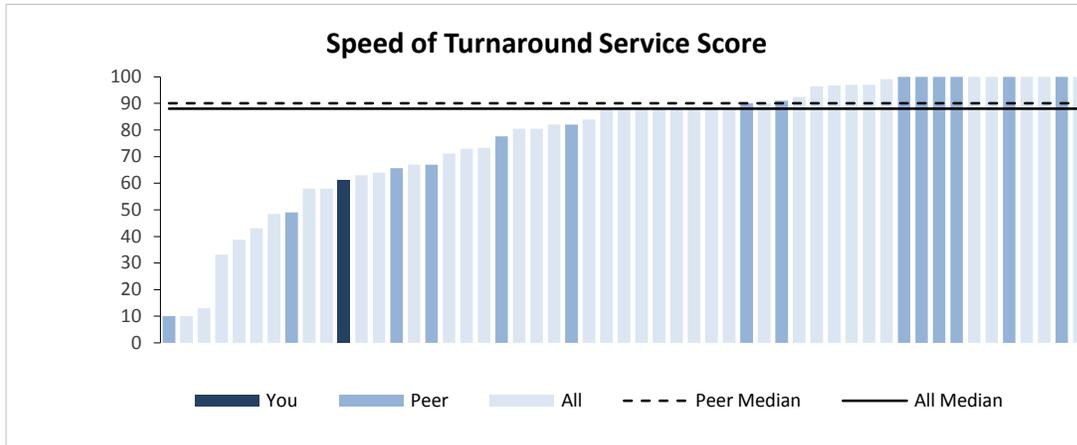


Your service score for 2e written pension estimates is the weighted total of the components shown in the table below. The methodology and data used to determine your scores for each of these components is described in detail on the following pages.

Written Pension Estimates Service Score Components		
	Weight	Your Score
a. Speed of turnaround	35%	61.0
b. Content	25%	100.0
c. Alternative channels	40%	60.0
Weighted Total	100%	70.4

a. Speed of turnaround

Your service score for speed of turnaround was 61 out of 100. This was below the peer median of 90.



1. Scoring method		Your Data	Your Score
+ 90	if the weighted average turnaround time for providing written pension estimates and online pension estimates* is less than 1 day, otherwise 90 - 3 for each day beyond 1 required to send estimates	14 days	51.0
+ 10	if you regularly measure the time to provide an estimate	Yes	10.0
Total score [Subject to a minimum score of 0]			61.0

* online pension estimates are only included in the average if they can be used to retire

2. Rationale for the scoring method

A perfect score requires that you can turn around an estimate the same day as the request. From a member's perspective, receiving a requested estimate quickly is higher service.

We assume that it is higher service if you regularly measure turnaround times because we believe that what gets measured, gets managed.

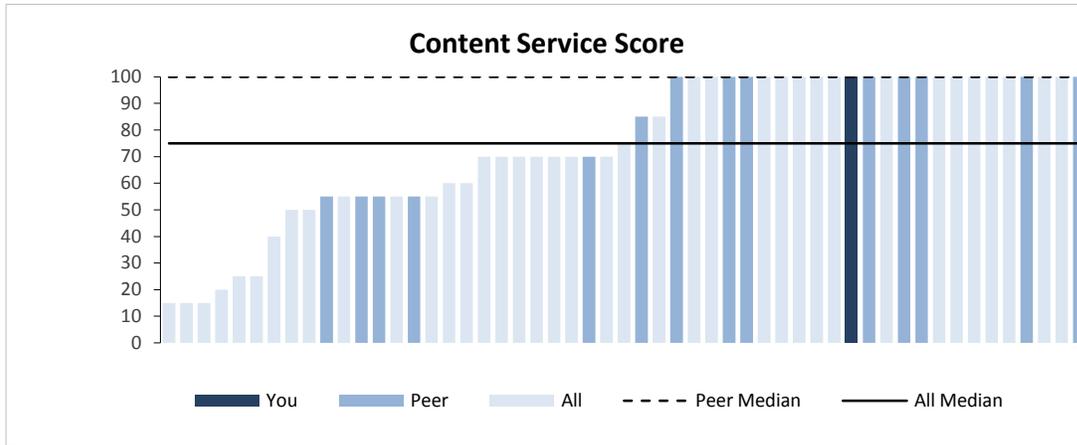
a. Speed of turnaround

3. Survey questions used		You	Peer Avg
Q73	How many written pension estimates did you mail out pursuant to individual member requests? [Exclude estimates prepared during counseling sessions and not mailed in advance.] (A)	24,304	29,196
Q75	On average, how many business days does it take to provide a written pension estimate from the time of initial request from a member? [Exclude time in the mail.] (B)	14 days	10 days
	a) Is this a number you regularly measure and track (versus an estimate)?	Yes	93% Yes
Q81	Indicate whether the following capabilities are available on your website and provide volumes:		
	c) Benefit calculator in secure area linked to member's salary and service data? If yes, volume? (C)	No n/a	80% Yes 228,825
	p) Submit a retirement application online?	No	40% Yes
	Weighted average estimate turnaround time ¹ (A x B) / (A + C)	14 days	8.6 days

1. The weighted average estimate turnaround time assumes that: (i) online estimates are processed instantaneously; (ii) the volume of online estimates (C) is counted as zero if members cannot apply for retirement online.

b. Content

Your service score for content was 100 out of 100. This was equal to the peer median.



1. Scoring method		Your Data	Your Score
+ 30	if you clearly address if and how the pension benefit is inflation protected	Yes	30.0
+ 15	if you discuss the effects of social security	Yes	15.0
+ 15	if you discuss alternative scenarios that could improve the pension	Yes	15.0
+ 40	if you model alternative pension payment options	Yes	40.0
Total score			100.0

b. Content

2. Rationale for the scoring method

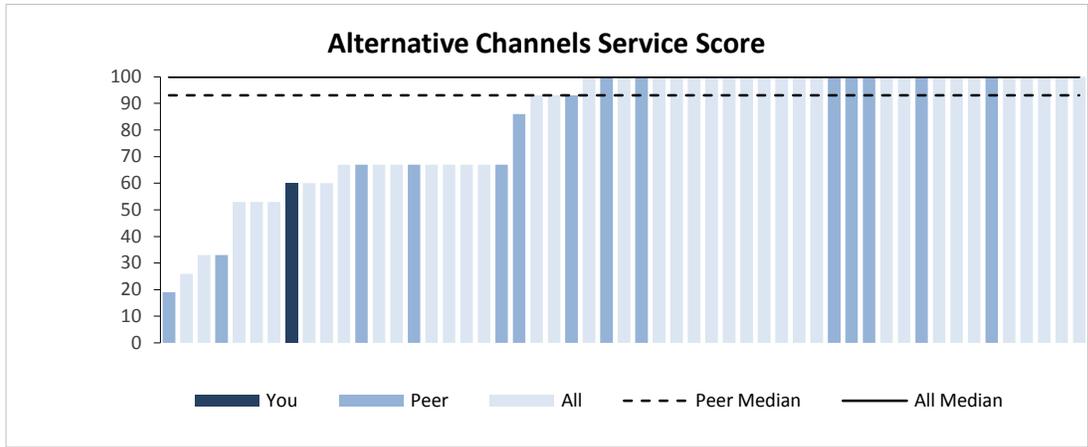
The more members understand about how their pension is affected by inflation, social security, etc. the better they can plan for retirement. A perfect score requires that you provide all this information in a written pension estimate.

3. Survey questions used

		You	Peer Avg
Q78	Do your written pension estimates (including cover letters, etc. sent with the estimate):		
	a) Clearly address if and how the pension is inflation protected (or not protected)?	Yes	67% Yes
	b) If your pension is coordinated with or reduced by social security (or CPP in Canada) is the impact explained?	Yes	60% Yes
	c) Discuss alternative scenarios that could improve the pension such as purchasing service credit or working longer?	Yes	93% Yes
	d) Model alternative retirement payment options?	Yes	100% Yes

c. Alternative channels

Your service score for alternative channels was 60 out of 100. This was below the peer median of 93.



1. Scoring method		Your Data	Your Score
+ 100	if you offer pension estimates by member statement, the website and call center, otherwise 67 if you offer 2 options, 33 if you offer 1, 0 if you offer none	2 options	67.0
- 7	if you limit the timeframe when members can request pension estimates	Yes	-7.0
- 7	if you place a limit on the number of written pension estimates a member can request	No	0.0
Total score			60.0

2. Rationale for the scoring method

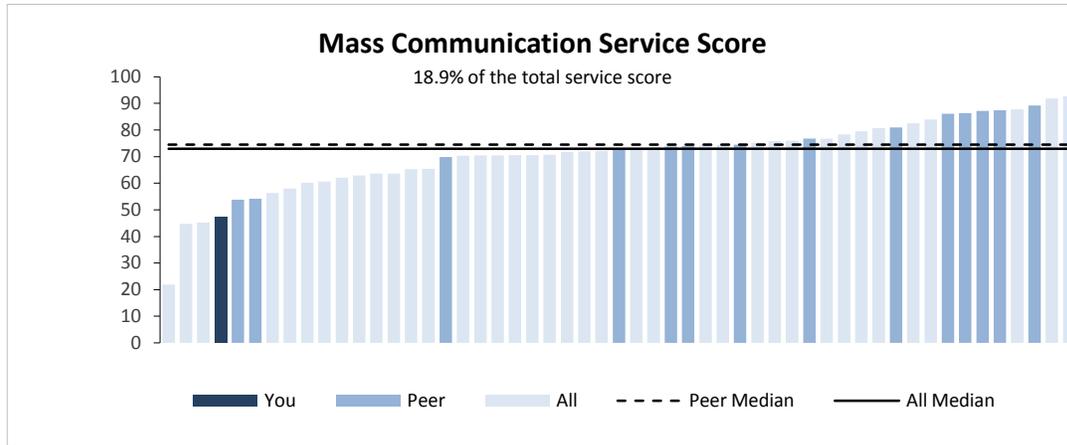
More choices in obtaining a pension estimate provides greater access and convenience for your members.

c. Alternative channels

3. Survey questions used		You	Peer Avg
Q46	Do you provide the following information on an immediate real-time basis to members over the phone? [If you do not have real-time access to the information or if your policy is not to give the information over the phone because of security or other concerns then your answer should be 'no'.] a) Estimates of the member's pension at retirement?	No	73% Yes
Q76	Can members request and obtain a written pension estimate at any time during their career? [As opposed to, for example, requiring that the member be within a certain time period of earliest potential retirement before they can request a pension estimate.]	No	73% Yes
Q77	Do you place a limit on the number of written pension estimates that a member can request?	No	13% Yes
Q81	Indicate whether the following capabilities are available on your website and provide volumes: a) Benefit calculator in non-secure area? b) Benefit calculator in secure area not linked to member data? c) Benefit calculator in secure area linked to member's salary and service data?	Yes No No	67% Yes 20% Yes 80% Yes
Q94	Do your statements for active members include: e) An estimate of the future pension entitlement based on age scenario modeling or assuming the member continues to work until earliest possible retirement?	Yes	73% Yes

2F Mass Communication

Your service score for mass communication was 47 out of 100. This was below the peer median of 74.

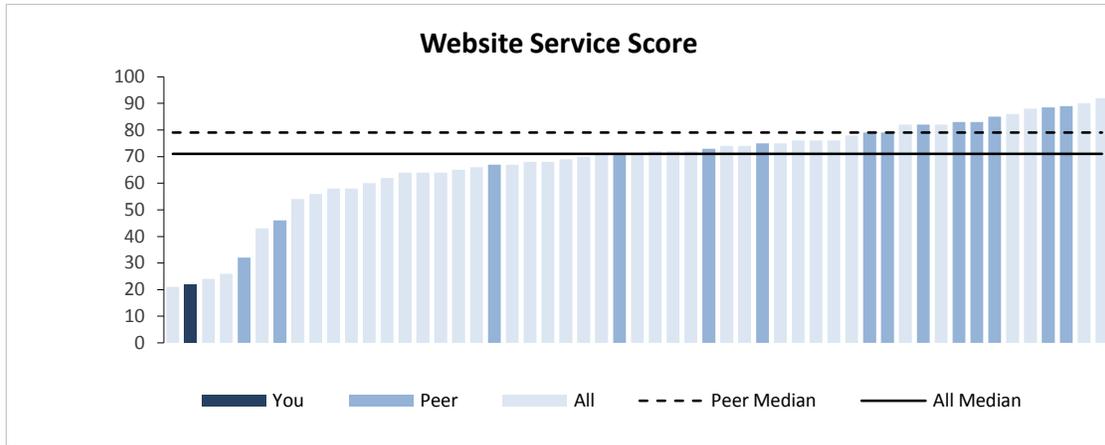


Your service score for 2f mass communication is the weighted total of the components shown in the table below. The methodology and data used to determine your scores for each of these components is described in detail on the following pages.

Mass Communication Service Score Components		
	Weight	Your Score
a. Website	60%	22.0
b. News and targeted communication	15%	88.0
c. Member statements	25%	83.8
Weighted Total	100%	47.3

a. Website

Your service score for the website was 22 out of 100. This was below the peer median of 79.



a. Website

1. Scoring method		Your Data	Your Score
<u>Calculators</u>			
+ 10	if you have an interactive calculator on your website	Yes	10.0
+ 20	if the calculator is linked to member data	No	0.0
+ 2	if you can calculate the cost of purchasing service credit	Yes	2.0
<u>Salary and service credit</u>			
+ 3	if you offer secure access to both salary and service credit data	n/a	0.0
+ 3	if salary and service credit data is up-to-date to the most recent pay period	n/a	0.0
+ 2	if a complete annual history since employment began of salary and service credit data is available	n/a	0.0
<u>Secure access design</u>			
+ 4	if members can get online immediately upon registering	Yes	4.0
+ 2	if you greet members by name upon log-in	n/a	0.0
- 4	if you force members to acknowledge a disclaimer every time they log-in or use the calculator	Yes	-4.0
+ 1	if inactive members have access to the secure member area	n/a	0.0
+ 2	if you offer a digital file which includes a history of recent correspondence and member documents	No	0.0
<u>Forms</u>			
+ 8	if all forms are available for download (or the transaction or forms can be completed online), 6 if most, 2 if some	Most	6.0
<u>Other tools and transactions</u>			
+ 1	register for counseling sessions in real-time	No	0.0
+ 1	register for presentations	Yes	1.0
+ 2	if you offer live chat	No	0.0
+ 3	change address	No	0.0
+ 2	change beneficiary	No	0.0
+ 3	add or change email address	No	0.0
+ 1	reset password	No	0.0
+ 2	change annuity deposit banking information	No	0.0
+ 2	change tax withholding amount	No	0.0
+ 3	download or print tax receipts	No	0.0
+ 3	view pension payment gross amounts and deductions (payment stubs)	No	0.0
+ 3	submit a retirement application online	No	0.0
+ 2	if less than 50% of pensions initiated online require follow-up documents or signatures to be mailed in	n/a	0.0
+ 1	check status of retirement application	n/a	0.0
+ 3	apply for a transfer-out or refund	No	0.0
+ 2	download member statement	No	0.0
+ 3	upload documents in lieu of mailing hardcopies	No	0.0
+ 3	view pensionable earnings and/or service without downloading	No	0.0
+ 3	access videos online	Yes	3.0
Total score			22.0

a. Website

2. Rationale for the scoring method

Members visit your website looking for information. The more you can provide, the more tailored and customized to the member, and the easier it is to get online, the better.

3. Survey questions used

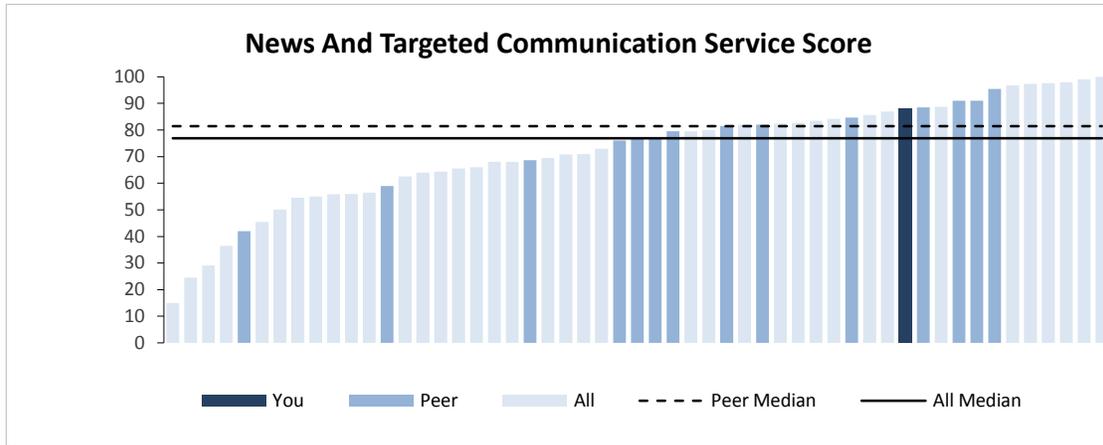
		You	Peer Avg
	<u>Calculators</u>		
Q81	Indicate whether the following capabilities are available on your website and provide volumes:		
	a) Benefit calculator in non-secure area?	Yes	67% Yes
	b) Benefit calculator in secure area not linked to member data?	No	20% Yes
	c) Benefit calculator in secure area linked to member's salary and service data?	No	80% Yes
	d) Service credit purchase calculator?	Yes	73% Yes
	<u>Salary and service credit</u>		
	v) View pensionable earnings and/or service without downloading?	No	80% Yes
	v1) Are both salary and service data available?	n/a	100% Yes
	v2) Is online data up-to-date to the most recent pay period?	n/a	83% Yes
	v3) Is a complete annual history from the beginning of employment provided?	n/a	67% Yes
	<u>Secure access design</u>		
Q80	Does your website have a secure member area where members can access their own data?	No	93% Yes
	c) If a member wants to register for the first time, does he/she have to wait for a password in the mail?	n/a	29% Yes
	d) Do you welcome the member by name on the home page of the secure member area?	n/a	100% Yes
	e) Are users required to acknowledge a disclaimer every time they log in?	n/a	21% Yes
	f) Are users required to acknowledge a disclaimer every time they generate a pension estimate?	n/a	38% Yes
	g) Do inactive members have access to the secure member area?	n/a	86% Yes
Q81	s) Secure mailbox or digital file including history of recent correspondence and member documents?	No	47% Yes
	<u>Forms</u>		
Q79	Are all, most or some of your forms available online for either completion or downloading?	Most	40% All

a. Website

3. Survey questions used		You	Peer Avg
	<u>Other tools and transactions</u>		
Q81	Indicate whether the following capabilities are available on your website and provide volumes:		
	e) Register for 1-on-1 counseling sessions?	No	50% Yes
	e1) If yes, does the member have real-time access to available dates and times?	n/a	100% Yes
	f) Register for presentations?	Yes	73% Yes
	g) Live chat?	No	0% Yes
	h) Change address?	No	80% Yes
	i) Change beneficiary?	No	47% Yes
	j) Change email address?	No	80% Yes
	k) Reset password?	No	86% Yes
	l) Change banking information for direct deposit?	No	60% Yes
	m) Change tax withholding amount?	No	73% Yes
	n) Download or print duplicate tax receipts? [i.e., 1099s in the U.S.]	No	87% Yes
	o) View pension payment details? [i.e., gross amounts, deductions]	No	93% Yes
	p) Submit a retirement application online?	No	40% Yes
	If yes:		
	p1) Does the online application provide an estimate, final value or neither of the annuity payment the member will receive?	n/a	1% Final
	p2) Approximately what % of retirements submitted online require follow-up documents or signatures to be mailed in?	n/a	73.4%
	q) View status of online retirement application?	n/a	67% Yes
	r) Apply for a refund or transfer-out?	No	47% Yes
	t) Download member statement? [i.e., Adobe format]	No	80% Yes
	u) Upload documents (such as birth certificates)?	No	33% Yes
Q82	Do you have videos that members can access online?	Yes	93% Yes

b. News and targeted communication

Your service score for newsletters was 88 out of 100. This was above the peer median of 82.



b. News and targeted communication

1. Scoring method		Your Data	Your Score
<u>Newsletters</u>			
+ 20	if active members receive a newsletter 2 or more times per year, 14 if 1 time, otherwise 0	3 times	20.0
+ 20	if annuitants receive a newsletter 2 or more times per year, 14 if 1 time, otherwise 0	3 times	20.0
+ 2	if inactive members receive a newsletter at least annually	1 time	2.0
+ 25	if you have different newsletters for 3 or more of the following segments: all members or actives and annuitants, actives or actives and inactive, inactive, annuitants, age based, gender based, employer/employment category, other. 14 if 2 segments, otherwise 0	4	25.0
<u>Other communication</u>			
+ 10	if you issue a 'welcome' kit to new members	Yes	10.0
if you send out personalized letters to members:			
+ 2	that are new (this letter could be part of a welcome kit)	No	0.0
+ 7.5	approaching eligibility, or becoming eligible, for retirement	Yes	7.5
+ 2	about to become vested in pension benefits	No	0.0
+ 2	eligible, or likely eligible, to purchase service credit	No	0.0
+ 2	with no beneficiary on file	No	0.0
+ 1	about to become vested for disability benefits	No	0.0
+ 1	whose disability benefits are able to expire	Yes	1.0
+ 1	with no email address on file	No	0.0
+ 1	who have never visited the secure member area	No	0.0
+ 1	if you publish member statements, annual reports, newsletters, the website and brochures in a language other than English, otherwise 0.2 for each publication translated	0 publications	0.0
+ 2.5	if you solicit member feedback on your publications through focus groups, or surveys	Yes	2.5
Total score			88.0

b. News and targeted communication

2. Rationale for the scoring method

Targeted milestone events, such as joining the system, are good opportunities to communicate the value of the benefit.

Communicating more frequently by newsletter, and delivering personalized, and customized messages for different target audiences is higher service.

Actively soliciting feedback on your communication materials should lead to better materials.

3. Survey questions used

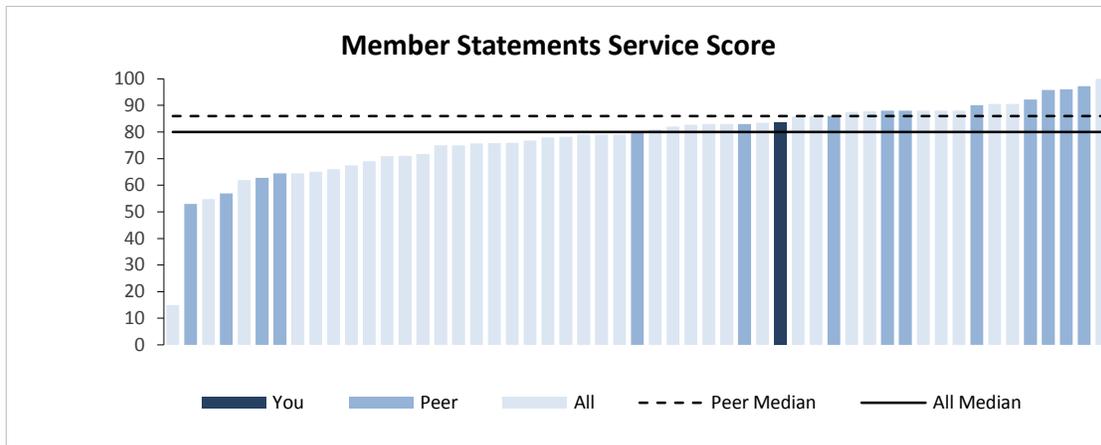
		You	Peer Avg
Q84	Indicate whether you sent newsletters or news magazines (in either electronic or paper format) last year to any of the following member segments, and if yes, the number of times it was sent:		
		#	#
	a) All members (active, inactive and annuitants)?	No n/a	33% Yes 5
	b) Active and inactive members?	No n/a	27% Yes 2
	c) Active members and annuitants?	Yes 1	7% Yes 1
	d) Active members only?	Yes 2	53% Yes 6
	e) Inactive members only?	Yes 1	20% Yes 1
	f) Annuitants only?	Yes 2	93% Yes 3
	g) Age segments (i.e., under 35, 35-50, 50 plus)?	No n/a	20% Yes 5
	h) Women only or men only?	No n/a	0% Yes n/a
	i) Employer or employment category (i.e., a different newsletter for teachers vs. bus drivers)?	No n/a	27% Yes 13
	j) Other? (describe your other newsletter segments below)	<u>No</u> n/a	<u>40% Yes</u> 9
	<i>n/a</i>		
	Total Segments	4	3.2
Q85	Are new members issued a 'welcome' kit describing their benefits?	Yes	100% Yes
	If yes:		
	a) If yes, does it include a personalized letter addressing the new member by name?	No	67% Yes

b. News and targeted communication

3. Survey questions used		You	Peer Avg
Q87	Do you automatically send targeted letters or emails addressed to members by name triggered by the following milestones:		
	a) Vested for pension benefits (if member is not vested immediately)?	No	29% Yes
	b) Vested for disability benefits (if member is not vested immediately)?	No	21% Yes
	c) Expiration of disability benefits for inactive members or members that have exited	Yes	40% Yes
	d) Approaching eligibility, or becoming eligible, for retirement?	Yes	53% Yes
	e) Eligibility or likely eligibility, to purchase service credit?	No	20% Yes
	f) Missing beneficiary?	No	20% Yes
	g) Missing email address?	No	7% Yes
	h) Never visited the secure member area?	No	7% Yes
	i) Other milestone communication? (describe below)	Yes	73% Yes
Q88	Do you actively solicit member feedback on your publications through:		
	a) Focus groups?	No	13% Yes
	b) Tear out surveys or feedback cards in the publications themselves?	No	0% Yes
	c) Surveys sent to members who request a publication?	No	0% Yes
	d) Other (describe)?	Yes	53% Yes
Q89	Do you publish any of the following materials in a language other than English (or other than French in Quebec and France), or in Braille:		
	a) Member statements?	No	0% Yes
	b) Annual report?	No	0% Yes
	c) Newsletters?	No	0% Yes
	d) Website?	No	20% Yes
	e) Brochures and pamphlets?	No	20% Yes

c. Member statements

Your service score for member statements was 84 out of 100. This was below the peer median of 86.



1. Scoring method	Your Data	Your Score
<u>Accuracy and timeliness</u>		
+ 10 if no complaints about data errors, otherwise 10 x (1 - 25 X percent of members that complain about data errors) [Subject to a minimum score of 0]	0.9%	7.8
+ 15 if data is current to 1 month, otherwise 15 - 2 for each month in excess of 1 month out of date [Subject to a minimum score of 0]	3.0 months	11.0
+ 5 if paper member statements mailed directly to the member's home	Yes	5.0
+ 5 if email or other electronic notice to members that the statement is available in the secure member area	No	0.0
+ 5 if sent to inactive members annually or more frequently, otherwise 5 X times per year on average	1 time	5.0
<u>Content</u>		
+ 10 if summarizes service credit	Yes	10.0
+ 10 if provides pensionable earnings	Yes	10.0
+ 5 if provides a historical summary of salary and service credit earned each year	No	0.0
+ 10 if shows refund value if you left at the statement date	Yes	10.0
+ 25 if shows estimate of future pension entitlement	Yes	25.0
Total score		83.8

c. Member statements

2. Rationale for the scoring method

Up-to-date, accurate member statements provide one of your best opportunities to communicate the value of the benefit to members.

Showing an estimate of the future pension entitlement is more important than showing the refund value because the pension entitlement is potentially much more valuable.

Sending member statements directly to active members' homes, via email or other electronic notice, rather than through employers is higher service because the statements are less likely to get lost, and it is more confidential.

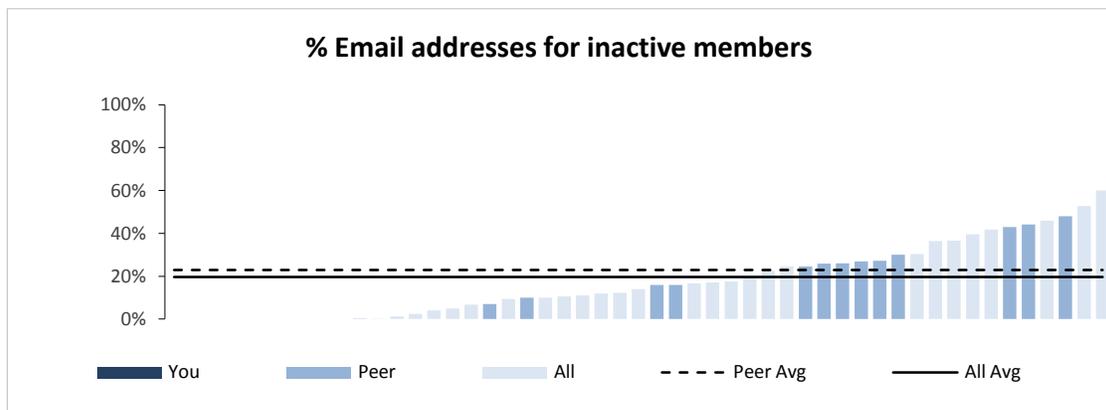
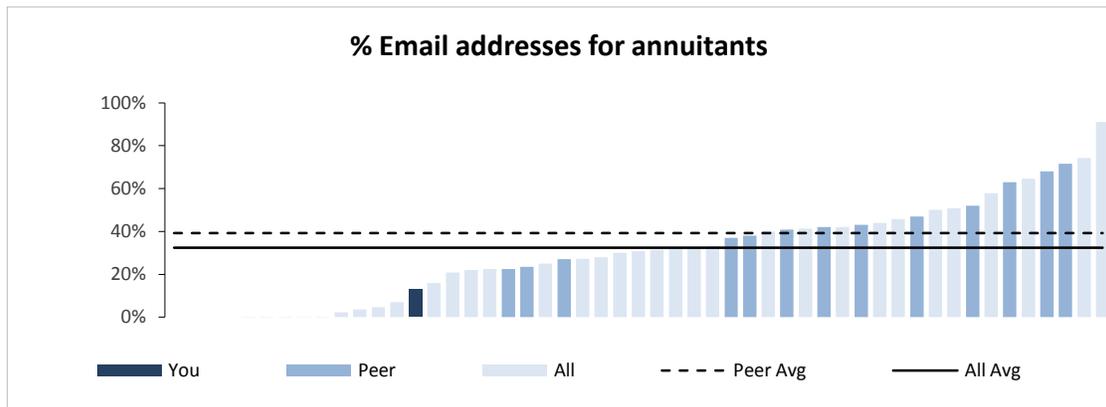
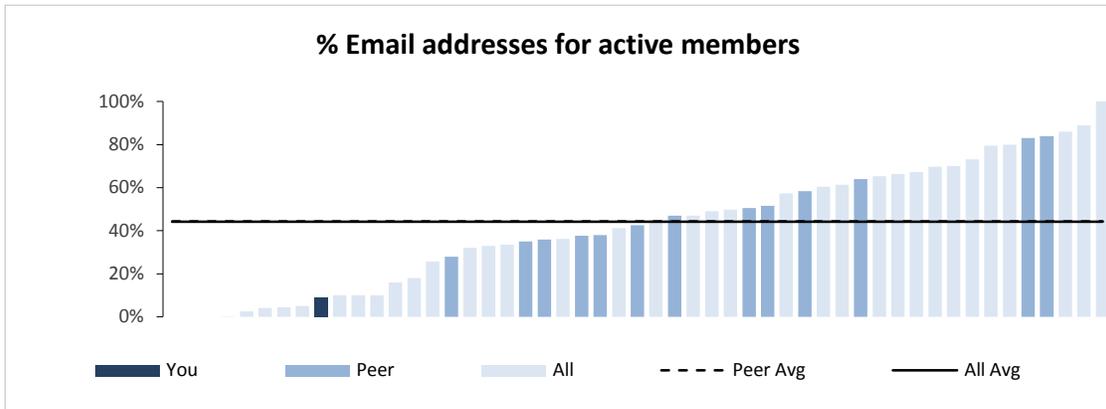
3. Survey questions used

		You	Peer Avg
Q90	How many times per year (annually = 1, every 2nd year = 0.5, every 3 years = 0.33, every 5 years = 0.2) do you send member statements to:		
	a) Active members?	1 time	1.2 times
	b) Inactive members?	1 time	1.1 times
Q91	Approximately what % of members complain about the accuracy of data in their member statements?	0.9%	0.6%
Q92	Indicate the approximate percentage breakdown of how you send member statements to active members:		
	a) Directed through the employer?	84.0%	11.0%
	b) Mailed directly to members' homes?	16.0%	60.1%
	c) Email or text message to members that the statement is available in the secure member area?	0.0%	26.4%
Q93	On average, how current is an active member's data in the statements that the member receives (in months)?	3.0	2 months
Q94	Do your statements for active members include:		
	a) Total accumulated service credit?	Yes	100% Yes
	b) Pensionable earnings?	Yes	87% Yes
	c) A historical summary of salary and service credit earned each year?	No	53% Yes
	d) The refund value if you left at the statement date?	Yes	93% Yes
	e) An estimate of the future pension entitlement based on age scenario modeling or assuming the member continues to work until earliest possible retirement?	Yes	73% Yes

Electronic delivery

Systems are increasingly looking at cost effective and timely solutions for communicating with members. In particular, more systems are using email or other methods of electronic media to deliver newsletters, member statements and other forms of traditional, paper mass communications. CEM's service model captures this change.

The below graphs are indicators of how successful systems have been in gathering member email addresses:



New media and other

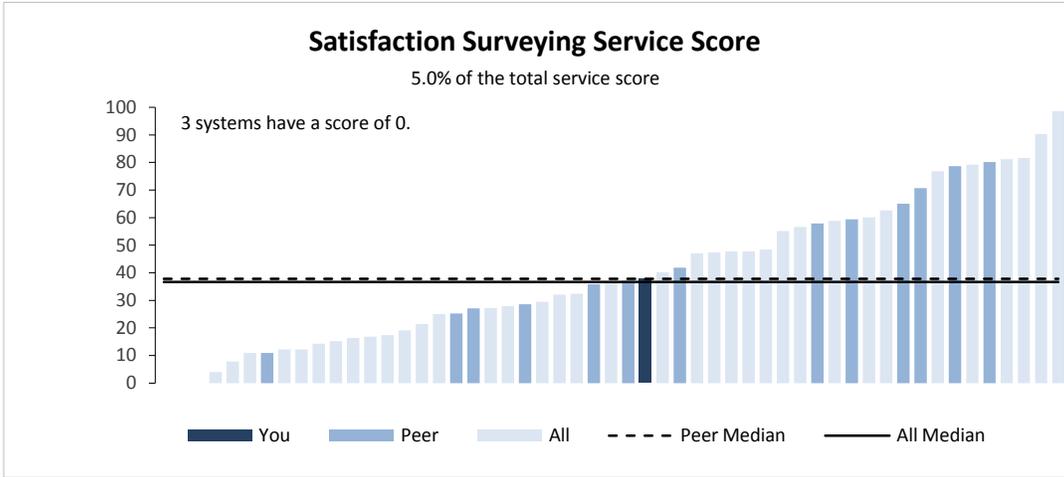
New media and employer service is not currently included in the service score. But we are tracking these measures and may use them in the future.

New media questions		You	Peer Avg	All Avg
Q95	Do you have a Facebook site? If yes: a) How often do you update your site?	No n/a	73% Yes 198 times/year	55% Yes 137 times/year
Q96	Do you have a Twitter account? If yes: a) How many tweets did you post last year? b) How many followers do you have?	Yes 42 118	67% Yes 490 859	58% Yes 391 802
Q97	Do you have a mobile app? If yes: a) If yes, does your app contain information that is linked to the member's data?	No n/a	7% Yes 100% Yes	8% Yes 50% Yes

Other media questions		You	Peer Avg	All Avg
Q82	Do you have videos that members can access online? If yes: a) How many different videos do you have for members online? b) What was the total number of new views for all streamed videos? c) What was the total number of downloads for all downloadable videos?	Yes 25 40,452 Unknown	93% Yes 37 21,424 507	81% Yes 25 16,938 2,746

Satisfaction Surveying

Your service score for satisfaction surveying was 38 out of 100. This was equal to the peer median.



Your service score for satisfaction surveying is the weighted total of the components shown in the table below. The methodology and data used to determine your scores for each of these components is described in detail on the following pages.

Satisfaction Surveying Service Score Components			
	Weight ¹	Do you survey?	Your Score
a. 1-on-1 counseling	18%	Yes	90.0
b. Member presentations	12%	Yes	90.0
c. Member telephone calls	13%	Yes	80.0
d. Pension inception	18%	No	0.0
e. Written pension estimates	11%	No	0.0
f. Website - secure member area	8%	No	0.0
g. Withdrawals and transfers-out	1%	No	0.0
h. Purchases and transfers-in	7%	No	0.0
i. Disability	10%	No	0.0
Weighted Total	100%		37.8

¹ Other systems may have slightly different activity weights than you. Their weights are reflective of the activities that they do.

Satisfaction Surveying

1. Scoring method	Your Data	Your Score
a. 1-on-1 counseling		
If you survey satisfaction with 1-on-1 counseling:	Yes	
+ 30 if the survey focuses primarily on 1-on-1 counseling.	Yes	30.0
+ 30 if the greatest length of time between the survey and the 1-on-1 counseling session is 14 days or less .	0	30.0
+ 10 if surveys are continuous or more than 11 times per year, otherwise +8 if quarterly, +3 if once per year.	days continuous	10.0
+ 10 if you can summarize results by service representative.	Yes	10.0
+ 10 if you can summarize results by topic covered.	Yes	10.0
+ 10 if survey is delayed at least one day from the session.	No	<u>0.0</u>
Total		90.0
b. Member presentations		
If you survey satisfaction with member presentations:	Yes	
+ 35 if the survey focuses primarily on member presentations.	Yes	35.0
+ 35 if the greatest length of time between the survey and the presentation is 14 days or less .	0	35.0
+ 10 if surveys are continuous or more than 11 times per year, otherwise +8 if quarterly, +3 if once per year.	days continuous	10.0
+ 10 if you can summarize results by service representative.	Yes	10.0
+ 10 if survey is delayed at least one day from the session.	No	<u>0.0</u>
Total		90.0
c. Member telephone calls		
If you survey satisfaction with member telephone calls:	Yes	
+ 30 if the survey focuses primarily on member telephone calls.	Yes	30.0
+ 30 if the greatest length of time between the survey and the telephone call is 14 days or less.	0	30.0
+ 10 if surveys are continuous or more than 11 times per year, otherwise +8 if quarterly, +3 if once per year.	days continuous	10.0
+ 10 if you can summarize results by service representative.	Yes	10.0
+ 10 if you can summarize results by topic covered.	No	0.0
+ 10 if survey is delayed at least one day from the session.	No	<u>0.0</u>
Total		80.0

Satisfaction Surveying

1. Scoring method (continued)	Your Data	Your Score
d. Pension inceptions		
If you survey satisfaction with pension inceptions:	No	
+ 40 if the survey focuses primarily on pension inceptions.	n/a	0.0
+ 40 if the greatest length of time between the survey and the pension inception is 14 days or less.	n/a	0.0
+ 20 if surveys are continuous or more than 11 times per year, otherwise +16 if quarterly, +6 if once per year.	n/a	<u>0.0</u>
Total		0.0
e. Written pension estimates		
If you survey satisfaction with written benefit estimates:	No	
+ 40 if the survey focuses primarily on written benefit estimates.	n/a	0.0
+ 40 if the greatest length of time between the survey and receipt of an estimate is 14 days or less.	n/a	0.0
+ 20 if surveys are continuous or more than 11 times per year, otherwise +16 if quarterly, +6 if once per year.	n/a	<u>0.0</u>
Total		0.0
f. Website - secure member area		
If you survey satisfaction with website - secure member area:	No	
+ 40 if the survey focuses primarily on website - secure member area.	n/a	0.0
+ 40 if the greatest length of time between the survey and secure member area usage is 7 days or less.	n/a	0.0
+ 10 if surveys are continuous or more than 11 times per year, otherwise +8 if quarterly, +3 if once per year.	n/a	0.0
+ 10 if you can summarize results by topic(s) browsed.	n/a	0.0
- 25% if you survey 100% of unique users, -90% if you survey all users (versus a sample such as every 100th user).	No	0.0
- 50% if the survey was a menu item that the user had to find and select (as opposed to a survey actively sent to the user via email or a pop up).	No	<u>0.0</u>
Total [subject to a minimum score of 0]		0.0
g. Withdrawals and transfers-out		
If you survey satisfaction with withdrawals and transfers-out:	No	
+ 40 if the survey focuses primarily on withdrawals and transfers-out.	n/a	0.0
+ 40 if the greatest length of time between the survey and the refund, lump sum or transfer-out is 14 days or less.	n/a	0.0
+ 20 if surveys are continuous or more than 11 times per year, otherwise +16 if quarterly, +6 if once per year.	n/a	<u>0.0</u>
Total		0.0

Satisfaction Surveying

1. Scoring method (continued)		Your Data	Your Score
h. Purchases and transfers-in			
	If you survey satisfaction with purchases and transfers-in:	No	
+ 40	if the survey focuses primarily on purchases and transfers-in.	n/a	0.0
+ 40	if the greatest length of time between the survey and the purchase or transfer-in is 7 days or less.	n/a	0.0
+ 20	if surveys are continuous or more than 11 times per year, otherwise +16 if quarterly, +6 if once per year.	n/a	<u>0.0</u>
	Total		0.0
i. Disability			
	If you survey satisfaction with disability:	No	
+ 40	if survey focuses primarily on disability.	n/a	0.0
+ 40	if the greatest length of time between the survey and the disability decision is 14 days or less.	n/a	0.0
+ 20	if surveys are continuous or more than 11 times per year, otherwise +16 if quarterly, +6 if once per year.	n/a	<u>0.0</u>
	Total		0.0

2. Rationale for the scoring method
<p>Best practice satisfaction surveying is single activity focused, sent only to members who have recently received the service, can be summarized by the person that did the work (for 1-on-1 counseling, presentations and calls), tracks the purpose of a call or visit, is performed on a frequent random-sample basis and results are communicated widely. If you measure satisfaction, we assume you do a better job of managing and improving it.</p> <p>Surveying immediately after the activity tends to give feedback that is heavily influenced by the member's positive or negative impression of the service agent. Surveying a day or so later captures member's feedback regarding the success of the process and whether the member accomplished what they intended to.</p> <p>When surveying website satisfaction, it is unnecessary and irritating to sample 100% of users, particularly if they get asked to participate every time they visit the website. If the survey is a menu item that users need to find and select, you will only receive feedback from extremely motivated users. This feedback can be useful, albeit biased.</p>

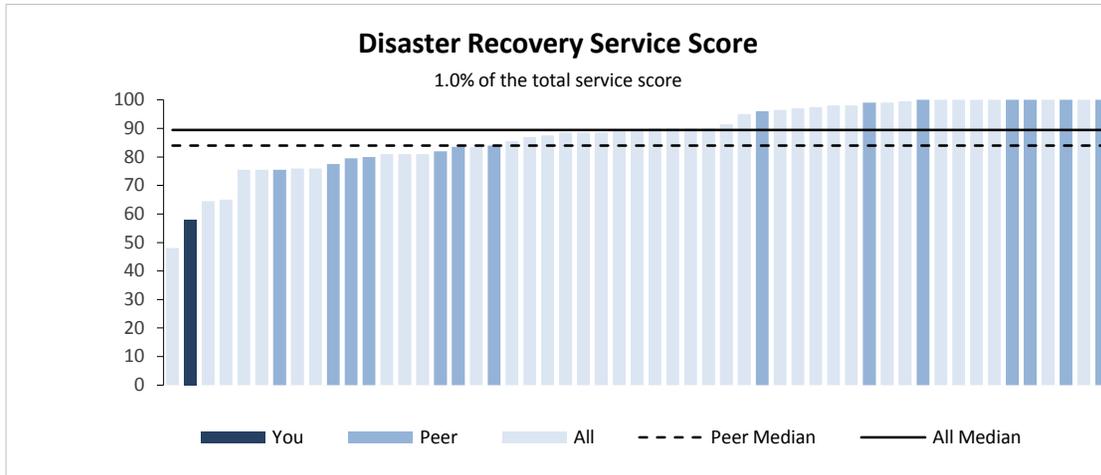
Satisfaction Surveying

3. Survey questions used							
Q121	Did you survey satisfaction regarding this activity in your most recently ended fiscal year?	If yes, for each activity surveyed:					
		Did the survey focus primarily on this single activity? (vs including other activities)	What was the longest possible time in days between the activity and the survey?	How often did you survey about the activity? (times per year)	Can you break down the survey results by service agent?	Is the survey delayed by at least 1 day from the date of the session?	Can you break down the survey results by topic covered?
Your Responses							
1-on-1 counseling	Yes	Yes	0	continuous	Yes	No	Yes
Member presentations	Yes	Yes	0	continuous	Yes	No	
Member telephone calls	Yes	Yes	0	continuous	Yes	No	No
Pension inception	No	n/a	n/a	n/a			
Written benefit estimates	No	n/a	n/a	n/a			
Website - secure member area	No	n/a	n/a	n/a			n/a
Withdrawals and Transfers-out	No	n/a	n/a	n/a			
Purchases and transfers-in	No	n/a	n/a	n/a			
Disability	No	n/a	n/a	n/a			
Peer Responses							
1-on-1 counseling	87% Yes	92% Yes	8	100% ≥ 12	85% Yes	46% Yes	46% Yes
Member presentations	93% Yes	100% Yes	7	100% ≥ 12	100% Yes	50% Yes	
Member telephone calls	73% Yes	73% Yes	79	73% ≥ 12	64% Yes	55% Yes	45% Yes
Pension inception	60% Yes	67% Yes	38	78% ≥ 12			
Written benefit estimates	47% Yes	57% Yes	34	86% ≥ 12			
Website - secure member area	40% Yes	33% Yes	147	50% ≥ 12			67% Yes
Withdrawals and Transfers-out	27% Yes	50% Yes	122	75% ≥ 12			
Purchases and transfers-in	33% Yes	60% Yes	100	80% ≥ 12			
Disability	53% Yes	50% Yes	115	75% ≥ 12			

Q122	You	Peer Avg
If you surveyed satisfaction regarding the secure member area on your website, was the survey electronic? [i.e., email or web based]	No	50% Yes
If yes:		
a) Was the survey a menu item that the user had to find and select (as opposed to a survey actively sent to the user via email or a pop up)?	n/a	25% Yes
b) Did you survey 100% of users (versus a sample such as every 100th user)?	n/a	50% Yes
b1) Do you survey all visitors (meaning the same unique user can be surveyed multiple times)?	n/a	100% Yes

Disaster Recovery

Your service score for disaster recovery was 58 out of 100. This was below the peer median of 84.



1. Scoring method		Your Data	Your Score
+ 20	if you have back-up equipment and premises arranged.	Yes	20.0
+ 35	if you can continue paying annuities in 2 days or less, otherwise 37.5 - 2.5 X days [Subject to a minimum score of 0]	5	25.0
+ 15	if you can return to normal inception volumes in 2 days or less, otherwise 16 - days / 2 [Subject to a minimum score of 0]	25	3.5
+ 10	if you can collect data and money from employers in 2 days or less, otherwise 11 - days / 2 [Subject to a minimum score of 0]	25	0.0
+ 10	if call center at current service levels in 2 days or less, otherwise 11 - days / 2 [Subject to a minimum score of 0]	3	9.5
+ 10	if you have an independent auditor that reviews and tests the disaster recovery plan	No	0.0
Total score			58.0

Disaster Recovery

2. Rationale for the scoring method

Good service includes planning and preparing for unexpected events and disasters.

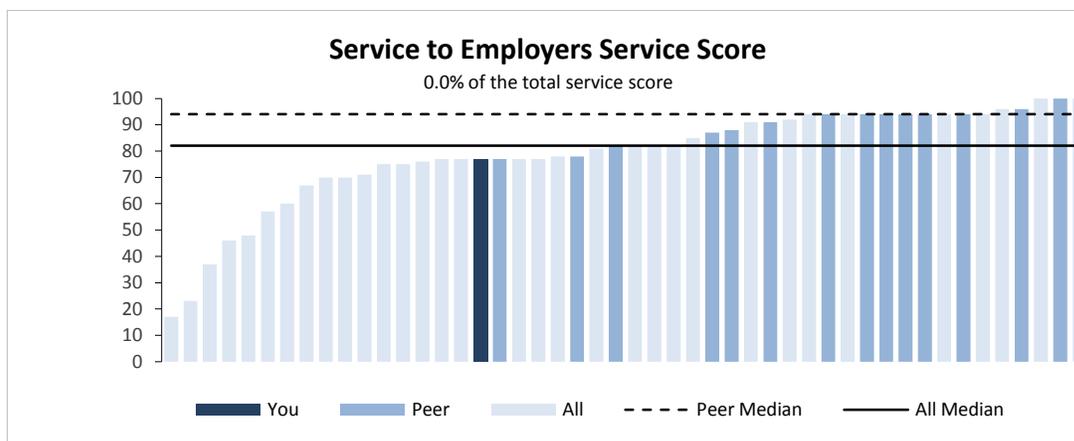
3. Survey questions used

		You	Peer Avg
Q117	Do you have back-up equipment and premises arranged for your operations if substantial damage occurs at your principal location?	Yes	100% Yes
Q118	Do you have an independent auditor that reviews and tests the disaster recovery plan?	No	53% Yes
Q119	If your principal location became inoperable due to some disaster (such as fire, tornado, etc), how long would it take, in business days, for you to:		
	a) Continue paying pension payments to retirees?	5	2 days
	b) Begin doing new pension inceptions at normal volumes?	25	8 days
	c) Collect data and money from employers?	25	4 days
	d) Respond to member calls at close to current service levels?	3	6 days

Employer Service Score

The employer service score is no longer included in the total service score. It was removed because (i) many systems could not provide the necessary data, and, (ii) employer service needs vary widely depending on the number and type of employers. CEM continues with research to provide a better, more meaningful employer service score. The employer service score had only an approximate 4.0% weight in the total service score so the impact of this change on your total service score was small.

Your service score for service to employers was 77 out of 100. This was below the peer median of 94.



1. Scoring method		Your Data	Your Score
<u>Communication</u>			
+ 17	if you have an employer targeted section on your website	Yes	17.0
+ 12	if you have 3 or more different targeted types of presentations for employers, otherwise 4 X number of types	8	12.0
+ 12	if you send newsletters for employers 4 or more times per year, otherwise 3 X newsletter frequency	33	12.0
<u>Satisfaction and service agreements</u>			
+ 7	if you do satisfaction surveying at least once per year	Continuous	7.0
+ 6	if you have service level agreements with your employers	No	0.0
<u>Reporting software</u>			
+ 17	if you maintain either general or customized reporting software	Yes	17.0
+ 12	if the reporting software is web-based	Yes	12.0
+ 8	if the software integrates collections and billing	No	0.0
+ 9	if the software provides real time error checking and feedback	No	0.0
Total score			77.0

Employer Service Score

2. Rationale for the scoring method

Having staff dedicated to servicing employers, providing generalized and/or customized collections reporting software, an up-to-date employer handbook, website, newsletter and training will help to reduce data errors and misinformation. Ultimately, this improves service to members.

3. Survey questions used

		You	Peer Avg
Q109	Do you have an employer targeted section on your website or a separate website for your employers? [Do not include PDF documents.]	Yes	100% Yes
Q111	How many different types of presentations did you give to employers?	8	6
Q112	Do you have a newsletter dedicated to employers that is different from the newsletter for members?	Yes	93% Yes
	a) If yes, how many times did you prepare and send an employer dedicated newsletter last year?	33	14
Q113	Do you have Service Level agreements with your employers that clarifies both your and the employer's service responsibilities and includes measurement and reporting vis-à-vis your responsibilities?	No	27% Yes
Q114	Do you offer and maintain generalized reporting software for your employer collection points?	Yes	100% Yes
	a) Is the application web-based? [i.e., you connect to it through a web browser]	Yes	100% Yes
	b) Can the software integrate both data collection and billing?	No	87% Yes
	c) Can it provide real-time error checking and feedback versus data previously submitted by the employer? [For example, can it identify an unusual increase in an employee's salary?]	No	67% Yes
Q115	Do you maintain customized reporting software for any of your employer collection points? [For example, you may maintain customized reporting software for your largest employer.]	No	13% Yes
Q121	a) Did you survey satisfaction regarding this activity in your most recently ended fiscal year?	Yes	87% Yes
	e) How often did you survey about the activity?	Continuous	31% ≥ 12

What would you have to do to achieve a perfect service score?

CEM is not recommending these changes. Higher service is not necessarily optimal or cost effective. We include this complete accounting of all changes required to have a perfect service score because many participants want to know what they would have to do to achieve a higher score. Given this context, you could add as much as 33.0 points (from 67.0 to 100) to your Total Service Score if you enhanced service in each activity as follows:

Service Activity	Potential Improvement
<u>1A Pension Payments (0.30 potential improvement to your total service score)</u>	
<ul style="list-style-type: none"> You provide payment advices with your ETF payments every time amount changes. To achieve a perfect service score you must provide payment advices with every ETF payment 	+ 0.10
<ul style="list-style-type: none"> You cannot comply with a request not to send a payment advice, and you do not ask new annuitants if they want to receive a pay slip. To achieve a perfect service score, you must either comply with a request not to send a payment advice or ask new annuitants if they want to receive a pay slip. 	+ 0.20
<u>1B Pension Inceptions (0.64 potential improvement to your total service score)</u>	
<ul style="list-style-type: none"> 1.0% of your service pension inceptions experienced a cashflow interruption greater than one month. To achieve a perfect service score 100% of your service pensions must be incepted without a cashflow interruption greater than one month. 	+ 0.06
<ul style="list-style-type: none"> 99.0% of your service pension inceptions are based on estimates which took an average of 6 months to finalize. To achieve a perfect service score you must either incept no pensions based on estimates, or if you do incept pensions based on estimates do so on average in less than a month. 	+ 0.57
<ul style="list-style-type: none"> 1.0% of your survivor pension inceptions experienced a cashflow interruption greater than one month. To achieve a perfect service score, 100% of your survivor pensions must be incepted without a cashflow interruption greater than one month. 	+ 0.01
<u>1C Withdrawals and Transfers-out (0.94 potential improvement to your total service score)</u>	
<ul style="list-style-type: none"> On average, you complete withdrawals in 60 days. To achieve a perfect service score, withdrawals must be completed in 30 days or less. 	+ 0.59
<ul style="list-style-type: none"> You complete transfers-out on average in 60 days. To achieve a perfect service score, transfers-out must be completed in 30 days or less. 	+ 0.35
<u>1D Purchases and Transfers-in (0.31 potential improvement to your total service score)</u>	
<ul style="list-style-type: none"> On average, you provide a service credit purchase in 5 days. To achieve a perfect service score, you must be able to provide a service credit purchase estimate in 1 day or less. 	+ 0.25
<ul style="list-style-type: none"> On average, you process member's transfer-in applications in 2 months. To achieve a perfect service score, a member's transfer-in application is processed in 1 month or less. 	+ 0.06
<u>1E Disability (0.68 potential improvement to your total service score)</u>	
<ul style="list-style-type: none"> On average, you return a decision on a disability application in 3 months. To achieve a perfect service score, you must return a decision on a disability application in 1 month or less. 	+ 0.68

2A Call Center (12.72 potential improvement to your total service score)

- 18.3% of your incoming calls resulted in undesired outcomes. To achieve a perfect service score, members must experience no undesired call outcomes. + 3.10
- On average, members calling your call center reach a knowledgeable person in 253 seconds. To achieve a perfect service score, members must reach a knowledgeable person on the phone in 20 seconds or less. + 3.82
- You do not notify members of expected wait time, or their place in the queue, when the expected wait exceeds a certain threshold. + 0.08
- On average, your response time to member emails is 2.0 days. To achieve a perfect service score, members' emails must be responded to in 0.5 days or less. + 0.25
- You have 3 menu layers. To achieve a perfect service score you must have one or fewer menu layers. + 1.70
- You are unable to provide an estimate of the member's pension at retirement on an immediate real-time basis over the phone. To achieve a perfect service score, you must be able to provide an estimate of the member's pension at retirement over the phone. + 0.74
- You are unable to provide an estimate that is linked to the member's actual account data on an immediate real-time basis over the phone. To achieve a perfect service score, you must be able to provide an estimate that is linked to the member's actual account data over the phone. + 0.89
- You are unable to model alternate annuity payment scenarios on an immediate real-time basis over the phone. To achieve a perfect service score, you must be able to model alternate annuity payment scenarios over the phone. + 0.52
- You are unable to provide service credit history including gaps on an immediate real-time basis over the phone. To achieve a perfect service score, you must be able to provide service credit history including gaps over the phone. + 0.30
- You are unable to estimate the cost to purchase service credit on an immediate real-time basis over the phone. To achieve a perfect service score, you must be able to estimate the cost to purchase service credit over the phone. + 0.52
- You cannot track call volume projections. To achieve a perfect service score, you must be able to track call volume projections. + 0.26
- On average, you review your staff's responses to member calls 3 times per month. To achieve a perfect service score you must review your staff's responses to member 4 or more times per month. + 0.44
- 93.7% of your calls are satisfied by their first contact. To achieve a perfect service score, 100% of calls must be satisfied by their first contact. + 0.10

2C 1-on-1 Counseling (2.07 potential improvement to your total service score)

- You do not provide 1-on-1 counseling outside of normal working hours. To achieve a perfect service score, 1-on-1 counseling must be available outside of normal working hours. + 0.19
- 0.5% of your total 1-on-1 sessions were located in the field. To achieve a perfect service score, the number of 1-on-1 sessions located in the field must be 25% or more. + 1.02
- Your wait time for pre-scheduled in-house counseling sessions was 18 days. To achieve a perfect service score there must be no wait time for pre-scheduled in-house counseling sessions. + 0.33
- Your average wait time for walk-in counseling was 5 minutes. To achieve a perfect service score there must be no wait time for walk-in counseling. + 0.09
- You do not provide new written estimates during you do not do 1-on-1 counseling 1-on-1 counseling sessions. To achieve a perfect service score, you must be able to provide a new written estimate during each of walk-in, pre-schedule in-house and in-the-field sessions. + 0.12

- You do not provide accurate service credit purchase cost estimates during you do not do 1-on-1 counseling 1-on-1 counseling sessions. To achieve a perfect service score, you must be able to provide accurate service credit purchase cost estimates during each of walk-in, pre-schedule in-house and in-the-field sessions. + 0.02
- You do not provide closed door, private office 1-on-1 counseling. To achieve a perfect service score you must provide closed door, private office 1-on-1 counseling. + 0.15
- You do not regularly review counselors for coaching purposes. To achieve a perfect service score you must regularly review counselors for coaching purposes. + 0.15

2D Presentations and Group Counseling (0.46 potential improvement to your total service score)

- 82.6% of your presentations are held in the field or via live webcast. To achieve a perfect service score 95% or more of your presentations must be held in the field or via live webcast. + 0.20
- On average, you had 28.1 attendees per presentation. To achieve a perfect service score you must average 20 attendees per presentation or fewer. + 0.26

2E Written Pension Estimates (1.39 potential improvement to your total service score)

- You provide estimates on average in 14 days. To achieve a perfect service score, the weighted average time required to provide written and online estimates must be same day or less. + 0.64
- You offer estimates through member statements and website. To achieve a perfect service score you must offer estimates via member statement, website and call center. + 0.62
- You limit the timeframe when members can request estimates. To achieve a perfect service score you cannot place a limit on the timeframe when members can request an estimate. + 0.13

2F Mass Communication - Website (8.85 potential improvement to your total service score)

- Your interactive calculator is not linked to member data. To achieve a perfect service score you must link member data to your interactive calculator. + 2.27
- You do not offer secure access to both salary and service credit data. To achieve a perfect service score you must offer secure access to both salary and service credit data. + 0.34
- Online salary and service credit data is not up-to-date to the most recent pay period. To achieve a perfect service score this data must be up-to-date to the most recent pay period. + 0.34
- You do not provide a complete annual history of salary and service credit data on your website. To achieve a perfect service a complete annual history of salary and service credit data must be available to members. + 0.23
- You do not greet members by name when they log-in to your website. To achieve a perfect service score you must greet members by name when they log-in. + 0.23
- Your members are forced to acknowledge a disclaimer every time they log-in. To achieve a perfect service score members must not forced to acknowledge a disclaimer every time they log-in or use the calculator. + 0.45
- You do not offer live chat on your website. To achieve a perfect score you must offer live chat on your website. + 0.23
- You do not offer a digital file which includes a history of recent correspondence and member documents on your website. To achieve a perfect score you must offer a digital file which includes a history of recent correspondence and member documents on your website. + 0.23
- You do not make all forms available online. To achieve a perfect service score all forms must be available to the member online. + 0.23
- Members cannot register for 1-on-1 counseling sessions in real-time online. To achieve a

- perfect score members must be able to register for 1-on-1 counseling sessions in real-time online. + 0.11
- You do not offer access to the secure member area to inactive members. To achieve a perfect score inactive members must have access to the secure member area. + 0.11
- Members cannot change their address online. To achieve a perfect score members must be able to change their address online. + 0.34
- Members cannot change beneficiaries online. To achieve a perfect score members must be able to change beneficiaries online. + 0.23
- Members cannot add or change their email address online. To achieve a perfect score members must be able to add or change their email address online. + 0.34
- Members cannot reset their password online. To achieve a perfect score members must be able to reset their password online. + 0.11
- Members cannot change their annuity deposit banking information online. To achieve a perfect score members must be able to change their annuity deposit banking information online. + 0.23
- Members cannot change their tax withholding amount online. To achieve a perfect score members must be able to change their tax withholding amount online. + 0.23
- Members cannot download or print tax receipts online. To achieve a perfect score members must be able to download or print tax receipts online. + 0.34
- Members cannot view their pension payment gross amounts and deductions (payment stubs) online. To achieve a perfect score members must be able to view their pension payment gross amounts and deductions (payment stubs) online. + 0.34
- Members cannot apply for retirement online. To achieve a perfect score members must be able to apply for retirement online. + 0.34
- Pensions initiated online requiring follow-up documents or signatures to be mailed in is n/a. To achieve a perfect score pensions initiated online requiring follow-up documents must be less than 50%. + 0.23
- Members cannot check the status of their retirement application online. To achieve a perfect score members must be able to check the status of their retirement application online. + 0.11
- Members cannot apply for a transfer-out or refund online. To achieve a perfect score members must be able to apply for a transfer-out or refund online. + 0.34
- Members cannot download a member statement online. To achieve a perfect score members must be able to download a member statement online. + 0.23
- Members cannot upload documents online in lieu of mailing hardcopies. To achieve a perfect score members must be able to upload documents online in lieu of mailing hardcopies. + 0.34
- Members cannot view pensionable earnings and/or service online without downloading. To achieve a perfect score members must be able to view pensionable earnings and/or service online without downloading. + 0.34

2F Mass Communication - Newsletters (0.34 potential improvement to your total service score)

- You do not send out personalized letters to members that are new. To achieve a perfect service score you must send out personalized letters to members that are new. + 0.06
- You do not send out personalized letters to members about to become vested in pension benefits. To achieve a perfect service score you must send out personalized letters to members about to become vested in pension benefits. + 0.06
- You do not send out personalized letters to members eligible, or likely eligible, to purchase service credit. To achieve a perfect service score you must send out personalized letters to members eligible, or likely eligible, to purchase service credit. + 0.06

- You do not send out personalized letters to members with no beneficiary on file. To achieve a perfect service score you must send out personalized letters to members with no beneficiary on file. + 0.06
- You do not send out personalized letters to members about to become vested for disability benefits. To achieve a perfect service score you must send out personalized letters to members about to become vested for disability benefits. + 0.03
- You do not send out personalized letters to members with no email address on file. To achieve a perfect service score you must send out personalized letters to members with no email address on file. + 0.03
- You do not send out personalized letters to members who have never visited the secure member area. To achieve a perfect service score you must send out personalized letters to members who have never visited the secure member area. + 0.03
- You do not publish member statements, your annual report, your newsletters, your website and your brochures or pamphlets in more than one language. To achieve a perfect service score you must publish member statements, your annual report, newsletters, website and brochures in a language other than English. + 0.03

2F Mass Communication - Member Statements (0.77 potential improvement to your total service score)

- Approximately 0.9% of members complain about the accuracy of data in their member statements. To achieve a perfect service score 0% of members complain about the accuracy of data in their member statements. + 0.10
- Your member statement data is current to 3 months. To achieve a perfect service score your member statement data must be current to one month or less. + 0.19
- You do not email notices to members that their member statements are available in the secure member area. To achieve a perfect service score you must make member statements available in the secure member area and email notices to members indicating that they are available. + 0.24
- Your member statements do not contain a summary of salary and service credit earned each year. To achieve a perfect service score member statements must contain a summary of salary and service credit earned each year. + 0.24

Satisfaction Surveying (3.11 potential improvement to your total service score)

a. 1-on-1 counseling (0.09 potential improvement to your total service score)

- Your survey satisfaction for 1-on-1 counseling was not delayed by as least one day from the session. To achieve a perfect service score you must wait at least one day from the session before surveying. + 0.09

b. Member presentations (0.06 potential improvement to your total service score)

- Your satisfaction survey for member presentations was not delayed by as least one day from the presentation. To achieve a perfect service score you must wait at least one day from the presentation before surveying. + 0.06

c. Member telephone calls (0.13 potential improvement to your total service score)

- You are unable to summarize member telephone calls satisfaction survey results by topic covered. To achieve a perfect service score you must be able to summarize member telephone calls satisfaction survey results by topic covered. + 0.07
- Your satisfaction survey for member telephone calls was not delayed by as least one day from the call. To achieve a perfect service score you must wait at least one day from the call before surveying. + 0.06

d. Pension inceptions (0.90 potential improvement to your total service score)

- You do not survey satisfaction for pension inception. To achieve a perfect service score you must do satisfaction surveying for pension inceptions where: (i) inceptions are the primary focus, (ii) the greatest length of time between the inception and the survey is 14 days or less, and (iii) the surveys are continuous or occur more than 11 times per year. + 0.90

e. Written pension estimates (0.57 potential improvement to your total service score)

- You do not survey satisfaction for pension estimates. To achieve a perfect service score you must do satisfaction surveying for pension estimates where: (i) estimates are the primary focus, (ii) the greatest length of time between the estimate and the survey is 14 days or less, and (iii) the surveys are continuous or occur more than 11 times per year. + 0.57

f. Website - secure member area (0.42 potential improvement to your total service score)

- You do not survey satisfaction for your website - secure member area. To achieve a perfect service score you must do satisfaction surveying for your website - secure member area where: (i) the website was the primary focus, (ii) the greatest length of time between the visit to the secure member area and the survey is 7 days or less, (iii) the surveys are continuous or occur more than 11 times per year, (iv) you can summarize results by area visited, (v) 100% of users are not surveyed, and (vi) the survey was not a menu item. + 0.42

g. Withdrawals & transfers-out (0.05 potential improvement to your total service score)

- You do not survey satisfaction for withdrawals and transfers-out. To achieve a perfect service score you must do satisfaction surveying for withdrawals and transfers-out where: (i) the withdrawals and transfers-out were the primary focus, (ii) the greatest length of time between the refund, lump-sum payment or transfers-out and the survey is 14 days or less, (iii) the surveys are continuous or occur more than 11 times per year. + 0.05

h. Purchases & transfers-in (0.37 potential improvement to your total service score)

- You do not survey satisfaction for purchases and transfers-in. To achieve a perfect service score you must do satisfaction surveying for purchases and transfers-in where: (i) the purchase or transfer-in were the primary focus, (ii) the greatest length of time between the purchases or transfer-in and the survey is 7 days or less, and (iii) the surveys are continuous or occur more than 11 times per year. + 0.37

i. Disability (0.52 potential improvement to your total service score)

- You do not survey satisfaction for disability. To achieve a perfect service score you must do satisfaction surveying for disability where: (i) disability was the primary focus, (ii) the greatest length of time between the disability decision and the survey is 14 days or less, and (iii) the surveys are continuous or occur more than 11 times per year. + 0.52

Disaster Recovery (0.42 potential improvement to your total service score)

- Following a disaster, you can continue to make pension payments in 5 days. To achieve a perfect service score you must be able to continue making pension payments in 2 days or less. + 0.10
- Following a disaster, you can return to normal inception volumes in 25 days. To achieve a perfect service score you must be able to return to normal inception volumes in 2 days or less. + 0.12
- Following a disaster, you can collect data and money from employers in 25 days. To achieve a perfect service score you must be able to collect data and money from employers in 2 days or less. + 0.10
- Following a disaster, your call center can return to normal service levels in 3 days. To achieve a perfect service score the call center must be able to return to normal service

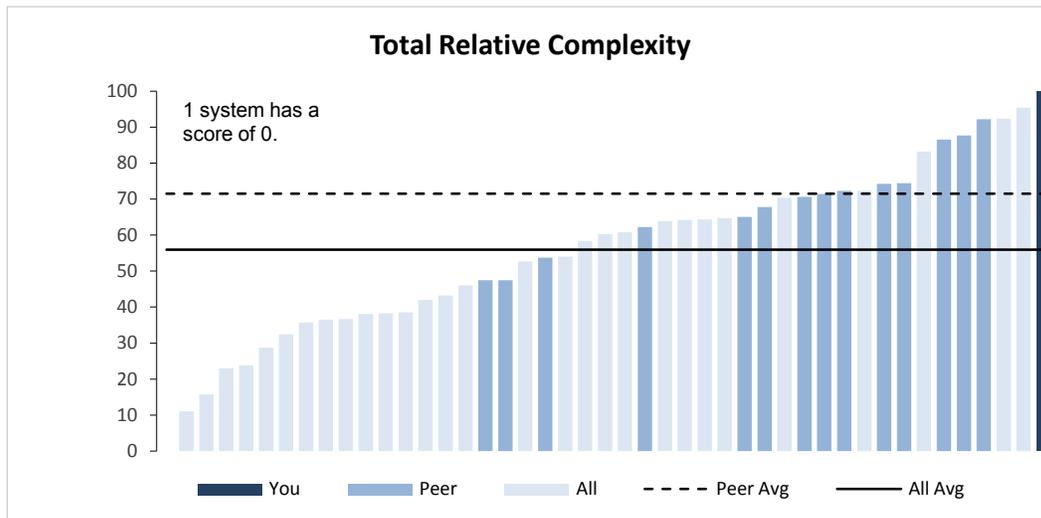
- levels in 2 days or less. + 0.01
- You do not have an independent auditor that reviews and tests the disaster recovery plan.
To achieve a perfect service score an independent auditor must review and test your
disaster recovery plan. + 0.09

Plan Complexity

This section:

- Identifies causes of retirement system complexity
- Compares your system's complexity to your peers and other retirement systems

Your relative complexity score was above the peer average.



Your total relative complexity equals the scaled weighted average of your complexity by cause. The causes of complexity, are summarized on the following page.

Use Caution When Interpreting Your Results

The complexity scores are relative measures. Relative measures rank all participants from relatively least to relatively most complex on a scale of 0 to 100. A low relative complexity score does not mean that your system is not complex, rather it means that your system is relatively less complex than your peers. All retirement systems are very complex, so even a system that has a 0 total relative complexity score is still very complex.

Scaling Methodology

Scaling your responses from 0 (least complex) to 100 (most complex) is done extensively throughout this section. The benefit of scaling is that all results and responses are converted to, and compared on, the same scale. This is true whether the responses range from 3 to 800 or from 1 to 3. The lowest response is always converted to 0 and the highest response is always converted to 100.

Your scaled score =

$$100 \times (\text{your response} - \text{minimum response}) / (\text{maximum response} - \text{minimum response})$$

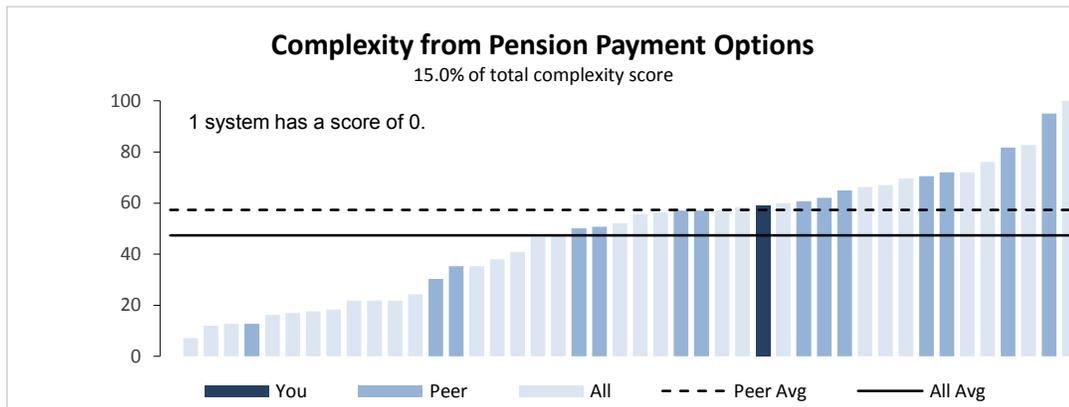
Often, complexity relationships are not linear. For example, the difference in complexity between a system with 1 retirement formula for all members versus a system with 10 different retirement formulas is much greater than the difference in complexity between a system with 10 retirement formulas and a system with 20 retirement formulas. Each additional retirement formula causes increasingly smaller increments in complexity. These diminishing increments in complexity are reflected mathematically by raising the responses to the power of 0.3 prior to using the scaling formula.

Complexity scores by cause

Your total relative complexity equals the scaled weighted average of your complexity by cause. Your relative complexity by cause is summarized in the table below. The remainder of this section shows how the scores were calculated.

Complexity Scores by Cause				
Cause	Weight	Relative Complexity (0 least - 100 most)		
		You	Peer Avg	All Avg
A Pension Payment Options	15.0%	59	57	47
B Customization Choices	20.0%	100	25	21
C Multiple Plan Types and Overlays	10.0%	95	52	33
D Multiple Benefit Formula	16.0%	27	43	34
E External Reciprocity	3.0%	35	29	23
F COLA Rules	4.0%	12	29	31
G Contribution Rates	3.0%	41	61	50
H Variable Compensation	4.0%	85	80	77
I Service Credit Rules	3.0%	63	61	51
J Divorce Rules	3.0%	100	69	67
K Purchase Rules	5.5%	55	68	59
L Refund Rules	4.0%	31	52	42
M Disability Rules	6.0%	82	78	58
N Translation	0.5%	0	8	28
O Defined Contribution Plan Rules	3.0%	100	60	36
Weighted Average (before scaling)	100.0%	66	49	40
Scaled Total Complexity - Average		100	72	56
Scaled Total Complexity - Median		100	71	60

A. Pension Payment Options Complexity



Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
10%	<p>Q139 Do you have a designer option where members can design virtually any actuarially sound cash flow they choose? [Designer options need to be custom priced by an actuary.] <i>Complexity: 100 if yes, otherwise 0.</i></p>	No 0	13% Yes 13	9% Yes 9
30%	<p>Q134 Do you offer "joint and survivor" options that are: a) Reduced to Beneficiary Only? [For example, If the beneficiary dies first, then the retiree's pension continues at the same level. However if the retiree dies first then the beneficiary receives a reduced pension (such as 70% for spouse).] b) Reduced to Last Survivor? [For example, if either the retiree or beneficiary dies the survivor receives a reduced pension (such as 70%, etc.).] c) "Reversion" or "Pop-up"? [For example, if the beneficiary dies first, the retiree's pension increases to an unmodified level. However, if the retiree dies first the pension does not increase for the surviving beneficiary (and it may decrease).] <i>Complexity: 100 if all 3 types (yes to a, b and c), 85 if both reduced to spouse and reduced to last (yes to a and b), 75 if reversion and either reduced to spouse or reduced to last (yes to c and either a or b), otherwise 0.</i></p>	Yes Yes Yes	80% Yes 27% Yes 87% Yes	76% Yes 27% Yes 56% Yes
10%	<p>Q135 How many Joint and Beneficiary or Survivor percentages (i.e., 100% Survivor, 50% Survivor, etc.) do you permit? [If you permit any % selected by the member, then indicate "unlimited".] <i>Complexity: 100 if unlimited, otherwise maximum of 100 and 10 X number of percentages.</i></p>	2 20	13 66	7 54

A. Pension Payment Options Complexity

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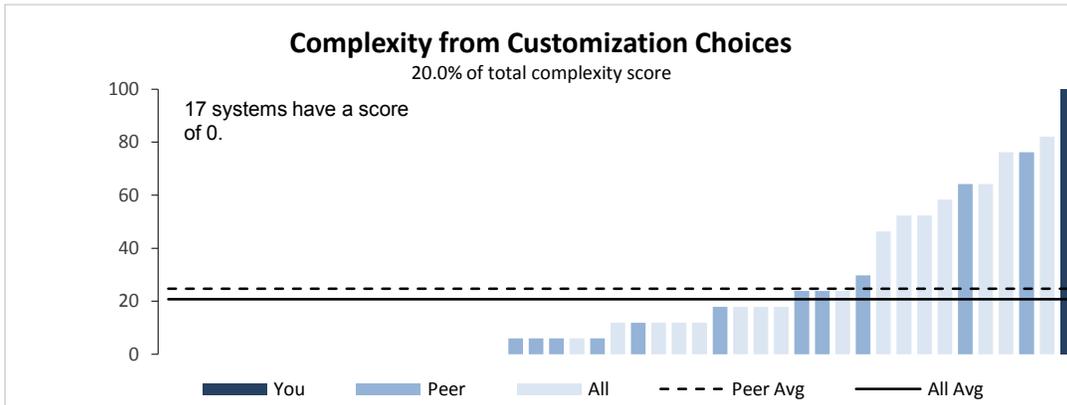
Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
10%	Q144 How many mortality tables do you keep track of for determining joint and survivor or beneficiary options? <i>Complexity: Scaled measure where the system that tracks the most mortality tables gets 100 and the least 0.</i>	1	18	8
		0	12	7
10%	Q136 Do any of your retirement formula for members explicitly subtract estimated Social Security (or CPP in Canada) when determining the benefit? a) If yes, is this true for all of your members or are some pensions reduced to reflect Social Security and others not? b) If yes, do you have a "Level Income" option for early retirees that pays a higher benefit to members prior to age 65 and then reduces the benefit at age 65 when social security (or CPP in Canada) starts to be paid? <i>Complexity: 50 if you adjust for social security + 25 if you adjust for some members but not all + 25 if you have a level income for early retirees.</i>	No	33% Yes	51% Yes
		n/a	0% Yes	39% Yes
		n/a	80% Yes	91% Yes
			0	32
5%	Q137 Do you have "High/ Low" or "Low/High" options that are not tied to social security? [For example, a retiree might want higher payments for 10 years until a mortgage obligation is repaid, followed by lower payments.] <i>Complexity: 100 if yes, otherwise 0.</i>	No	7% Yes	7% Yes
		0	7	7
5%	Q138 Do you offer "Annuity Certain" options? [For example, Annuity Certain options provide the annuitant with a monthly benefit for life. If the annuitant dies before a set guarantee period, monthly benefits continue to be paid to a beneficiary for the balance of the guarantee period.] <i>Complexity: 100 if yes, otherwise 0.</i>	Yes	67% Yes	56% Yes
		100	67	56
5%	Q140 Can a member choose between a COLA protected and a non-COLA pension? [The only example we have seen provides a much higher FAS salary base for the non-COLA pension.] <i>Complexity: 100 if yes, otherwise 0.</i>	No	0% Yes	4% Yes
		0	0	4

A. Pension Payment Options Complexity

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Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
5%	<p>Q141 Do you have a Deferred Retirement Option Plan (“DROP”)? [This option allows eligible employees to receive payment of retirement benefits while continuing to work. These payments are usually deposited into a separate account, and the total accumulated value of this account is paid via lump sum to the employee on actual retirement.] <i>Complexity: 100 if yes, otherwise 0.</i></p>	No 0	20% Yes 20	20% Yes 20
5%	<p>Q142 At retirement, can a member convert: a) Part of his benefit into a partial lump sum payment? b) All of his benefit into a lump sum or commuted value payment? [That can be rolled over to another fund, or investment account, etc.] <i>Complexity: 100 if yes to a or b, 0 if no.</i></p>	No 0	73% Yes 80	40% Yes 56
5%	<p>Q143 Are members permitted to retire mid-month (in which case they receive a partial pension payment for the remainder of the month) or are they always assumed to retire on a set day (usually the first or the last day) of the month? <i>Complexity: 100 if any day, otherwise 0.</i></p>	Any Day 100	33% Any 33	36% Any 36
100%	<p>Weighted Average Scaled Complexity Score for Pension Payment Options</p>	42 59	41 57	34 47

B. Customization Choices Complexity



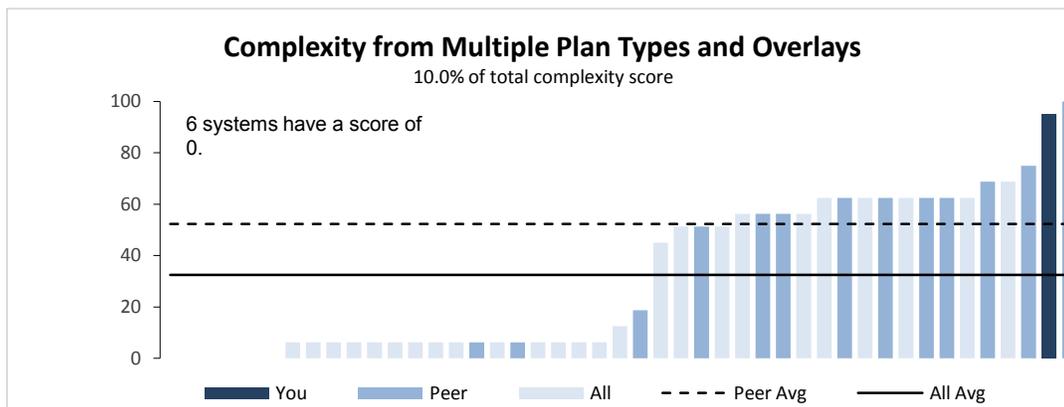
Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
Q175	Can either existing employers, or a new employer joining your system, choose:			
	a) Whether they offer early retirement, or a window of early retirement?	No	27% Yes	20% Yes
	b) Whether or not part-time employees are eligible?	No	7% Yes	9% Yes
	c) Whether employee contributions are paid pre or post tax?	No	47% Yes	18% Yes
	d) Whether they pay for employee contributions themselves, or not?	Yes	53% Yes	29% Yes
	e) Position coverage based on predetermined rule sets? [For example, employers can choose from a list of pre-determined rules sets such as 1.5% X FAS for General and 2.5% X FAS for Law Enforcement. Employers may have flexibility to determine eligibility for each group.]	No	20% Yes	9% Yes
	f) Contribution levels and/ or match rates? [For example, at Texas MRS, employers can choose employee deposit rates of 5%, 6% or 7% and employer match rates of 1 to 1, 1.5 to 1 or 2 to 1. We think this only applies to money match and DC plans because for DB plans the promised benefit determines the contribution.]	No	13% Yes	9% Yes
	g) To pay for one-time improvements in retiree or member benefits? [For example, one fund's employers can elect to pay to improve the money purchase entitlement of their members.]	Yes	13% Yes	16% Yes

B. Customization Choices Complexity

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Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
	<p>Q176 When new employers join your system, do they have the flexibility to customize any of the following items: If yes, indicate the number of standard choices for that item.</p> <p>a) Benefit program multipliers? [i.e., 2% per year of service, 2.5% per year of service, etc.]</p> <p>b) Final salary definition? [i.e., Sick Leave in or out, Final 1 year, Highest 5 consecutive years, etc]</p> <p>c) Retirement eligibility rules? [i.e., age and/or years of service required to retire]</p> <p>d) Cost of living adjustment rules? [i.e., CPI capped at 2%, CPI uncapped, etc]</p> <p>e) Vesting period?</p> <p>f) Service credit purchase categories?</p> <p>g) Death benefit coverage? [i.e., one system has 3 choices: none, \$5,000 and \$10,000]</p> <p>h) Disability coverage rules?</p> <p>i) Choice as to whether and how contributions and benefits are coordinated with social security?</p> <p>j) Other (describe)?</p> <p>Total Customization Choices [Sum of 1 for each yes in Q175 + sum of # of choices in Q176]</p>			
		n/a	n/a	n/a
		n/a	2	2
		n/a	n/a	3
		n/a	n/a	2
		n/a	n/a	n/a
		5	4	3
		n/a	n/a	n/a
		2	2	2
		n/a	n/a	1
		n/a	1	2
		9	3	2
90%	<i>Complexity: Scaled measure where the system with the most customization choices receives 100 and the least 0.</i>	13	4	3
	<p>Q177 Can an existing employer change any of the choices (per question 176 above), effectively creating a new or altered rule set, at any time?</p> <p><i>Complexity: 100 if yes, otherwise 0.</i></p>	Yes	20% Yes	23% Yes
10%		100	20	22
100%	Weighted Average	22	5	4
	Scaled Complexity Score for Customization Choices	100	25	21

C. Multiple Plan Types and Overlays Complexity



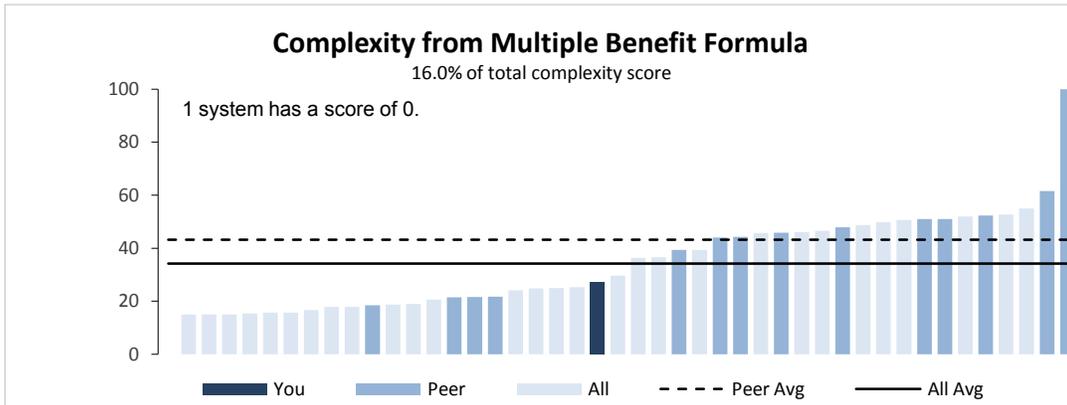
Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
	Q124 Which of the following descriptions best describes the non-optional benefit plans that you administer for each of your member groups:			
	a) Traditional Defined Benefit ("DB")?	No 87%	Yes 89%	Yes
	b) DB Cash Balance (aka Money Purchase)?	No 13%	Yes 8%	Yes
	c) Hybrid DB/ DC Cash Balance?	No 7%	Yes 6%	Yes
	d) Hybrid DB/ Money Match?	No 7%	Yes 2%	Yes
	e) DROP savings?	No 13%	Yes 9%	Yes
	f) Defined Contribution ("DC")?	No 27%	Yes 13%	Yes
	g) Hybrid DB/ DC?	Yes 60%	Yes 27%	Yes
	h) Other (describe)?	<u>No 7%</u>	<u>Yes 10%</u>	<u>Yes</u>
	Total number of different plan types. Hybrid plans count as 2 types.	2.0	2.9	2.1
45%	Complexity: 100 if 3 or more different plan types, 80 if 2, 0 if 1.	80	71	44

C. Multiple Plan Types and Overlays Complexity

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Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
30%	<p>Q125 Do members in any of your defined benefit plan(s) have the option of electing: [These questions are not applicable for DC plans or the DC portion of hybrid DB/DC plans]</p> <p>a) A 'variable investment option' that can increase or decrease the value of a member's future DB pension depending on the investment performance of a 'variable fund'?</p> <p><i>Complexity: 100 if yes, otherwise 0.</i></p>	Yes 100	13% Yes 13	4% Yes 4
10%	<p>b) A 'pension savings overlay'? [Some Dutch systems have this option. The additional contributions are converted into an annuity at retirement. Interest is based on a fixed percentage or on the performance of the pension fund.]</p> <p><i>Complexity: 100 if yes, otherwise 0.</i></p>	Yes 100	27% Yes 27	9% Yes 9
10%	<p>c) To change their contribution rate in order to get either more money at retirement or earlier eligibility to retire?</p> <p><i>Complexity: 100 if yes, otherwise 0.</i></p>	No 0	0% Yes 0	4% Yes 4
5%	<p>Q126 Do you have a Highly Compensated Employee replacement benefit program for employees that exceed legal or contractual limits of maximum pensionable earnings?</p> <p><i>Complexity: 100 if yes, otherwise 0.</i></p>	No 0	67% Yes 67	67% Yes 67
100%	<p>Weighted Average</p> <p>Scaled Complexity Score for Multiple Plan Types and Overlays</p>	76 95	42 52	26 33

D. Multiple Benefit Formula Complexity



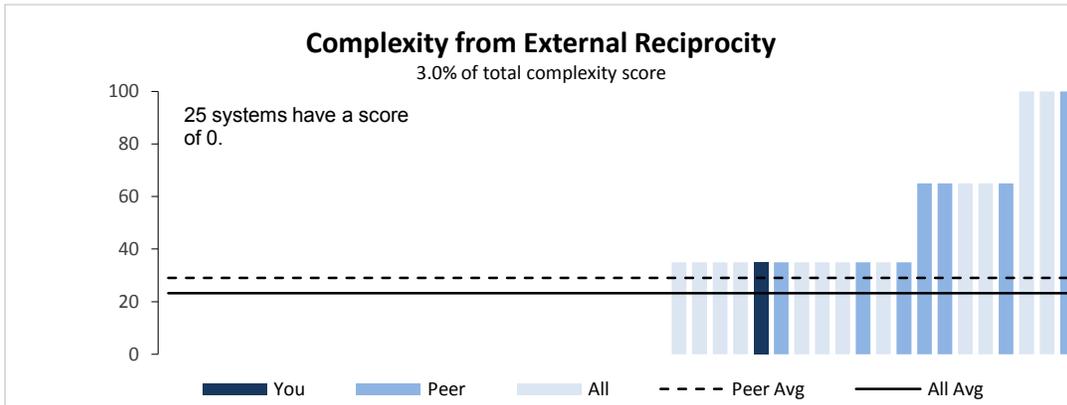
Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
30%	Q148 How many different rule sets do you have that apply to member groups or subsets of a member group for qualifying for an unreduced retirement formula? <i>Complexity: Scaled measure where the system with the most rule sets gets 100 and the least 0.</i>	13	14	9
		13	14	8
5%	Q149 Can members retire earlier than the age required for an unreduced retirement formula? <i>Complexity: 100 if yes, 0 if no</i>	Yes 100	100% Yes 100	98% Yes 98
20%	Q150 How many different salary definitions could apply in retirement formula calculations? <i>Complexity: Scaled measure where the system with the most salary definitions receives 100 and the least 0.</i>	2	5	4
		55	69	62
25%	Q151 How many different 'formula percentage' rule sets could apply in unreduced retirement formulas? <i>Complexity: Scaled measure where the system with the most rule sets gets 100 and the least 0.</i>	8	12	7
		21	21	14

D. Multiple Benefit Formula Complexity

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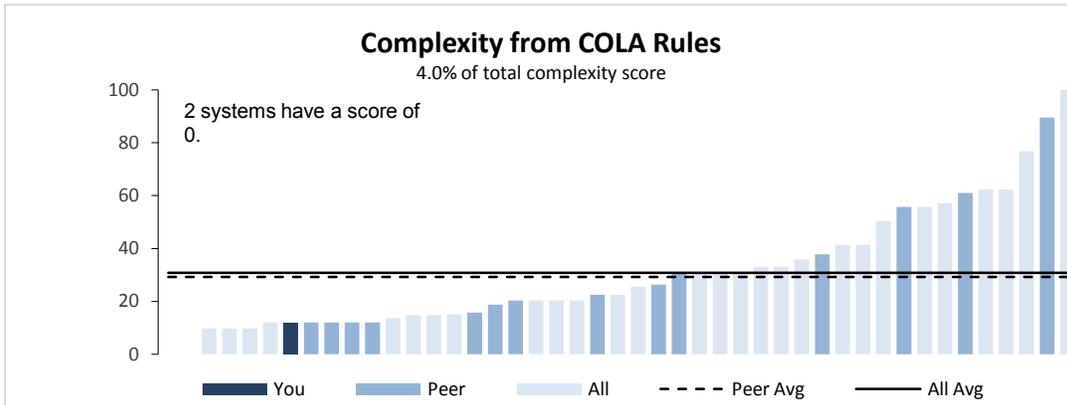
Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
	<p>Q152 Do you have different employers with different benefit formula? If yes, which of the following happens when a member moves from one employer that you administer to another with a different benefit formula? [For example, moves from PERS to Law Enforcement.]</p> <p>a) Each system uses its own formula and salary data to determine the benefit.</p> <p>b) Each system applies its own formula but uses either the salary earned in the last system, or the highest salary (or salaries) in either system.</p> <p>c) The highest formula will apply.</p> <p>d) The formula of the plan where the member works last will apply.</p> <p>e) Other (describe).</p>	No	67% Yes	49% Yes
		n/a	50% Yes	59% Yes
		n/a	30% Yes	36% Yes
		n/a	20% Yes	9% Yes
		n/a	30% Yes	36% Yes
		n/a	10% Yes	23% Yes
20%	<i>Complexity: 100 if b or c apply, 80 if d or e, 60 if a, otherwise 0.</i>	0	59	42
100%	Weighted Average	25	40	32
	Scaled Complexity Score for Multiple Benefit Formula	27	43	34

E. External Reciprocity Complexity



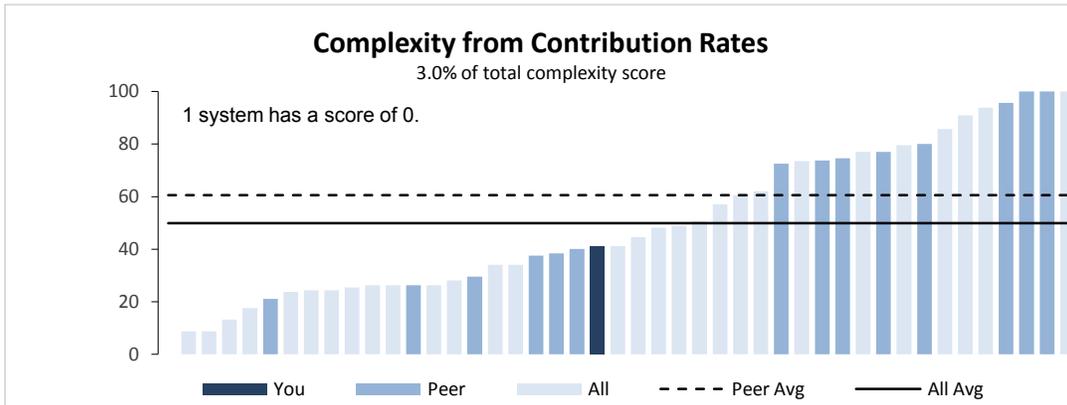
Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
35%	<p>Q153 Do you have agreements with external systems where you both agree to use the member's final salary from the system where the member worked immediately prior to retirement in the benefit calculation? [Otherwise, each system pays the "dual" member a pension benefit based on its own rules for determining the benefit. Neither credit nor money are transferred between systems.] <i>Complexity: 100 if yes, otherwise 0.</i></p>	Yes 100	33% Yes 33	33% Yes 33
65%	<p>Q154 Do you have agreements with external Systems where the member may combine internal and external credit to form one joint account? <i>Complexity: 100 if yes, otherwise 0.</i></p>	No 0	27% Yes 27	18% Yes 18
100%	<p>Weighted Average Scaled Complexity Score for External Reciprocity</p>	35 35	29 29	23 23

F. COLA Rules Complexity



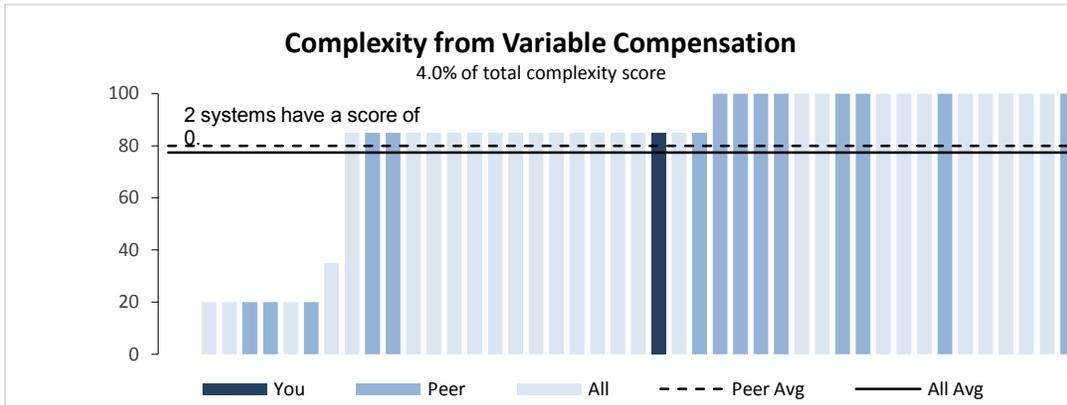
Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
20%	<p>Q145 How many different cost of living adjustment ("COLA") rule sets do you have for retired, and if applicable, inactive members? (These rule sets may be either contractual or legislated.) <i>Complexity: Scaled measure where the system with the most rule sets receives 100 and least receives 0.</i></p>	2	4	3
40%	<p>Q146 Do you have:</p> <p>a) Cost of living adjustment ("COLA") clauses that carry forward inflation that exceeds a cap (versus no cap or no carry forward or no COLA etc.)? <i>Complexity: 100 if yes, otherwise 0.</i></p>	No 0	20% Yes 20	20% Yes 20
10%	<p>b) Conditional COLA based on the level of funding? <i>Complexity: 100 if yes, otherwise 0.</i></p>	No 0	27% Yes 27	36% Yes 36
20%	<p>c) Umbrella legislation that guarantees the purchasing power of an annuitants' pension will not fall below a certain level? [An example of such legislated protection is the PPPA in California.] <i>Complexity: 100 if yes, otherwise 0.</i></p>	No 0	13% Yes 13	18% Yes 18
5%	<p>Q147 Do you have COLA clauses that increase the base pensionable earnings of inactive members? <i>Complexity: 100 if yes, otherwise 0.</i></p>	No 0	20% Yes 20	36% Yes 36
5%	<p>a) If yes, are these COLA increases the same as they are for annuitants? <i>Complexity: 100 if yes, otherwise 0.</i></p>	n/a 0	33% Yes 7	69% Yes 24
100%	<p>Weighted Average Scaled Complexity Score for COLA Rules</p>	11 12	28 29	29 31

G. Contribution Rates Complexity



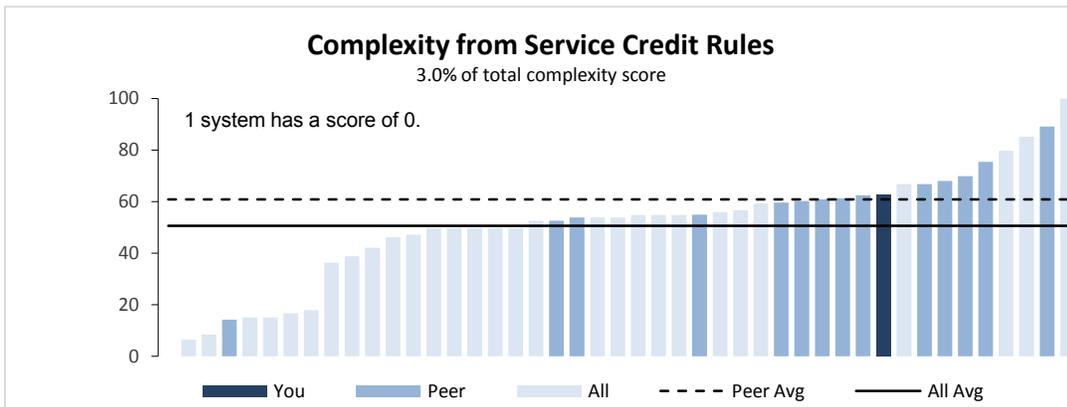
Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
40%	Q178 How many different contribution percentages do you collect from: a) Employers? [For example, single member group systems may have only one contribution percentage whereas some multi-plan systems may collect numerous different contribution rates from various participating employers.] <i>Complexity: 100 if 10 or more, otherwise 10 X number of contribution percentages subject to a maximum of 100.</i>	4	326	138
	b) Members? <i>Complexity: 100 if 10 or more, otherwise 10 X number of contribution percentages subject to a maximum of 100.</i>	4	9	11
		40	48	42
17%	Q179 Which of the following payment methods for employee contributions occur in the plans that you administer: a) No employee contributions? b) Employer pays his part and also the employee contributions? c) Employer withholds employee contributions pre-tax from his salary? d) Employer withholds employee contributions post-tax from his salary? <i>Complexity: 100 if all 4 methods are possible, 66 if 3 methods, 33 if 2 methods, 0 if 1 method.</i>	No Yes Yes No	33% Yes 60% Yes 100% Yes 67% Yes	29% Yes 47% Yes 98% Yes 33% Yes
		33	53	35
	Q180 Do you have any other contributions in addition to the regular employee and employer contributions? [For example, Ohio SERS collects a surcharge for members who earn less than a minimum compensation amount.] <i>Complexity: 100 if yes, otherwise 0.</i>	No	47% Yes	44% Yes
		0	47	44
100%	Weighted Average	38	55	45
	Scaled Complexity Score for Contribution Rates	41	61	50

H. Variable Compensation Complexity



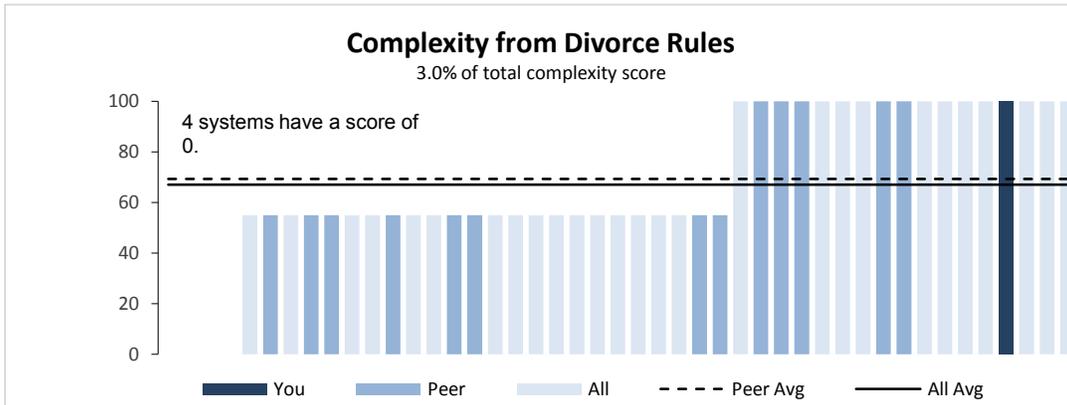
Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
20%	<p>Q173 Indicate which of the following forms of variable compensation are paid in your system. And, if paid, indicate whether all, some or none of that type of variable compensation is included in pensionable earnings.</p> <p>a) Bonuses?</p> <p>b) Allowances, such as remote location pay or 'high risk' duty allowance or a car allowance?</p> <p>c) Overtime pay?</p> <p>d) Commissions or similar payments such as fees paid to sheriffs for process serving?</p> <p><i>Complexity: 100 if variable compensation is paid in your system, otherwise 0.</i></p>	Yes	87% Yes	89% Yes
		Yes	87% Yes	84% Yes
		Yes	93% Yes	84% Yes
		Yes	40% Yes	42% Yes
		100	100	96
65%	<p>If yes, is all, some or none of it included in pensionable earnings?</p> <p>a) Bonuses?</p> <p>b) Allowances, such as remote location pay or 'high risk' duty allowance or a car allowance?</p> <p>c) Overtime pay?</p> <p>d) Commissions or similar payments such as fees paid to sheriffs for process serving?</p> <p><i>Complexity: 100 if some types of variable compensation paid are included and some are not (i.e., either any of the above is 'some' or there is a mix of 'all' and 'none'), otherwise 0.</i></p>	All	24% All	16% All
		Some	16% All	16% All
		All	79% All	56% All
		All	51% All	37% All
		100	80	80
15%	<p>Q174 When determining a member's pensionable earnings does a cap on salary increases apply?</p> <p><i>Complexity: 100 if yes, 0 if no</i></p>	No	53% Yes	42% Yes
		0	53	42
100%	Weighted Average	85	80	77
	Scaled Complexity Score for Variable Compensation	85	80	77

I. Service Credit Rules Complexity



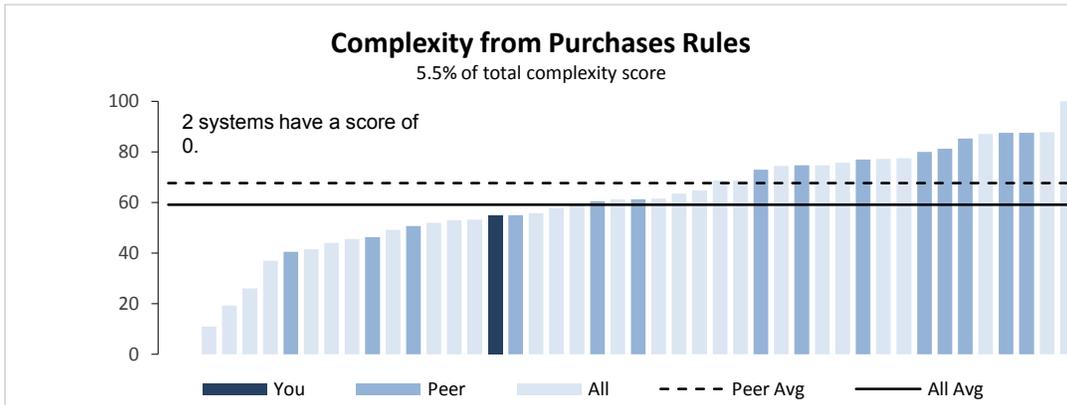
Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
30%	Q155 How many different definitions do you have for a "full year" of service credit? <i>Complexity: Scaled measure where the system with the most different definitions receives 100 and least receives 0.</i>	2	4	6
		6	12	12
30%	Q156 Does your system have more than one payroll year for determining service credit? a) If yes, how many different payroll years exist in your system? <i>Complexity: Scaled measure where the system with the most different payroll years receives 100 and least receives 0.</i>	Yes 2	33% Yes 4	24% Yes 6
		13	8	8
5%	Q157 How many different vesting periods do you have that apply to active members? [Your answer should be 0 if you have immediate vesting. Most North American systems have only one.] <i>Complexity: Scaled measure where the system with the most different vesting periods receives 100 and least receives 0.</i>	1	3	2
		54	66	52
30%	Q158 b) Casual/ temporary/ intermittent/ seasonal employees to be members? [An example of a "temporary" employee is an infrequent substitute teacher.] <i>Complexity: 100 if yes, otherwise 0.</i>	Yes 100	93% Yes 93	76% Yes 76
5%	Q159 Are you sometimes asked by employers to determine the eligibility of members? <i>Complexity: 100 if yes, otherwise 0.</i>	Yes 100	93% Yes 93	87% Yes 87
100%	Weighted Average Scaled Complexity Score for Service Credit Rules	43 63	42 61	36 51

J. Divorce Rules Complexity



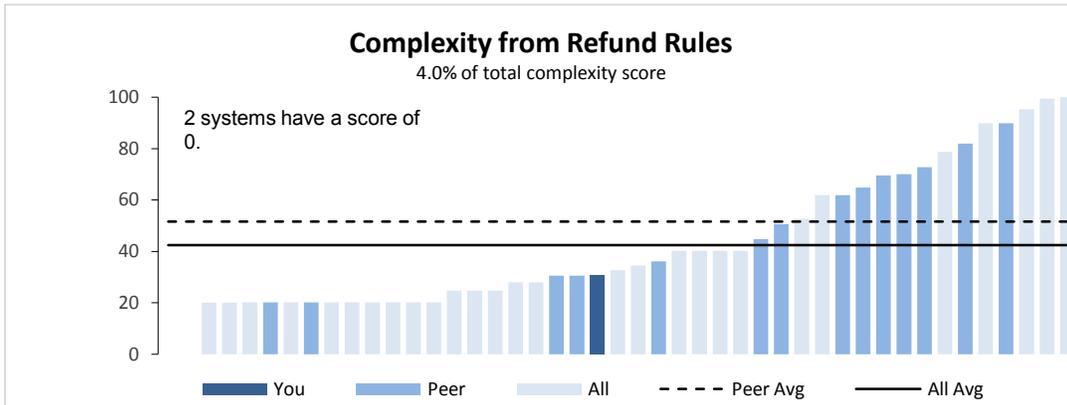
Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
100%	<p>Q186 Choose the statement that best describes how divorce settlements for active members (or divorce decrees or QDROS, or QILDROS, or Division of Benefit Orders, etc.) impact your system. If you have different rules for different plans, choose the statement that applies to the largest number of cases.</p> <p>a) Minimal impact. Law prevents you from paying the pension to anybody except the member and the member's specified beneficiaries.</p> <p>b) Minimal impact unless children are involved. With children you may be required to redirect payment.</p> <p>c) A portion of the pension is paid to the ex-spouse, but ONLY when the member begins receiving benefits.</p> <p>d) A portion of the pension is paid to the ex-spouse. The ex-spouse can initiate the pension at a time different than the member provided that eligibility conditions are met.</p> <p>e) Other (describe)</p> <p><i>Complexity: 100 if yes to d, 55 if yes to c or e, 5 if yes to b, otherwise 0.</i></p>	<p>No</p> <p>No</p> <p>No</p> <p>Yes</p> <p>No</p> <p>100</p>	<p>13% Yes</p> <p>0% Yes</p> <p>60% Yes</p> <p>40% Yes</p> <p>13% Yes</p> <p>69</p>	<p>14% Yes</p> <p>0% Yes</p> <p>48% Yes</p> <p>38% Yes</p> <p>14% Yes</p> <p>67</p>
100%	Weighted Average	100	69	67
	Scaled Complexity Score for Divorce Rules	100	69	67

K. Purchase Rules Complexity



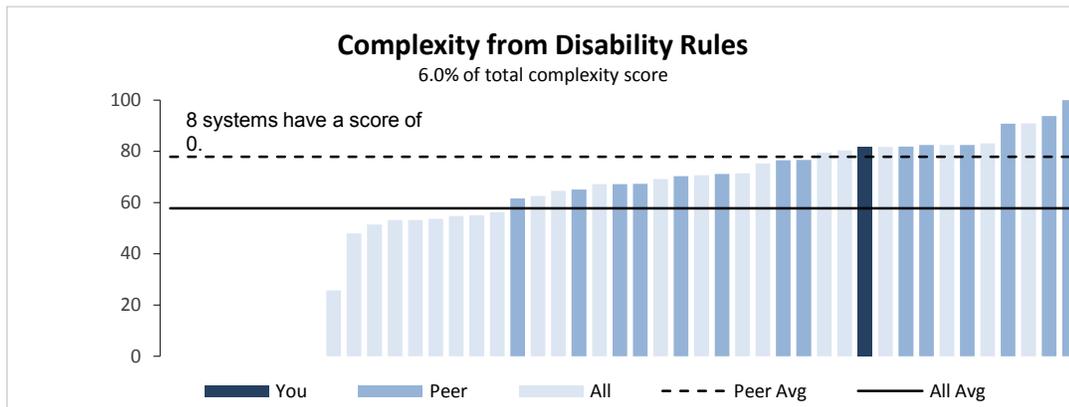
Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
25%	<p>Q160 Indicate each of the payment methods you permit for service credit purchases and upgrades:</p> <p>a) Rollover from tax qualified plans such as 401(a) or 401(k) or Conduit IRA or KEOGH in the US; or RRSP plans in Canada?</p> <p>b) Lump sum payments from members?</p> <p>c) Installment payments direct from members?</p> <p>d) Installment payments via payroll deduction through employers?</p> <p><i>Complexity: 10 if rollover + 10 if lump sum direct from member + 40 if installment direct from member + 40 if installment through payroll deduction.</i></p>	<p>Yes 100% Yes 98% Yes</p> <p>Yes 100% Yes 88% Yes</p> <p>No 60% Yes 62% Yes</p> <p>No 60% Yes 54% Yes</p>		
		20	68	68
	<p>Q161 How many different service credit purchase categories do you have with different definitions and/or eligibility requirements?</p> <p><i>Complexity: 7 X the number of categories (subject to a maximum of 100).</i></p>	7	14	12
		49	79	66
25%	<p>Q162 How many different service credit purchase calculation formula or methodologies do you have?</p> <p><i>Complexity: 15 X the number of formula (subject to a maximum of 100).</i></p>	9	8	6
	100	81	69	
25%	<p>Q163 Are your service credit purchase rules (category definitions, eligibility requirements and calculation methodologies):</p> <p>a) Essentially identical for all your members?</p> <p>b) Similar for all member groups, albeit with some differences?</p> <p>c) Very different for different member groups?</p> <p><i>Complexity: 100 if very different for all member groups, 50 if some differences between member groups, otherwise 0.</i></p>	<p>No 27% Yes 45% Yes</p> <p>Yes 60% Yes 44% Yes</p> <p>No 13% Yes 14% Yes</p>		
		50	43	33
	100%	<p>Weighted Average</p> <p>Scaled Complexity Score for Purchase Rules</p>	55	68
		55	68	59

L. Refund Rules Complexity



Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
67%	Q164 Do you pay a one-time death payment when a member, retiree or the retiree's beneficiary dies (separate from the survivor pension)? a) If yes, how many different one-time death payment rule sets do you have? [i.e., \$5,000, \$2,000 etc.] <i>Complexity: Scaled measure where the system with the most different rule sets gets 100 and the system with the least gets 0.</i>	No	60% Yes	60% Yes
		n/a	4	3
		0	32	25
33%	Q165 How many different refund formulas do you have? <i>Complexity: Scaled measure where the system with the most different refund formulas gets 100 and the system with the least gets 0.</i>	4	3	3
		81	74	62
100%	Weighted Average	27	46	38
	Scaled Complexity Score for Refund Rules	31	52	42

M. Disability Rules Complexity



Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
20%	<p>Q29 Do you administer: a) Long-term disability/ disability pensions? <i>Complexity: 100 if you administer, otherwise 0.</i></p>	Yes 100	100% Yes 100	82% Yes 82
10%	<p>Q171 How many different rule sets with different definitions or benefits do you have that apply to member groups or subsets of a member group for: a) Long-term disability/ disability pensions? <i>The Complexity measure scales the responses so that the system with the most rule sets equals 100 and the least equals 0.</i></p>	7 42	9 39	6 27
5%	<p>Q29 Do you administer: b) Short-term disability?</p> <p>Q171 How many different rule sets with different definitions or benefits do you have that apply to member groups or subsets of a member group for: b) Short-term disability (if you administer it yourself)? <i>The Complexity measure scales the responses so that the system with the most rule sets equals 100 and the least equals 0.</i></p>	Yes 2 46	20% Yes 5 13	11% Yes 3 6
10%	<p>Q31 Do you cover non-occupational disability? [Some systems only cover disabilities that happen at work.] a) If yes, does either the amount paid or the taxation of the disability benefit vary depending on whether the disability is occupational versus non-occupational? <i>Complexity: 100 if you have to determine whether or not the disability occurred at work and you have an independent decision process, otherwise 0.</i></p>	Yes No 0	100% Yes 60% Yes 60	100% Yes 49% Yes 40

M. Disability Rules Complexity

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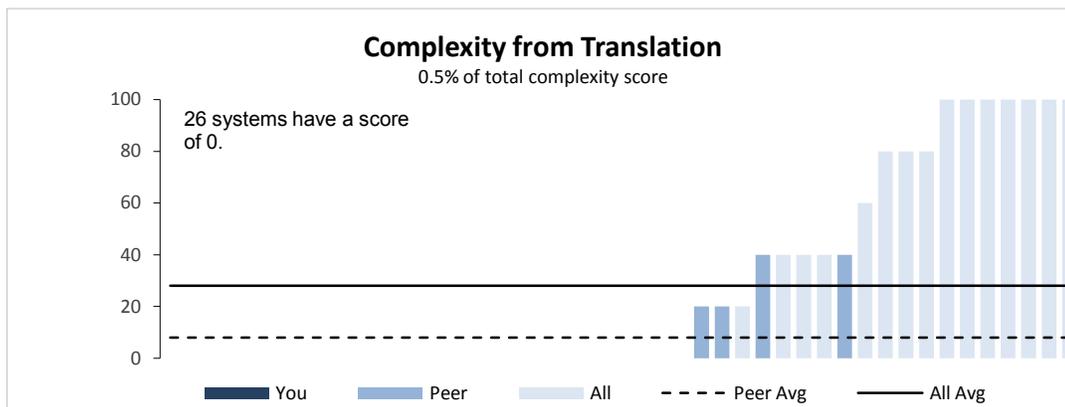
Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
10%	<p>Q133 b) Check income of disabled members after they have started receiving disability payments? <i>Complexity: 100 if yes, otherwise 0.</i></p>	Yes 100	87% Yes 87	63% Yes 53
10%	<p>Q167 Will you pay a disabled member that returns to work at a salary lower than he previously earned: a) The difference between his old salary (or his old disability benefit) and his new lower salary? b) An amount that is potentially greater than the difference between his old salary and his new lower salary? <i>Complexity: 100 if yes to b, 80 if yes to a, otherwise 0.</i></p>	No No 0	20% Yes 7% Yes 17	14% Yes 6% Yes 12
15%	<p>Q168 How do you determine whether a member qualifies for long-term disability/ disability pension: c) Process independent of social security, worker's compensation and employer decisions? [For example, many systems use independent internal processes or medical review boards or medical consultants.] <i>Complexity: 100 if yes, otherwise 0.</i></p>	Yes 100	100% Yes 100	95% Yes 80
10%	<p>Q169 Which of the following descriptions best describes the MINIMUM level of disability necessary to be eligible for a long-term disability/ disability pension: [If you have different plans with different definitions, choose the definition that applies to the largest number of cases.] a) Disabling injury or illness that prevents you from performing your current job duties (even though you might be able to perform other jobs) and expected to be permanent (or for some systems - persist longer than 6 or 12 months)? b) Disabling injury or illness that prevents the member from performing current and 'other' jobs that he/she is qualified for and/or can become qualified to do in a reasonable period of time and expected to be permanent (or for some systems - persist longer than 6 or 12 months)? [Sometimes but not always the 'other job' is defined as not able to earn a certain level (i.e., 75%) of pre-disability earnings.] c) Totally and permanently incapacitated and member is not reasonably expected to recover from disabling medical condition or not expected to ever work again? d) Other (describe)? <i>Complexity: If your decision process is independent (i.e., yes to c), then 100 if yes to b, 90 if yes to a, 50 if yes to c, 25 if yes to d, otherwise 0.</i></p>	No Yes No No 100	47% Yes 27% Yes 13% Yes 27% Yes 11% Yes 82	55% Yes 19% Yes 28% Yes 11% Yes 65

M. Disability Rules Complexity

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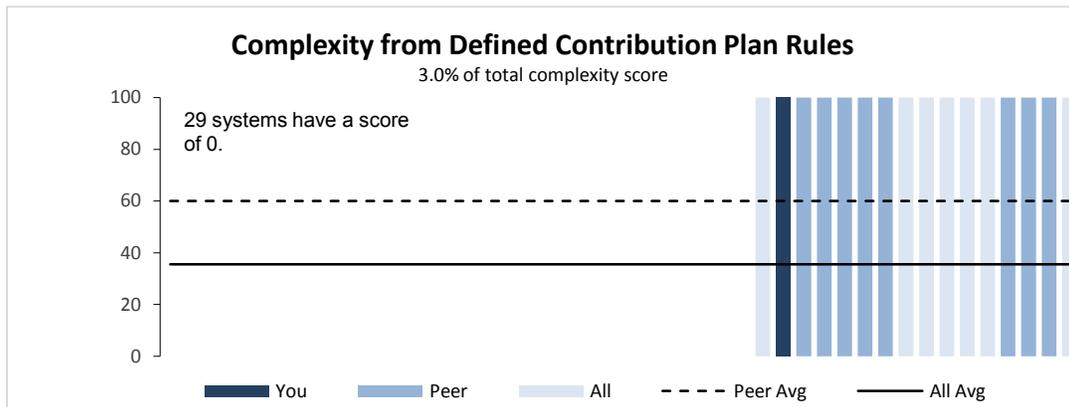
Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
5%	<p>Q170 If you administer short-term disability:</p> <p>a) Are the short-term and long-term disability/ disability pension processes closely entwined? [i.e., difficult to distinguish between costs of long-term/disability pensions and short term disability, same staff do both, similar approval processes]</p> <p>b) Are the disability definitions, other than the expected duration of disability, the same for both long-term and short-term disability? [For example, the only difference between the definition of long-term/ disability pensions and short-term disability at some systems is the disabling injury or illness is expected to last longer than 12 months for long-term.]</p> <p>c) Are there materially different approval processes for short-term and long-term disability/ disability pensions?</p> <p><i>Complexity: 100 if different definitions and approval processes (i.e., no to b and yes to c), 75 if approval processes or definitions are very different (either no to b or yes to c), otherwise 0.</i></p>	No	60% Yes	63% Yes
		No	20% Yes	25% Yes
		Yes	60% Yes	38% Yes
		100	20	8
5%	<p>Q172 Do you reduce payments if the member qualifies or receives:</p> <p>a) Disability social security?</p> <p>b) Worker's compensation?</p> <p>c) Other public funds (i.e., federal military disability)?</p> <p>d) Income protection plans/other disability insurance?</p> <p>e) Employer sick leave and annual leave pay?</p> <p>f) Unemployment compensation?</p> <p>g) Income from other employment?</p> <p>h) Other (describe)?</p> <p>Total yes responses for disability coordination</p> <p><i>The Complexity measure scales the responses so that the system with the most yes responses equals 100 and the least equals 0.</i></p>	Yes	47% Yes	27% Yes
		Yes	67% Yes	49% Yes
		No	20% Yes	8% Yes
		Yes	27% Yes	11% Yes
		Yes	40% Yes	16% Yes
		Yes	33% Yes	16% Yes
		Yes	67% Yes	41% Yes
		<u>Yes</u>	<u>33% Yes</u>	<u>21% Yes</u>
		7	3	n/a
		100	63	35
100%	Weighted Average	72	68	51
	Scaled Complexity Score for Disability Rules	82	78	58

N. Translation Complexity



Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
100%	<p>Q89 Do you publish any of the following materials in a language other than English (or other than French in Quebec and France), or in Braille:</p> <p>a) Member statements?</p> <p>b) Annual report?</p> <p>c) Newsletters?</p> <p>d) Website?</p> <p>e) Brochures and pamphlets?</p> <p><i>Complexity: 100 if you translate all 5 of the above materials, 80 if 4, 60 if 3, 40 if 2, 20 if 1, otherwise 0.</i></p>	<p>No 0% Yes 23% Yes</p> <p>No 0% Yes 30% Yes</p> <p>No 0% Yes 23% Yes</p> <p>No 20% Yes 36% Yes</p> <p>No 20% Yes 40% Yes</p> <p>0 8 28</p>		
100%	<p>Weighted Average</p> <p>Scaled Complexity Score for Translation</p>	<p>0 8 28</p> <p>0 8 28</p>		

O. Defined Contribution Plan Rules Complexity



Weight	Relevant Complexity Questions and Scoring	You	Peer Avg	All Avg
100%	<p>Q124 Which of the following descriptions best describes the non-optional benefit plans that you administer for each of your member groups:</p> <p>f) Defined Contribution ("DC")?</p> <p>g) Hybrid DB/ DC?</p> <p><i>Complexity: 100 if yes to f or g, otherwise 0.</i></p>	<p>No 27% Yes 13%</p> <p>Yes 60% Yes 27%</p> <p>100 60 36</p>		
100%	<p>Weighted Average</p> <p>Scaled Complexity Score for Defined Contribution Plan Rules</p>	<p>100</p> <p>100</p>	<p>60</p> <p>60</p>	<p>36</p> <p>36</p>

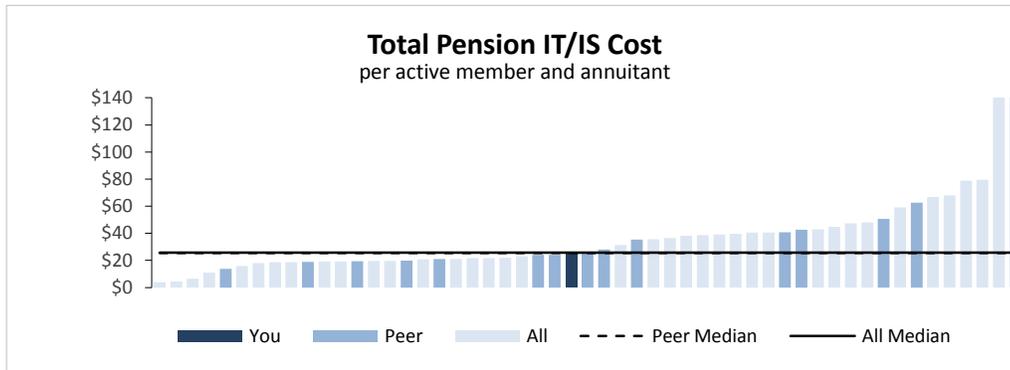
IT and Major Projects

This section contains comparisons to your peers and all participants of:

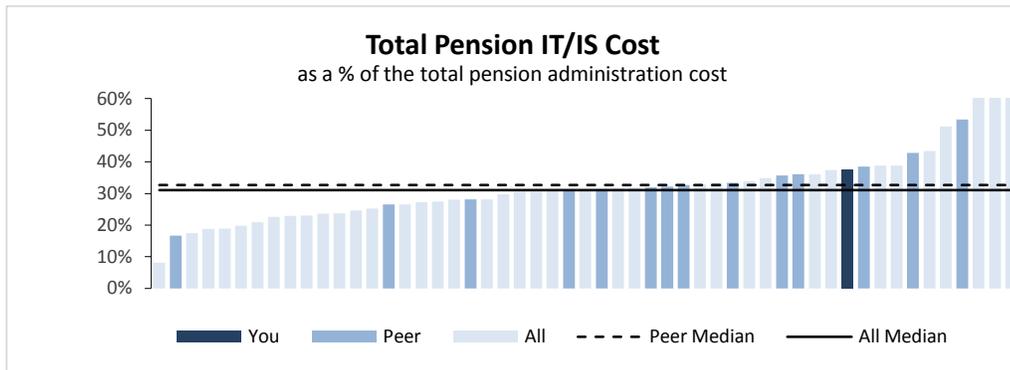
- Total IT/IS costs
- Indicators of CRM (Customer Relationship Management) capability
- Attributions of IT/IS and Major Projects to the other administration activities

IT/IS costs

Your IT/IS cost was \$25.53 per active member and annuitant. This was equal to the peer median.



Your IT/IS cost as a percent of total pension administration cost was 37%. This was above the peer median of 33%.

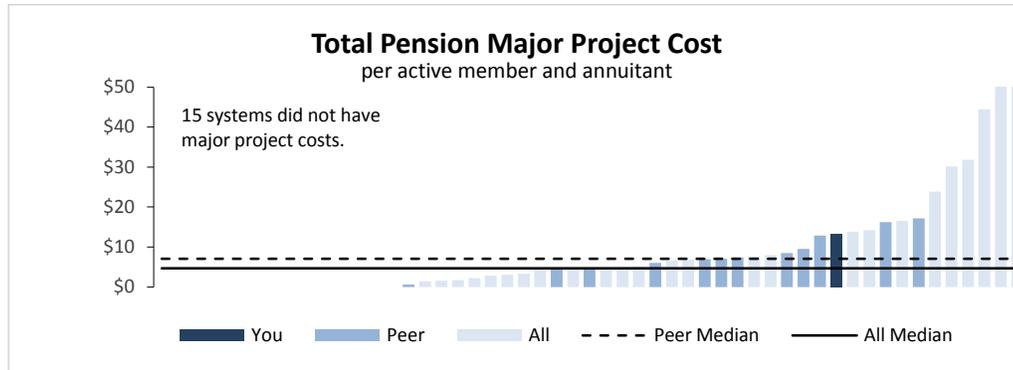


Activity	IT/IS Cost by Category								
	Cost in \$000	Cost per Active Member and Annuitant					Cost as a % of Total IT/IS Cost		
		You	Peer You	Peer Median	Peer Avg	All Median	All Avg	You	Peer Avg
5c. Amortization of IT Major Projects	96	0.22	0.22	2.67	0.00	7.48	1%	8%	18%
5d. IT Major Projects (if you don't capitalize)	5,519	12.46	2.30	3.87	0.44	6.49	35%	12%	16%
6a. IT Strategy, Database Management and Applications (excl. major projects)	3,301	7.45	13.31	15.74	14.70	18.20	21%	48%	44%
6b. IT Desktop, Networks, Telecom	2,388	5.39	6.70	7.90	6.50	7.42	15%	24%	18%
Total Pension IT/IS cost (excludes below)	11,305	25.53	25.53	30.17	25.68	39.60	72%	92%	97%
IT/IS Attributions to: ¹									
1f. Healthcare Administration	2,827	6.38	0.54	1.75	0.00	0.92	18%	5%	2%
1g. Optional and Third Party Administered Benefits	1,678	3.79	0.23	0.90	0.00	0.47	10%	3%	1%
Total Administration IT/IS cost	15,809	35.70	27.26	32.82	32.02	40.98	100%	100%	100%

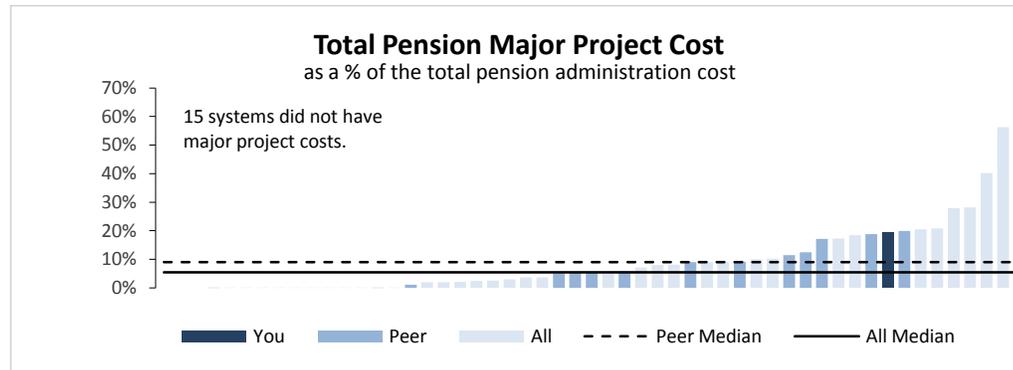
1. Attributions of total administration IT/IS to non-pension activities 1f and 1g includes: (i) pro-rata share of Major Project attribution (5a - 5d) weighted by activity 5c and 5d's contribution to total Major Project cost; (ii) total attribution of activity 6a to 1f and 1g; (iii) pro-rata share of optional attribution (6b, 7a - 7f) to activities 1f and 1g weighted by activity 6b's contribution to total attribution. See section 4 - 'Activity Costs' for details.

Major project costs

Your major project cost was \$13.27 per active member and annuitant. This was above the peer median of \$7.05.



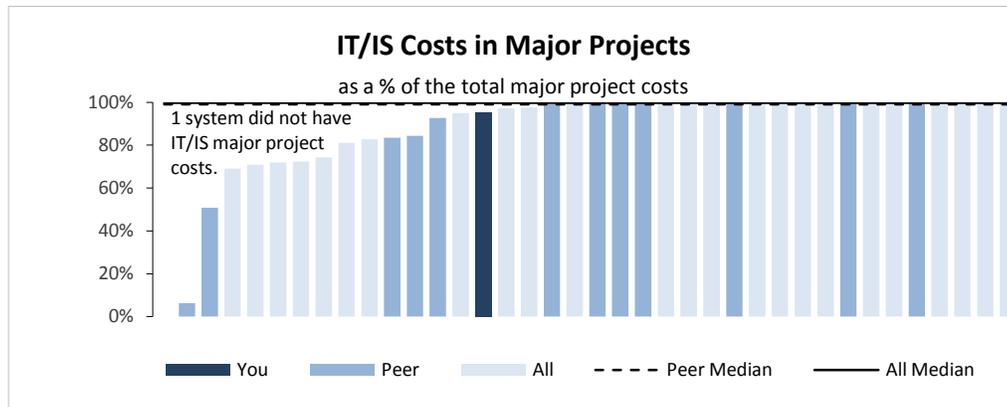
Your major project cost as a percent of total cost was 19%. This was above the peer median of 9%.



Major Project Cost by Category									
Activity	Cost	Cost per Active Member and Annuitant					Cost as a % of Total Major Project Cost		
	in\$000	You	Peer Median	Peer Avg	All Median	All Avg	You	Peer Avg	All Avg
5a. Amortization of non-IT Major Projects	0	0.00	0.00	0.04	0.00	0.05	0%	0%	0%
5b. Non-IT Major Projects (if you don't capitalize)	261	0.59	0.00	1.07	0.00	0.97	3%	13%	6%
5c. Amortization of IT Major Projects	96	0.22	0.22	2.67	0.00	7.48	1%	32%	49%
5d. IT Major Projects (if you don't capitalize)	5,519	12.46	2.30	3.87	0.44	6.49	64%	46%	42%
Total Pension Major Project cost (excludes below)	5,877	13.27	7.05	7.65	4.63	15.01	68%	91%	97%
Major Project Attributions to:									
1f. Healthcare Administration	1,733	3.91	0.00	0.44	0.00	0.18	20%	5%	1%
1g. Optional and Third Party Administered Benefits	1,029	2.32	0.00	0.37	0.00	0.23	12%	4%	2%
Total Administration Major Project cost	8,639	19.51	7.37	8.47	4.73	15.41	100%	100%	100%

IT/IS cost included in major project costs

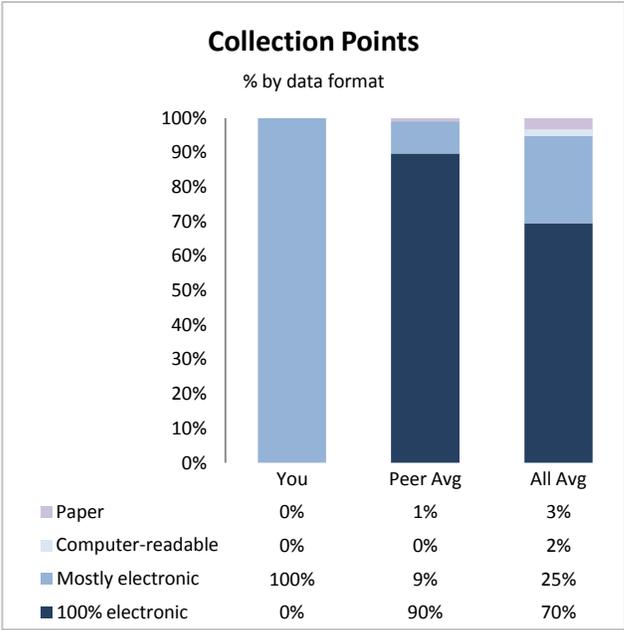
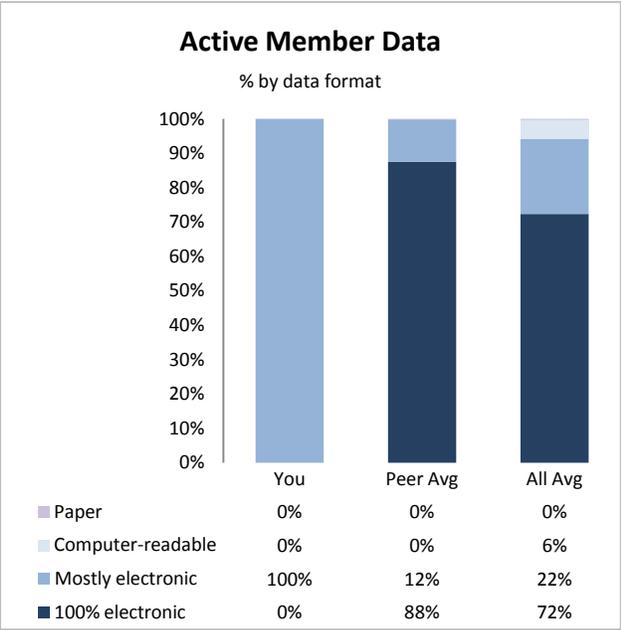
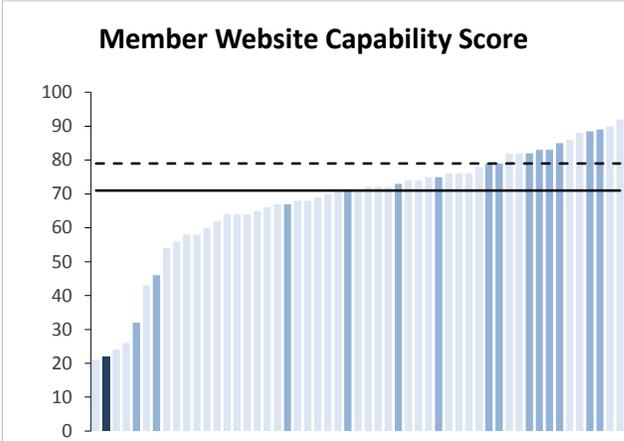
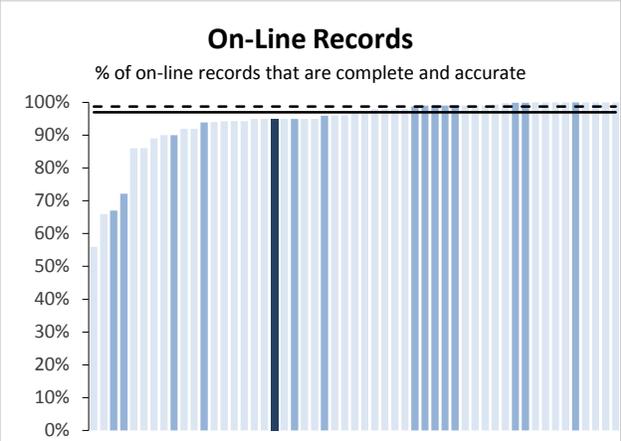
Your IT/IS major project costs as a percent of total major project costs was 96%. This was below the peer median of 99%.



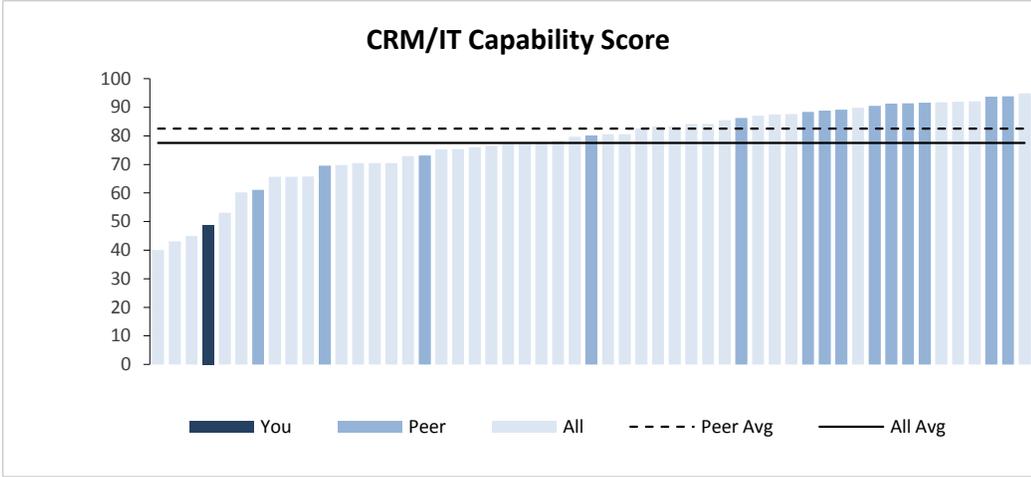
IT and major project attributions by activity

Activity	6a. IT Strategy, Database Management and Applications (excl. major projects)						Total Major Projects (5a. through 5d.)					
	<u>\$s per Active Member and Annuitant</u>			<u>As a % of total</u>			<u>\$s per Active Member and Annuitant</u>			<u>As a % of total</u>		
	Peer	All		Peer	All		Peer	All		Peer	All	
	You	Avg	Avg	You	Avg	Avg	You	Avg	Avg	You	Avg	Avg
1. Member Transactions												
a. Pension Payments	2.04	1.03	1.46	27%	8%	9%	3.63	0.57	1.40	27%	6%	10%
b. Pension Inceptions	2.73	2.57	2.52	37%	15%	14%	4.87	1.79	1.92	37%	26%	17%
c. Withdrawals and Transfers-out	0.75	0.86	1.11	10%	6%	6%	1.34	0.35	1.14	10%	4%	7%
d. Purchases and Transfers-in	0.29	0.58	1.01	4%	4%	5%	0.51	0.26	2.31	4%	4%	7%
e. Disability	<u>1.64</u>	<u>0.75</u>	<u>0.48</u>	<u>22%</u>	<u>5%</u>	<u>4%</u>	<u>2.93</u>	<u>0.46</u>	<u>0.24</u>	<u>22%</u>	<u>5%</u>	<u>4%</u>
	7.45	5.78	6.56	100%	39%	37%	13.27	3.42	7.01	100%	45%	46%
2. Member Communication												
a. Call Center	0.00	1.94	1.81	0%	11%	10%	0.00	0.77	1.22	0%	10%	10%
b. Mail Room, Imaging	0.00	0.66	0.98	0%	4%	6%	0.00	0.21	0.58	0%	3%	4%
c. 1-on-1 Counseling	0.00	0.57	0.46	0%	3%	3%	0.00	0.19	0.41	0%	2%	2%
d. Presentations and Group Counseling	0.00	0.35	0.42	0%	2%	2%	0.00	0.10	0.10	0%	1%	1%
e. Written Pension Estimates	0.00	0.44	0.57	0%	3%	3%	0.00	0.13	0.66	0%	2%	3%
f. Mass Communication	<u>0.00</u>	<u>1.11</u>	<u>1.14</u>	<u>0%</u>	<u>7%</u>	<u>6%</u>	<u>0.00</u>	<u>0.38</u>	<u>0.53</u>	<u>0%</u>	<u>6%</u>	<u>5%</u>
	0.00	5.06	5.39	0%	31%	30%	0.00	1.77	3.49	0%	24%	25%
3. Collections and Data Maintenance												
a. Data and Money from Employers	0.00	1.88	2.53	0%	11%	13%	0.00	0.91	1.85	0%	14%	13%
b. Service to Employers	0.00	0.95	0.88	0%	6%	5%	0.00	0.51	0.70	0%	6%	5%
c. Data Not from Employers	<u>0.00</u>	<u>0.65</u>	<u>0.74</u>	<u>0%</u>	<u>4%</u>	<u>4%</u>	<u>0.00</u>	<u>0.55</u>	<u>0.43</u>	<u>0%</u>	<u>7%</u>	<u>4%</u>
	0.00	3.48	4.15	0%	21%	22%	0.00	1.98	2.99	0%	27%	22%
4. Governance and Financial Control												
a. Financial Administration and Control	0.00	0.76	1.17	0%	5%	6%	0.00	0.40	0.91	0%	4%	5%
b. Board, Strategy, Policy	0.00	0.43	0.63	0%	2%	3%	0.00	0.07	0.39	0%	1%	2%
c. Government and Public Relations	<u>0.00</u>	<u>0.37</u>	<u>0.26</u>	<u>0%</u>	<u>2%</u>	<u>1%</u>	<u>0.00</u>	<u>0.04</u>	<u>0.25</u>	<u>0%</u>	<u>0%</u>	<u>1%</u>
	0.00	1.56	2.05	0%	9%	11%	0.00	0.52	1.55	0%	5%	8%
Total Pension Administration	7.45	15.88	18.15	100%	100%	100%	13.27	7.68	15.04	100%	100%	100%

Key measures of CRM/IT capability



Your CRM/IT Capability score was 49 out of 100. This was below the peer average of 83.



Calculation of your CRM/IT capability score

Weight	Relevant Questions and Scoring	You	Peer Avg	All Avg
	<u>CRM/ Call Capability</u>			
15%	Q44 When a member calls in, do you have immediate computer access to the following member data: a) Record of the member's previous calls to the system? b) Copies of recent correspondence online? c) Knowledge based on-line help system available for use by the service representative? Score: 100 if all available, otherwise 33.3 for each yes	Yes Yes Yes 100	80% Yes 100% Yes 87% Yes 89	77% Yes 92% Yes 89% Yes 86
4%	Q44 When a member calls in, do you have immediate computer access to the following member data: d) Most recent member statement? e) Beneficiary information? Score: 100 if all available, otherwise 50 for each yes	Yes Yes 100	100% Yes 100% Yes 100	100% Yes 96% Yes 99

CRM/IT capability score

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Weight	Relevant Questions and Scoring	You	Peer Avg	All Avg
10%	<p>Q46 Do you provide the following information on an immediate real-time basis to members over the phone? [If you do not have real-time access to the information or if your policy is not to give the information over the phone because of security or other concerns then your answer should be 'no'.]</p> <p>a) Estimates of the member's pension at retirement?</p> <p>a1) Can you easily model and provide alternate annuity payment scenarios? [i.e., joint and 50% survivor, joint and 70% survivor, etc.]</p> <p>a2) Is the estimate based on an interactive benefit calculator linked to the member's actual account data?</p> <p><i>Score: 20 if yes to a1, 80 if yes to a2, otherwise 0</i></p>	No	73% Yes	66% Yes
		n/a	73% Yes	64% Yes
		n/a	73% Yes	64% Yes
		0	73	64
6%	<p>Q46 b) Refund or transfer value assuming the member exited employment</p> <p>c) Pensionable salary?</p> <p>d) Service credit history including gaps?</p> <p><i>Score: 100 if all available, otherwise 33.3 for each yes</i></p>	Yes	93% Yes	74% Yes
		Yes	93% Yes	90% Yes
		No	87% Yes	87% Yes
		67	91	83
5%	<p>Q49 Do you have and use tools to help you project call volumes?</p> <p><i>Score: 100 if yes, otherwise 0</i></p>	No	93% Yes	87% Yes
		0	93	87
5%	<p>Q35 c) Incoming calls satisfied by self-serve options, if any?</p> <p><i>Score: 100 if yes, otherwise 0</i></p>	Yes	73% Yes	40% Yes
		100	73	40
	<u>Document Imaging</u>			
5%	<p>Q54 Do you use imaging technology?</p> <p>a) Do you keep images of ALL incoming member correspondence and submitted forms?</p> <p>c) Have all historical documents also been imaged?</p> <p><i>Score: 60 if you use imaging, 20 if you keep images of all incoming correspondence and forms, 20 if all historical documents are imaged</i></p>	Yes	100% Yes	100% Yes
		Yes	100% Yes	98% Yes
		Yes	67% Yes	66% Yes
		100	93	93
	<u>Data Collection</u>			
5%	<p>Q102 What is the breakdown of 'collection points' providing you with payroll data between the following formats and what is the total number of active members covered by each format?</p> <p>a) 100% electronic</p> <p>b) Mostly electronic</p> <p>c) Computer-readable</p> <p>d) Paper</p> <p><i>Score: 100 X % of data collected 100% electronically, + 90 X % of data collected mostly electronically, + 80 X % of data collected via computer readable, otherwise 0</i></p>	0%	88%	72%
		100%	12%	22%
		0%	0%	6%
		0%	0%	0%
		90	99	96

CRM/IT capability score

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Weight	Relevant Questions and Scoring	You	Peer Avg	All Avg
	<u>Online Data Quality</u>			
5%	Q104 What % of your active and inactive member on-line records are complete and accurate? <i>Score: 100 X % of online records that are complete and accurate</i>	95% 95	94% 94	94% 94
	<u>Diagnostic Software</u>			
5%	Q106 Do you have a diagnostic software system for detecting and correcting contribution errors? <i>Score: 100 if yes, otherwise 0</i>	No 0	93% Yes 93	87% Yes 87
	<u>Integration</u>			
5%	Q107 When you get an address change, how many systems do you need to update? <i>Score: 100 if 1, otherwise 0</i>	6 0	1 80	1 83
	<u>Website</u>			
30%	Member website capability score [Refer to section 7 Service Levels: Mass communication - website for details.]	22	70	68
100%	Total CRM/ IT Capability Score - Average	49	83	78
	Total CRM/ IT Capability Score- Median	49	89	80

Appendices

Appendix A - Survey responses

- Member status changes
- Costs and FTE by activity
- Service and plan design

Appendix B - Foreign currency conversion

Appendix C - Activity definitions

Appendix D - Defaults

Appendix A - Survey responses: Member status changes

Wisconsin DETF

5. Complete the 'non-blank' boxes in the table below. Enter all values as positive numbers. Enter 0 if not applicable.

Changes in Member Status						
	2015			2014		
	Active Members	Inactive Members	Annuitants (Service, Disabled, Survivor)	Active Members	Inactive Members	Annuitants (Service, Disabled, Survivor)
Total members						
a. Members at end of fiscal year 2014	256,788	157,761	180,056	256,833	152,951	173,655
b. Members at end of fiscal year 2015	257,255	161,123	185,605	256,788	157,761	180,056
Increase/-decrease to be explained	467	3,362	5,549	-45	4,810	6,401
Decreases						
c. Full withdrawals/refunds/commuted value payments	1,414	2,420		1,300	2,578	
d. Transfers-out to external pension systems	0	0		0	0	
e. Annuity inceptions: service retirement	5,324	6,046		6,417	3,472	
f. Annuity inceptions: disability retirement	107	36		110	36	
g. Active members leaving to inactive status	15,411			14,564		
h. Re-hired inactives and annuitants (if annuity stops)		3,018	89		3,063	27
i. Deaths	168	419	4,720	153	509	3,677
j. Non-death stops of pensions (i.e., dependent no longer)			1,010			868
k. Other decreases.	56	93	0	366	96	0
Increases						
l. New active members	19,777			19,108		
m. Annuity inceptions: survivor, partner, ex-partner,			69			70
n. Annuity inceptions: service retirement			11,370			9,889
o. Annuity inceptions: disability retirement			143			146
p. Active members leaving to inactive status		15,411			14,564	
q. Re-hired inactives and annuitants (if annuity stops)	3,107			3,090		
r. Other increases.	0	0	0	0	0	0
Explained increases/-decreases	404	3,379	5,763	-712	4,810	5,533
Unexplained increases/-decreases	63	-17	-214	667	0	868

Appendix A - Survey responses: Cost and FTE by activity

Wisconsin DETF

	Your Response		
	2015	2014	
6. Complete the table below:			
a. Total administrative expenses per your financial statements (CAFR in the U.S.)	<u>37,534.0</u>	<u>35,167.0</u>	(\$000s)
Less (if included in administrative expenses):			
b. Investment administration costs	<u>0.0</u>	<u>0.0</u>	(\$000s)
Plus, if not included in administrative expenses:			
c. Amortization and depreciation of administrative assets	<u>141.4</u>	<u>141.4</u>	(\$000s)
d. Actuarial fees and costs (excluding fees for investment performance measurement)	<u>0.0</u>	<u>0.0</u>	(\$000s)
e. Other costs and professional fees relating to pension administration	<u>0.0</u>	<u>0.0</u>	(\$000s)
f. Total benefit administration costs (to be attributed in question 9 below)	<u><u>37,675.4</u></u>	<u><u>35,308.4</u></u>	(\$000s)
7. Did you capitalize any administration costs last year?			
	<u>Yes</u>	<u>Yes</u>	yes/ no
If yes:			
a. Total amount capitalized?	<u>2,846.8</u>	<u>409.3</u>	\$000s
b. Salaries and benefits of staff, if any, included in the amount capitalized?	<u>0.0</u>	<u>0.0</u>	\$000s
c. Full-time-equivalent (FTE) of staff that pertain to the salaries being capitalized?	<u>0.0</u>	<u>0.0</u>	# FTE
d. Information technology costs included in the amount capitalized?	<u>0.0</u>	<u>0.0</u>	\$000s

Appendix A - Survey responses: Cost and FTE by activity - 2015

Wisconsin DETF

9. Complete the table below. Instructions and definitions are provided on the pages below the table.

Activity	Direct full time equivalents (# FTE)	Direct Costs			Attributions		Optional Attributions ¹ 6b + 7a-g (\$000s)	Total Attrib. (\$000s)
		Salaries and Benefits (\$000s)	Third Party and Other Direct (\$000s)	Total (\$000s)	5a-d Major Projects (\$000s)	6a IT Strategy, DB Mgmt Applications (\$000s)		
1. Member Transactions								
a. Pension Payments	11.4	919.8	385.4	1,305.2	1,606.5	902.4	0.0	2,508.9
b. Pension Inceptions	15.3	1,068.7	0.8	1,069.5	2,156.1	1,211.1	0.0	3,367.2
c. Withdrawals and Transfers-out	4.2	330.6	29.5	360.1	591.9	332.5	0.0	924.4
d. Purchases and Transfers-in	1.6	139.3	16.7	156.0	225.5	126.7	0.0	352.2
e. Disability	9.2	672.6	233.3	905.9	1,296.5	728.2	0.0	2,024.7
f. Healthcare Administration	12.3	818.8	362.1	1,180.9	1,733.3	973.6	0.0	2,706.9
g. Optional and Third Party Administered Benefits	7.3	559.4	210.2	769.6	1,028.7	577.8	0.0	1,606.5
2. Member Communication								
a. Call Center	29.5	1,880.6	20.3	1,900.9	0.0	0.0	0.0	0.0
b. Mail Room, Imaging	16.3	893.4	277.7	1,171.1	0.0	0.0	0.0	0.0
c. 1-on-1 Counseling	9.3	661.3	8.9	670.2	0.0	0.0	0.0	0.0
d. Presentations and Group Counseling	7.5	541.9	8.1	550.0	0.0	0.0	0.0	0.0
e. Written Pension Estimates	11.9	850.2	11.5	861.7	0.0	0.0	0.0	0.0
f. Mass Communication	9.1	703.2	502.1	1,205.3	0.0	0.0	0.0	0.0
3. Collections and Data Maintenance								
a. Data and Money from Employers	15.4	1,043.7	36.4	1,080.1	0.0	0.0	0.0	0.0
b. Service to Employers	4.0	274.6	34.4	309.0	0.0	0.0	0.0	0.0
c. Data Not from Employers	4.5	345.4	27.6	373.0	0.0	0.0	0.0	0.0
4. Governance and Financial Control								
a. Financial Administration and Control	12.9	1,213.3	348.9	1,562.2	0.0	0.0	0.0	0.0
b. Board, Strategy, Policy	7.1	761.3	336.2	1,097.5	0.0	0.0	0.0	0.0
c. Government and Public Relations	4.3	540.2	121.4	661.6	0.0	0.0	0.0	0.0
5. Major Projects								
a. Amortization of non-IT Major Projects	n/a	n/a	0.0	0.0				
b. Non-IT Major Projects (if you don't capitalize)	3.1	259.9	123.9	383.8				
c. Amortization of IT Major Projects	n/a	n/a	141.4	141.4				
d. IT Major Projects (if you don't capitalize)	41.9	1,994.4	6,118.9	8,113.3				
6. Information Technology								
a. IT Strategy, Database Management and Applications (excl. major projects)	25.0	2,367.9	2,484.4	4,852.3				
b. IT Desktop, Networks, Telecom	11.3	1,242.4	1,459.7	2,702.1				
7. Support Services and Other								
a. Building and Utilities	1.1	103.3	1,617.4	1,720.7				
b. Human Resources	6.0	559.1	204.8	763.9				
c. Actuarial	0.0	0.0	265.7	265.7				
d. Legal and Rule Interpretation	7.7	761.1	143.4	904.5				
e. Internal and External Audit	2.7	292.4	163.6	456.0				
f. Pay-as-you-go Benefits for Retired Staff	n/a	0.0	n/a	0.0				
g. Other Support Services	1.7	132.7	49.2	181.9				
Total Administration (includes 1f, 1g)	293.6	21,931.5	15,743.9	37,675.4	8,638.5	4,852.3	0.0	13,490.8

1. CEM automatically attributed your costs for activities 6b plus 7a-g, unless you did these attributions yourself.

Appendix A - Survey responses: Cost and FTE by activity - 2015

continued

Describe and provide the cost of:

Each of your major projects in 5b. 'Non-IT Major Projects' (if you don't capitalize)	(\$000s)
DETF's Multiyear Transformation Integration Modernization Project (TIM)	383.80
The amortization for each of your capitalized projects in 5c. 'Amortization of IT Major Projects'	(\$000s)
LSPS application capitalized in 2010	101.70
Accumulated Sick Leave application capitalized in 2012	39.70
Each of your major projects in 5d. 'IT Major Projects (if you don't capitalize)	(\$000s)
Benefit Administrative System	7,367.10
On going data integrity project	746.20

Appendix A - Survey responses: Cost and FTE by activity - 2014

Wisconsin DETF

9. Complete the table below. Instructions and definitions are provided on the pages below the table.

Activity	Direct full time equivalents (# FTE)	Direct Costs			Attributions		Optional Attributions ¹ 6b + 7a-g	Total Attrib. (\$000s)
		Salaries and Benefits (\$000s)	Third Party and Other Direct (\$000s)	Total (\$000s)	5a-d Major Projects (\$000s)	6a IT Strategy, DB Mgmt Applications (\$000s)		
1. Member Transactions								
a. Pension Payments	14.0	991.6	344.6	1,336.2	963.8	1,689.3	0.0	2,653.1
b. Pension Inceptions	16.3	1,042.3	19.1	1,061.4	1,114.1	1,952.9	0.0	3,067.0
c. Withdrawals and Transfers-out	6.1	423.8	7.2	431.0	423.8	742.8	0.0	1,166.6
d. Purchases and Transfers-in	1.1	81.9	1.2	83.1	75.2	131.8	0.0	207.0
e. Disability	9.0	744.0	114.6	858.6	615.2	1,078.3	0.0	1,693.4
f. Healthcare Administration	15.6	1,047.9	363.0	1,410.9	1,059.5	1,857.0	0.0	2,916.5
g. Optional and Third Party Administered	8.7	696.9	142.7	839.6	0.0	0.0	0.0	0.0
2. Member Communication								
a. Call Center	24.9	1,555.8	34.0	1,589.8	0.0	0.0	0.0	0.0
b. Mail Room, Imaging	18.1	927.2	374.9	1,302.1	0.0	0.0	0.0	0.0
c. 1-on-1 Counseling	11.3	779.5	18.8	798.3	0.0	0.0	0.0	0.0
d. Presentations and Group Counseling	7.6	526.2	13.5	539.7	0.0	0.0	0.0	0.0
e. Written Pension Estimates	19.2	1,331.7	32.1	1,363.8	0.0	0.0	0.0	0.0
f. Mass Communication	11.0	849.2	528.5	1,377.7	0.0	0.0	0.0	0.0
3. Collections and Data Maintenance								
a. Data and Money from Employers	15.7	1,057.0	24.5	1,081.5	0.0	0.0	0.0	0.0
b. Service to Employers	6.3	403.2	12.9	416.1	0.0	0.0	0.0	0.0
c. Data Not from Employers	2.6	181.2	2.7	183.9	0.0	0.0	0.0	0.0
4. Governance and Financial Control								
a. Financial Administration and Control	9.5	738.8	85.3	824.1	0.0	0.0	0.0	0.0
b. Board, Strategy, Policy	7.8	604.7	207.3	812.0	0.0	0.0	0.0	0.0
c. Government and Public Relations	2.7	316.3	81.2	397.5	0.0	0.0	0.0	0.0
5. Major Projects								
a. Amortization of non-IT Major Projects	n/a	n/a	0.0	0.0				
b. Non-IT Major Projects (if you don't capitalize)	17.4	838.7	1,429.6	2,268.3				
c. Amortization of IT Major Projects	n/a	n/a	141.4	141.4				
d. IT Major Projects (if you don't capitalize)	10.1	791.0	1,050.8	1,841.8				
6. Information Technology								
a. IT Strategy, Database Management and Applications (excl. major projects)	38.5	2,340.8	5,111.3	7,452.1				
b. IT Desktop, Networks, Telecom	10.2	770.1	1,018.8	1,788.9				
7. Support Services and Other								
a. Building and Utilities	1.7	104.1	1,636.6	1,740.7				
b. Human Resources	8.2	517.3	313.8	831.1				
c. Actuarial	0.0	0.0	500.8	500.8				
d. Legal and Rule Interpretation	10.5	890.5	221.0	1,111.5				
e. Internal and External Audit	3.0	398.4	309.3	707.7				
f. Pay-as-you-go Benefits for Retired Staff	n/a	0.0	n/a	0.0				
g. Other Support Services	2.5	153.3	63.6	216.9				
Total Administration (includes 1f, 1g)	309.6	21,103.4	14,205.1	35,308.5	4,251.5	7,452.1	0.0	11,703.6

1. CEM automatically attributed your costs for activities 6b plus 7a-g, unless you did these attributions yourself.

Appendix A - Survey responses: Cost and FTE by activity - 2014

continued

Describe and provide the cost of:

Each of your major projects in 5b. 'Non-IT Major Projects' (if you don't capitalize)	(\$000s)
DETF's Multiyear Transformation Integration Modernization Project (TIM)	2,268.30
The amortization for each of your capitalized projects in 5c. 'Amortization of IT Major Projects'	(\$000s)
LSPS application capitalized in 2010	101.70
Accumulated Sick Leave application capitalized in 2012	39.70
Each of your major projects in 5d. 'IT Major Projects (if you don't capitalize)	(\$000s)
On going data integrity project	131.60
Preliminary Benefit Administrative System	1,710.20

Appendix A - Survey responses: Service and plan design

Wisconsin DETF

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
Start															
1	<u>WISCONSIN EMPLOYEE TRUST FUNDS</u>														
2	Main survey contact: <u>JASON BARRETT</u> <u>BUDGET & POLICY SUPERVISOR</u> <u>JASON.BARRETT@ETF.WI.GOV</u> <u>608.266.3598</u>														
3	What is the month of your fiscal year-end? [All questions in this survey are for your most recently completed fiscal year.]														
	June	June	June												
4	What was the end of fiscal year value of your pension fund assets (in billions)?														
	\$96.8	\$98.1	\$86.5												
8	What percentage of your total salary and benefits costs relates to benefits?														
	27.5%	28.0%	26.6%	39.9%	26.7%	23.1%	29.4%	15	61.0%	26.0%	5.0%	28.3%	45		
Service															
Activity 1a - Pension Payments															
10	Do you administer annuity pensions? If no, skip to question 23														
	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	100% Yes / 0% No / 0% n/a					53
11	Were any of your pension payrolls late vis-à-vis your normal payment cycle? [For example, a payroll might be late because of IT system problems, etc.] If yes: a) How many payrolls were late? b) On average, how many days late were they?														
	No	No	No	0% Yes / 100% No / 0% n/a					15	2% Yes / 98% No / 0% n/a					53
	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	1	1	1	1	1		
	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	2.0	2.0	2.0	2.0	1		
12	What percentage of pensioners are paid by check [as opposed to Electronic Funds Transfer ("EFT")]?														
	1.0%	1.0%	1.2%	9.0%	2.2%	0.0%	3.5%	15	11.0%	2.0%	0.0%	3.1%	45		
13	Do you send out payment advices (i.e., gross/ net specifications) in paper format to members receiving EFT payments? If yes: a) How frequently do you send payment advices with your EFT payments detailing the gross payment and deductions? b) Can you comply with a member's request not to send them payment advices?														
	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	94% Yes / 6% No / 0% n/a					53
	Every Time	Every Time	Every Time												
	Amount	Amount	Amount												
	Changes	Changes	Changes	12	6	1	6	15	12	6	1	6	50		
	No	No	No	27% Yes / 73% No / 0% n/a					15	30% Yes / 64% No / 6% n/a					50

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
14 Will you issue a pension payment in a foreign currency if the member requests it? Activity 1b - Pension Inceptions	No	No	No	0% Yes / 100% No / 0% n/a					15	21% Yes / 79% No / 0% n/a					53
15 How many changes in gross amount of annuity pensions paid occurred as a result of changes in an individual annuitant's personal circumstances? For example: <ul style="list-style-type: none"> When the spouse of an annuitant dies "last survivor" options result in decreases, and "pop-up" or "reversion" options result in increases. [Exclude annuitant deaths that result in new pensions paid to spouses.] When an annuitant or their beneficiary becomes eligible for social security, it often results in a reduction of the gross pension paid. Redesign of the payment option, appeal decisions, high low options shifting to low, etc. 	7,926	13,908	10,778	7,926	650	0	1,175	15	167,490	650	0	5,261	53		
16 How many formal appeals (non-disability) of pension inceptions did you have?	2	7	13	80	16	0	26	15	189	3	0	20	53		
17 What percentage of annuity inceptions for: a) Retiring active members are paid without an interruption of cash flow greater than 1 month between the final pay check and the first pension check? b) Survivors are paid without an interruption of cash flow between the pensioner's final pension check and the survivor's first pension check?	99.0%	99.0%	99.0%	100.0%	98.0%	8.6%	88.4%	15	100.0%	98.0%	8.6%	89.3%	52		
	99.0%	99.0%	99.0%	100.0%	87.5%	18.0%	71.2%	15	100.0%	88.7%	0.0%	71.8%	53		
18 Will you initiate a service retirement pension based on existing data or estimates, recognizing that you will have to finalize the payments later after you get final data? a) If yes, what proportion of your service retirement inceptions to retiring active members was based on existing data or estimates? b) On average, how long did it take to finalize service retirement inceptions based on estimates? (in months)	Yes	Yes	Yes	87% Yes / 13% No / 0% n/a					15	72% Yes / 28% No / 0% n/a					53
	99.0%	99.0%	99.0%	100.0%	77.0%	3.0%	69.7%	13	100.0%	41.2%	0.0%	48.8%	38		
	6	6	10	24	3	1	4	13	24	2	0	3	36		
19 Do you require birth certificates and/or marriage certificates before incepting a pension?	No	No	No	40% Yes / 60% No / 0% n/a					15	67% Yes / 33% No / 0% n/a					45
20 Do you require notarization of normal or early retirement applications? If some, describe those that require versus those that do not: <u>n/a</u> Activity 1c - Refunds, Transfers-out, Withdrawals	No	No	No	27% Yes / 47% No / 27% Some / 0% n/a					15	23% Yes / 58% No / 19% Some / 0% n/a					53

Survey Question		Your Response			Peers 2015					All Participants 2015				
		2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#
21	How many written estimates for refunds/ terminations/ transfer-outs did you prepare in response to member requests? [Include all estimates whether they result in a refund or not.]	Unknown	Unknown	Unknown	88,881	8,790	0	15,560	12	2,014,284	4,100	0	53,253	45
22	How long does it take on average for you to issue a refund check, including any required wait period, beginning from the time of the initial request by the member (in days)?	60	120	120	120	23	2	37	15	214	30	2	44	43
	a) Are you legislated to have a wait period before you can effect a refund? If yes:	No	No	No	53% Yes / 47% No / 0% n/a				15	40% Yes / 53% No / 7% n/a				42
	b) How long is the wait period? (in days)	n/a	n/a	n/a	90	30	10	35	8	120	45	0	53	18
	c) Can the wait period be waived?	n/a	n/a	n/a	20% Yes / 33% No / 47% n/a				8	9% Yes / 31% No / 60% n/a				18
23	How long does it take on average for you to complete an individual transfer-out to an external system, including delays caused by external parties, beginning from the time of initial request by the member (in business days)?	60	60	120	400	19	2	57	13	400	45	2	71	39
24	Do you require notarization of refund or transfer-out applications? (yes, some, no)	No	No	No	7% Yes / 40% No / 53% Some / 0% n/a				15	13% Yes / 60% No / 25% Some / 2% n/a				52
	a) If some, describe those that require versus those that do not: <u>n/a</u>													
Activity 1d - Purchases and Transfers-in														
25	Number of actual: a) Service credit purchases such as for prior refunded service, military service, etc.?	868	798	767	22,657	1,663	54	3,460	15	22,657	1,551	0	3,170	42
	b) Upgrades or 'Top-ups' where members can improve their pensionable salary (but not service credit)?	n/a	n/a	n/a	0	0	0	0	15	1,190	0	0	36	53
	c) Upgrades where members can pay to upgrade from an older retirement formula to a new retirement formula?	n/a	n/a	n/a	1,816	0	0	127	15	2,413	0	0	86	53
	d) Individual transfers-in from external defined benefit systems? [For example, many systems have reciprocal agreements with 'sister' systems that permit members to transfer-in credit from the external System when they join their System and vice versa? Do not include collective transfers-in]	n/a	n/a	n/a	2,387	0	0	374	15	27,921	33	0	1,209	53
26	How many written purchase, upgrade, or transfer-in estimates did you prepare in response to member requests? [Include all estimates whether these result in a purchase or not.]	1,142	1,134	1,380	12,261	3,571	777	4,916	14	105,883	2,830	0	8,227	49
27	On average, how many business days does it take from the date of first request to provide a written service credit purchase cost?	5	5	11	240	9	1	31	15	240	10	1	32	44
28	How long does it take on average for you to do individual transfers-in? [Months from request to completion including delays caused by external parties]	2	2	3	3	1	1	2	13	12	2	1	3	34
	Activity 1e - Disability													

Survey Question		Your Response			Peers 2015					All Participants 2015						
		2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
29	Do you administer:															
	a) Long-term disability/ disability pensions?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	82% Yes / 18% No / 0% n/a					45
	b) Short-term disability?	Yes	Yes	Yes	20% Yes / 80% No / 0% n/a					15	11% Yes / 89% No / 0% n/a					45
	If you do not administer either short-term or long-term disability, or disability pensions skip to question 35.															
30	Number of:															
	a) Applications for disability pensions/ long-term disability?	887	912	910	2,427	635	98	745	15	13,241	238	0	760	45		
	b) Members receiving long-term disability or a disability pension?	8,625	9,495	8,290	28,849	7,544	203	9,231	15	65,844	4,290	56	7,602	37		
	c) Applications for short-term disability (if you administer)?	1,538	1,477	1,491	3,155	0	0	313	15	3,155	0	0	145	45		
	d) Members receiving short-term disability (if you administer)?	1,862	1,827	1,906	3,311	1,862	5	1,726	3	3,311	1,862	5	1,769	5		
	e) Independent medical examinations for disability application assessment or reassessment paid for by you, if any?	0	0	0	3,695	32	0	548	15	3,695	7	0	261	45		
	f) New members that you reviewed the health status of? [For example, ESSS conducts Medical Classification Reviews on their new members. A Medical classification may reduce a member's entitlement to disability and/or death benefits.]	330	284	263	596	0	0	62	15	596	0	0	32	45		
	g) Formal appeals of disability decisions?	70	59	43	402	21	2	72	15	1,990	2	0	67	53		
h) Recertifications of disabled members? [For example, Arizona SRS requires an annual opinion from a physician to continue on disability.]	375	325	404	4,233	852	1	1,450	11	4,233	283	0	862	28			
31	Do you cover non-occupational disability? [Some systems only cover disabilities that happen at work.]	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	82% Yes / 0% No / 18% n/a					37
	a) If yes, does either the amount paid or the taxation of the disability benefit vary depending on whether the disability is occupational versus non-occupational?	No	No	No	60% Yes / 40% No / 0% n/a					15	40% Yes / 42% No / 18% n/a					37
	b) If yes to 'a' immediately above: Number of occupational disability applications?	n/a	n/a	n/a	793	32	1	118	9	793	30	0	121	18		
32	How many months, on average, does it take to return a decision on a disability application from:															
	a) date of initial request from a member?	3	3	3	12	3	0	3	15	48	2	0	4	37		
	b) date of receipt of all necessary documentation to complete an application?	1	1	1	5	1	0	1	15	6	1	0	2	35		
33	Do you have an expedited method for processing disability for a terminally ill member?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	62% Yes / 20% No / 18% n/a					37
34	Do you require notarization of disability applications?	No	No	No	33% Yes / 67% No / 0% Some / 0% n/a					15	22% Yes / 60% No / 0% Some / 18% n/a					37
	a) If some, describe those that require versus those that do not: <u>n/a</u> Activity 2a - Call Center Volumes															
35	What were your volumes of:															

Survey Question	Your Response			Peers 2015					All Participants 2015				
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#
a) Incoming calls that reach and are responded to by a knowledgeable service representative (i.e., exclude messages, etc.)?	146,083	144,451	149,165	401,099	195,772	93,540	218,292	15	701,327	145,396	6,576	174,719	53
b) Outgoing calls from service representatives responding to messages (voice mail, receptionist, etc.) or following-up on previous calls?	6,143	6,458	10,833	57,562	9,750	761	14,842	15	83,578	11,562	282	15,109	53
c) Incoming calls satisfied by self-serve options, if any?	39,485	35,765	32,591	805,408	9,370	0	65,393	15	805,408	0	0	25,259	53
d) Email queries from members?	12,750	11,680	12,402	30,596	12,750	0	13,186	15	93,200	9,738	0	16,624	53
<u>Before Reaching a Service Rep</u>													
36 In the table below, indicate whether or not each described outcome can occur when a member calls into your system seeking a knowledgeable person during business hours, and if yes, indicate the volume of occurrences.													
a) Busy signal, never enters the system?	Yes	Yes	Yes	20% Yes / 80% No / 0% n/a				15	21% Yes / 79% No / 0% n/a				53
b) Caller gets pre-recorded 'call another time' message during business hours?	No	No	No	20% Yes / 80% No / 0% n/a				15	28% Yes / 72% No / 0% n/a				53
c) Voice mail takes a message during business hours?	No	No	No	20% Yes / 80% No / 0% n/a				15	40% Yes / 60% No / 0% n/a				53
d) Abandoned calls in a menu (i.e., caller hangs-up before reaching the end of a self-serve menu branch that can answer his/her question or before reaching a queue)?	Yes	Yes	Yes	80% Yes / 20% No / 0% n/a				15	70% Yes / 30% No / 0% n/a				53
e) Abandoned calls in a queue or on hold (i.e., caller hangs-up)?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a				15	96% Yes / 4% No / 0% n/a				53
f) System hangs up on caller after he/she has waited in the queue longer than a pre-set time or if the queue becomes full?	No	No	No	7% Yes / 93% No / 0% n/a				15	4% Yes / 96% No / 0% n/a				53
g) System sends the caller back to the main menu after he/she has waited in the queue longer than a pre-set time or if the queue becomes full?	No	No	No	7% Yes / 93% No / 0% n/a				15	4% Yes / 92% No / 4% n/a				51
h) Busy signal after navigating an automated attendant menu, or after being transferred by a receptionist?	No	No	No	20% Yes / 80% No / 0% n/a				15	6% Yes / 91% No / 4% n/a				51
i) Call rings unanswered during business hours?	No	No	No	7% Yes / 93% No / 0% n/a				15	6% Yes / 92% No / 2% n/a				52
If yes: volume													
a) # Busy signal, never enters the system?	2,399	2,575	2,257	3,408	2,399	225	2,010	3	3,408	492	0	1,222	11
b) # Caller gets pre-recorded 'call another time' message during business hours?	n/a	n/a	n/a	47,061	39,972	24,059	37,031	3	203,604	1,923	0	22,199	15
c) # Voice mail takes a message during business hours?	n/a	n/a	n/a	4,500	4,029	3,635	4,055	3	10,697	599	1	2,176	21
d) # Abandoned calls (i.e., caller hangs-up while in a menu)?	25,546	Unknown	Unknown	139,125	10,571	199	28,777	12	139,125	3,919	0	14,046	37
e) # Abandoned calls (i.e., caller hangs-up while in a queue or on hold)?	13,639	10,941	13,324	253,804	10,604	1,223	32,532	15	412,400	5,260	44	22,971	51
f) # System hangs up on caller (or sends the caller back to the main menu) after he/she has waited in the queue longer than a pre-set time or if the queue becomes full?	n/a	n/a	n/a	1,204	1,204	1,204	1,204	1	1,204	717	229	717	2

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
g) # System sends the caller back to the main menu after he/she has waited in the queue longer than a pre-set time or if the queue becomes full?	n/a	n/a	n/a	1,209	1,209	1,209	1,209	1	1,689	1,449	1,209	1,449	2		
h) # Busy signal after navigating an automated attendant menu, or after being transferred by a receptionist?	n/a	n/a	n/a	228,947	45,713	25,819	100,160	3	228,947	45,713	25,819	100,160	3		
i) # Call rings unanswered during business hours?	n/a	n/a	n/a	360	360	360	360	1	360	227	46	211	3		
If volume is unknown, estimate the % of total calls that this outcome represents															
a) % Busy signal, never enters the system?	n/a	n/a	n/a	1.0%	0.6%	0.1%	0.6%	2	1.0%	0.1%	0.0%	0.4%	5		
b) % Caller gets pre-recorded 'call another time' message during business hours?	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	2.0%	1.0%	0.0%	0.9%	7		
c) % Voice mail takes a message during business hours?	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	3.0%	0.7%	0.0%	0.9%	7		
d) % Abandoned calls (i.e., caller hangs-up while in a menu)?	n/a	Unknown	Unknown	21.0%	21.0%	21.0%	21.0%	1	21.0%	1.0%	0.0%	3.1%	9		
e) % Abandoned calls (i.e., caller hangs-up while in a queue or on hold)?	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	5.0%	2.8%	0.5%	2.8%	2		
f) % System hangs up on caller (or sends the caller back to the main menu) after he/she has waited in the queue longer than a pre-set time or if the queue becomes full?	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	n/a	n/a	n/a	n/a	0		
g) % System sends the caller back to the main menu after he/she has waited in the queue longer than a pre-set time or if the queue becomes full?	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	1.0%	1.0%	1.0%	1.0%	1		
h) % Busy signal after navigating an automated attendant menu, or after being transferred by a receptionist?	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	n/a	n/a	n/a	n/a	0		
i) % Call rings unanswered during business hours?	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	n/a	n/a	n/a	n/a	0		
37 Do you have a menu system that callers negotiate before speaking to someone? If yes:	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a					15	77% Yes / 23% No / 0% n/a					53
a) What is the average number of menu layers that must be navigated before a caller can speak to a live person? [Count each and every time a caller must select a menu option by pressing a button on the phone as a menu layer. Use the volume-weighted average number of menu layers if callers must negotiate different numbers of menu layers to reach a service representative on some menu-tree branches than on others.]	3	3	3	4	2	1	2	14	6	2	1	2	41		
b) What is the average time in seconds that it would take a caller to negotiate the menu and listen to menu options before the caller is forwarded to a live person (or queue for a live person)?	60	60	90	215	53	23	68	14	215	47	6	59	41		
c) Is the menu system by-passed if a service representative is available?	No	No	No	0% Yes / 93% No / 7% n/a					14	0% Yes / 77% No / 23% n/a					41
c1) If yes, what percentage of calls is the menu system by-passed?	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	n/a	n/a	n/a	n/a	0		

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
38 When a member calls in, is the first point of human contact usually a receptionist(s) who transfers a high proportion of calls elsewhere in the organization? (indicate no if most calls go directly to a call center)	No	No	No	0% Yes / 100% No / 0% n/a					15	6% Yes / 94% No / 0% n/a					53
If yes:															
a) Do you have a queue for the receptionist(s)?	n/a	n/a	n/a	0% Yes / 0% No / 100% n/a					0	2% Yes / 4% No / 94% n/a					3
a1) If yes, what is the average wait time in seconds in the queue for the receptionist(s)?	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	6	6	6	6	1		
b) Approximately what percentage of callers are:															
b1) Satisfied by the receptionist without forwarding?	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	25.0%	5.0%	2.0%	10.7%	3		
b2) Forwarded by the receptionist to a queue for service representatives?	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	95.0%	77.5%	60.0%	77.5%	2		
b3) Forwarded by the receptionist to specific people or departments?	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	90.0%	15.0%	3.0%	36.0%	3		
b4) Receptionist takes a message?	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	5.0%	0.0%	0.0%	1.7%	3		
39 Do you have a queue for service representatives? [The entry to the queue could be a recorded message, a menu system or a receptionist.]	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	98% Yes / 2% No / 0% n/a					53
If yes:															
a) Average wait time in seconds in queue for a service representative?	193	148	192	485	110	12	126	15	485	52	3	85	52		
b) Are calls automatically sent to voice mail when the queue exceeds a set wait time (i.e., callers are not given the option to wait)?	No	No	No	7% Yes / 93% No / 0% n/a					15	11% Yes / 87% No / 2% n/a					52
40 Does your system notify the caller of the expected wait time, or their place in the queue, for reaching a knowledgeable service representative if the expected wait exceeds a certain threshold?	No	No	New	47% Yes / 53% No / 0% n/a					15	34% Yes / 64% No / 2% n/a					52
41 Do you have a callback feature on your phone system? [i.e., the caller's telephone number is placed in a queue for callback when their turn comes up]	No	No	No	33% Yes / 67% No / 0% n/a					15	15% Yes / 85% No / 0% n/a					53
If yes:															
a) What was the total volume of callbacks?	n/a	n/a	n/a	200,439	6,996	1,070	59,789	5	200,439	13,393	1,070	46,084	8		
b) Are callbacks made as soon as the caller's turn in the queue comes up or at a later, designated time?	n/a	n/a	n/a	27% Queue/7% Designated Time/67% n/a					5	13% Queue/2% Designated Time/85% n/a					8
b1) If callbacks are made as soon as the caller's turn in the queue comes up, what is the average time between when the caller hangs up and when they are called back?	n/a	n/a	n/a	3,000	1,394	173	1,490	4	3,000	390	173	1,270	5		
c) Does the caller have the option of either leaving his number for callback or choosing to remain on the line?	n/a	n/a	n/a	33% Yes / 0% No / 67% n/a					5	15% Yes / 0% No / 85% n/a					8
d) What is the callback completion rate (i.e., what percentage of callers that chose to be called back, were actually reached)?	n/a	n/a	New	95.3%	86.8%	60.0%	83.9%	5	99.0%	89.8%	60.0%	87.8%	8		

Survey Question		Your Response			Peers 2015					All Participants 2015				
		2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#
	<u>After Reaching a Service Rep</u>													
42	What was the:													
	a) % of callers transferred after first contact? (exclude receptionists)	4.2%	5.9%	5.9%	26.0%	3.6%	0.0%	5.5%	15	32.0%	4.2%	0.0%	6.4%	51
	b) % of callers you called back because their needs were not fully satisfied at first contact?	2.1%	1.6%	3.6%	6.6%	3.4%	0.5%	3.6%	14	20.0%	2.0%	0.0%	3.7%	44
	c) % of calls satisfied by the first contact?	93.7%	92.5%	90.5%	99.2%	92.6%	71.7%	91.2%	14	99.2%	92.0%	49.0%	87.5%	49
43	If available, what was the:													
	a) Average talk time (in seconds)? [Do not include: hold or queuing time prior to a member reaching a knowledgeable person, or hold time after a member has reached a knowledgeable person.]	328.0	308.0	307.0	398.0	301.0	178.0	301.4	15	480.0	274.5	147.0	291.5	52
	b) Average after call work time (in seconds) when service representative is unavailable to take another call?	123.0	90.0	26.0	211.0	60.0	21.0	88.3	13	332.0	71.0	0.0	95.7	44
	c) Average occupancy %? [time spent handling calls, including after call work, as a percentage of total available time to answer calls.]	84.1%	87.4%	81.8%	86.1%	77.0%	61.0%	75.8%	13	87.5%	72.6%	18.5%	68.5%	39
44	When a member calls in, do you have immediate computer access to the following member data:													
	a) Record of the member's previous calls to the system?	Yes	Yes	Yes	80% Yes / 20% No / 0% n/a				15	77% Yes / 23% No / 0% n/a				53
	b) Copies of recent correspondence online?	Yes	Yes	Yes	100% Yes / 0% No / 0% Some / 0% n/a				15	92% Yes / 6% No / 2% Some / 0% n/a				53
	c) Knowledge based on-line help system available for use by the service representative?	Yes	Yes	Yes	87% Yes / 13% No / 0% n/a				15	89% Yes / 11% No / 0% n/a				53
	d) Most recent member statement?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a				15	100% Yes / 0% No / 0% n/a				53
	e) Beneficiary information?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a				15	96% Yes / 4% No / 0% n/a				53
45	Do your service representatives have real-time access to a workflow system that lets them know the status of open items?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a				15	85% Yes / 15% No / 0% n/a				53
46	Do you provide the following information on an immediate real-time basis to members over the phone? [If you do not have real-time access to the information or if your policy is not to give the information over the phone because of security or other concerns then your answer should be 'no']													
	a) Estimates of the member's pension at retirement?	No	No	No	73% Yes / 27% No / 0% n/a				15	66% Yes / 34% No / 0% n/a				53
	If yes:													
	a1) Can you easily model and provide alternate annuity payment scenarios? [i.e., joint and 50% survivor, joint and 70% survivor, etc.]	n/a	n/a	n/a	73% Yes / 27% No / 0% n/a				15	64% Yes / 36% No / 0% n/a				53
	a2) Is the estimate based on an interactive benefit calculator linked to the member's actual account data?	n/a	n/a	n/a	73% Yes / 27% No / 0% n/a				15	64% Yes / 36% No / 0% n/a				53

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
b) Refund or transfer value assuming the member exited employment at the time of the call?	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a					15	74% Yes / 26% No / 0% n/a					53
c) Pensionable salary?	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a					15	89% Yes / 9% No / 2% n/a					52
d) Service credit history including gaps?	No	No	New	87% Yes / 13% No / 0% n/a					15	85% Yes / 13% No / 2% n/a					52
e) Cost to purchase service credit?	No	No	No	53% Yes / 47% No / 0% n/a					15	51% Yes / 43% No / 6% n/a					50
f) If you administer a DC plan:															
f1) Current value of the DC account?	n/a	n/a	n/a	40% Yes / 7% No / 53% n/a					7	24% Yes / 2% No / 73% n/a					12
f2) Estimate of the value of the DC account at retirement?	n/a	n/a	n/a	27% Yes / 20% No / 53% n/a					7	18% Yes / 9% No / 73% n/a					12
f3) History of account transactions?	n/a	n/a	n/a	40% Yes / 7% No / 53% n/a					7	24% Yes / 2% No / 73% n/a					12
47 Can members calling in perform the following transactions over the phone:															
a) Change address?	Yes	Yes	Yes	73% Yes / 27% No / 0% n/a					15	71% Yes / 29% No / 0% n/a					45
b) Add or change email address?	Yes	No	New	73% Yes / 27% No / 0% n/a					15	70% Yes / 28% No / 2% n/a					52
c) Change payment instructions? [i.e., bank account]	Yes	Yes	Yes	13% Yes / 87% No / 0% n/a					15	20% Yes / 80% No / 0% n/a					45
d) If you administer a DC plan, switches to investment options?	n/a	n/a	n/a	20% Yes / 33% No / 47% n/a					8	9% Yes / 18% No / 73% n/a					12
<u>Quality and Other</u>															
48 Do you review your staff's responses to member calls for coaching purposes on a regular basis? [As opposed to intermittent or only while training new service representatives, etc.]	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a					15	87% Yes / 13% No / 0% n/a					53
If yes:															
a) How many calls per agent per month (on average) do you monitor?	3	3	3	10	5	1	6	14	30	4	1	5	46		
b) Are you listening in on a live call or a recording?	Recording	Recording	Recording	67% Recording / 7% Live / 20% Both / 7% n/a					14	49% Recording / 13% Live / 25% Both / 13% n/a					46
49 Do you have and use tools to help you project call volumes?	No	No	No	93% Yes / 7% No / 0% n/a					15	87% Yes / 13% No / 0% n/a					53
50 Do you have a toll free number (or a number where members are only charged the cost of a local call no matter where they are located) that members can call to get a real person (not just an info line)?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	87% Yes / 13% No / 0% n/a					53
51 How many hours per week is your 'call center' operational?	50.0	50.0	50.0	60.0	45.0	42.5	47.2	15	62.5	45.0	32.5	46.0	53		
52 Can members communicate questions using email?	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a					15	96% Yes / 4% No / 0% n/a					53
a) If yes, what is the average time (in business days) to respond to an email query? Do not include auto-responses or confirmation of email receipt.	2.0	2.0	3.0	3.0	1.3	0.5	1.5	14	7.0	1.1	0.4	1.8	51		
Activity 2b - Mail Room, Imaging															
53 What were your volumes of:															

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
a) Incoming mail?	165,750	169,464	178,535	289,337	185,627	59,100	178,718	15	779,240	105,161	4,408	164,054	53		
b) Outgoing mail?	2,085,088	2,255,502	2,107,904	4,018,762	1,104,278	97,369	1,250,569	15	5,869,974	386,864	6,665	998,890	53		
54 Do you use imaging technology?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	100% Yes / 0% No / 0% n/a					53
If yes:															
a) Do you keep images of ALL incoming member correspondence and submitted forms?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	98% Yes / 2% No / 0% n/a					53
b) If not all, describe the member documents you do keep images of below: <u>n/a</u>															
c) Have all historical documents also been imaged?	Yes	Yes	Yes	67% Yes / 33% No / 0% n/a					15	66% Yes / 34% No / 0% n/a					53
Activity 2c - 1-on-1 Member Counseling															
55 Do you provide 1-on-1 counseling?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	94% Yes / 6% No / 0% n/a					53
If you do not offer 1-on-1 counseling skip to question 65.															
56 Provide the number of members counseled 1-on-1 that were:															
a) Pre-scheduled and/or walk-in counseled in-house? [Include only if the member actually sees a counselor. Exclude 'walk-through' traffic (i.e., picking up brochures or forms) where needs can be met by the receptionist.]	6,481	5,704	5,126	21,830	4,074	99	6,291	15	21,830	2,520	0	4,583	49		
b) In the field at locations separate from the member's place of employment?	30	35	26	20,940	630	0	3,783	15	20,940	105	0	1,509	53		
c) At the member's place of employment?	Unknown	Unknown	0	3,419	0	0	445	15	9,891	0	0	536	53		
d) Via teleconference? [These are pre-scheduled counseling sessions that cover materials sent to the member in advance of the session.]	n/a	0	0	7,226	0	0	823	15	117,918	0	0	2,624	53		
(Total counseled 1-on-1)	6,511	5,739	5,152	49,480	5,987	747	11,341	15	117,918	4,121	0	8,907	53		
57 Is 1-on-1 retirement counseling a freely available option for most members? [If the only 1-on-1 counseling you do is for VIPs, disability, exceptions and emergencies then your answer should be no.]	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a					15	91% Yes / 4% No / 6% n/a					50
58 Do you limit 1-on-1 counseling by:															
a) Requiring that members be within a certain time period of earliest possible retirement?	No	No	No	7% Yes / 93% No / 0% n/a					15	6% Yes / 89% No / 6% n/a					50
b) Placing a limit on the number of counseling sessions a member can request?	No	No	No	7% Yes / 93% No / 0% n/a					15	4% Yes / 91% No / 6% n/a					50
c) Indicating that members should contact their employers or unions first for counseling?	No	No	No	0% Yes / 100% No / 0% n/a					15	4% Yes / 91% No / 6% n/a					50
d) Other (describe)? <u>n/a</u>	No	No	No	7% Yes / 93% No / 0% n/a					15	8% Yes / 79% No / 13% n/a					46

Survey Question		Your Response			Peers 2015					All Participants 2015						
		2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
59	Do you provide counseling for walk-in traffic? If yes: a) On average, how long does a walk-in member that requests a counseling session typically have to wait till they can meet with a counselor? (minutes) b) Approximately what percentage of walk-in members requesting a counseling session are turned away, or scheduled for another time, or leave with their needs unsatisfied because they decide the wait was too long?	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a					15	85% Yes / 9% No / 6% n/a					50
		5	15	15	22	5	0	7	14	30	5	0	8	45		
		0.0%	0.0%	0.0%	99.0%	0.0%	0.0%	7.4%	14	99.0%	0.0%	0.0%	7.5%	45		
60	Do you offer prescheduled 1-on-1 counseling? a) If yes, how long does a member that requests a pre-scheduled counseling session typically have to wait, in business days, before he can meet with a counselor for an in-house 1-on-1 counseling session?	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a					15	85% Yes / 9% No / 6% n/a					50
		18	8	4	20	2	0	5	14	50	1	0	8	45		
61	Do you offer 1-on-1 counseling sessions after normal working hours, such as evenings and/or weekends?	No	No	No	60% Yes / 40% No / 0% n/a					15	43% Yes / 51% No / 6% n/a					50
62	If you provide 1-on-1 counseling in the field, indicate the number of different field locations where you provided 1-on-1 counseling last year that were at: a) Field offices staffed on a full-time basis and located in cities different from your main office? b) Member's place of employment? c) Intermittent locations (such as hotels, offices) separate from the member's place of employment?	0	0	0	14	1	0	2	12	20	1	0	3	25		
		Unknown	Unknown	0	489	4	0	68	10	9,891	15	0	424	32		
		30	35	9	357	30	13	71	9	2,321	20	0	106	34		
63	For 1-on-1 counseling sessions that are walk-ins, prescheduled in-house and in the field: a) Do almost all sessions take place in a private office with a door (versus a cubicle, etc.)? a1) Walk-in traffic in-house? a2) Pre-scheduled in-house? a3) In-the-field? b) Do you have real-time access to the member's data (i.e., salary, service credit, refund value, beneficiaries, etc.)? b1) Walk-in traffic in-house? b2) Pre-scheduled in-house? b3) In-the-field? c) Do you provide new written estimates on a real-time basis for anybody that wants one? c1) Walk-in traffic in-house?	No	No	No	80% Yes / 13% No / 7% n/a					14	77% Yes / 8% No / 15% n/a					45
		No	No	No	87% Yes / 7% No / 7% n/a					14	77% Yes / 8% No / 15% n/a					45
		No	No	No	60% Yes / 20% No / 20% n/a					12	51% Yes / 21% No / 28% n/a					38
		Yes	Yes	Yes	93% Yes / 0% No / 7% n/a					14	85% Yes / 0% No / 15% n/a					45
		Yes	Yes	Yes	87% Yes / 7% No / 7% n/a					14	85% Yes / 2% No / 13% n/a					46
		Yes	Yes	Yes	73% Yes / 7% No / 20% n/a					12	58% Yes / 13% No / 28% n/a					38
		Yes	Yes	Yes	73% Yes / 20% No / 7% n/a					14	70% Yes / 15% No / 15% n/a					45

Survey Question		Your Response			Peers 2015					All Participants 2015						
		2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
	c2) Pre-scheduled in-house?	Yes	Yes	Yes	80% Yes / 13% No / 7% n/a					14	77% Yes / 8% No / 15% n/a					45
	c3) In-the-field?	No	No	No	53% Yes / 27% No / 20% n/a					12	45% Yes / 26% No / 28% n/a					38
	d) Do you provide an accurate cost to purchase service credit on a real-time basis for anybody that wants one?															
	d1) Walk-in Traffic In-house?	Yes	Yes	Yes	67% Yes / 27% No / 7% n/a					14	49% Yes / 28% No / 23% n/a					41
	d2) pre-scheduled In-house?	Yes	Yes	Yes	67% Yes / 27% No / 7% n/a					14	60% Yes / 19% No / 21% n/a					42
	d3) In-the-field?	No	No	No	47% Yes / 33% No / 20% n/a					12	36% Yes / 28% No / 36% n/a					34
	e) If you administer a DC plan, can you provide future retirement income and/ or account balance projections based on the member's account information and various market scenarios?															
	e1) Walk-in Traffic In-house?	n/a	n/a	n/a	40% Yes / 7% No / 53% n/a					7	16% Yes / 7% No / 78% n/a					10
	e2) pre-scheduled In-house?	n/a	n/a	n/a	40% Yes / 13% No / 47% n/a					8	16% Yes / 7% No / 78% n/a					10
	e3) In-the-field?	n/a	n/a	n/a	27% Yes / 13% No / 60% n/a					6	11% Yes / 7% No / 82% n/a					8
64	Do you review 1-on-1 counseling sessions for coaching purposes on a regular basis? [As opposed to intermittent or only while training new counselors, etc.] Activity 2d - Member Presentations and Group Retirement Counseling	No	No	No	47% Yes / 53% No / 0% n/a					15	47% Yes / 47% No / 6% n/a					50
65	Do you offer member presentations (including group counseling)? If you do not offer member presentations skip to question 72.	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	96% Yes / 4% No / 0% n/a					53
66	How many benefit fairs did you host or participate in?	46	40	45	388	36	0	72	15	388	10	0	37	45		
67	How many presentations (including group counseling sessions) for members or annuitants [exclude presentations to employers] did you do that took place:															
	a) In-house?	91	62	24	192	10	0	36	15	192	0	0	17	53		
	b) In the field?	269	293	239	1,373	269	30	456	15	1,373	100	0	261	53		
	c) Via live webinar? [i.e., a real-time, online presentation that allows two-way communication between the presenter and audience]	164	174	New	234	8	0	41	15	234	2	0	18	53		
68	What was the total number of attendees at all of the presentations per question 67 above? [Exclude benefit fair attendees per question 66]	14,726	16,728	8,718	41,638	14,726	2,460	15,262	15	41,638	6,697	176	9,446	51		
69	Did you do specific presentations for members, in the past fiscal year, targeted solely for:															
	a) New members?	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a					15	66% Yes / 28% No / 6% n/a					50
	b) Members in mid career?	Yes	Yes	Yes	80% Yes / 20% No / 0% n/a					15	60% Yes / 34% No / 6% n/a					50

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
c) Members approaching retirement or ready to retire?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	91% Yes / 4% No / 6% n/a					50
d) Healthcare?	Yes	Yes	New	53% Yes / 47% No / 0% n/a					15	36% Yes / 60% No / 4% n/a					43
e) Changes to benefits?	Yes	Yes	New	47% Yes / 53% No / 0% n/a					15	42% Yes / 53% No / 6% n/a					50
f) Other? (Please describe) <u>LAYOFF, DISABILITY, SOCIAL SECURITY, DEFERRED COMP PRESENTATIONS</u>	Yes	Yes	No	73% Yes / 27% No / 0% n/a					15	68% Yes / 23% No / 9% n/a					48
70 Do you offer presentations after normal working hours such as evenings and/or weekends?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	87% Yes / 8% No / 6% n/a					50
71 Do you review presenters for coaching purposes on a regular and recurring basis? [As opposed to intermittent or only while training new presenters. etc.] Activity 2e - Written Pension Estimates	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a					15	83% Yes / 11% No / 6% n/a					50
72 Do you offer written pension estimates to members? If no, go directly to question 79.	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	100% Yes / 0% No / 0% n/a					53
73 How many written pension estimates did you mail out pursuant to individual member requests? [Exclude estimates prepared during counseling sessions and not mailed in advance.]	24,304	22,806	19,120	144,930	22,620	1,588	29,196	15	949,166	8,513	276	35,458	53		
74 When a member requests multiple different estimate scenarios, do you count each scenario as an 'estimate' or do you count the 'multiple request' as a single estimate? a) If you count each scenario, what is the approximate average number of scenarios per request by a member?	Each Scenario	Each Scenario	Each Scenario	73% Each Scenario / 27% Single Estimate					15	51% Each Scenario / 49% Single Estimate					53
75 On average, how many business days does it take to provide a written pension estimate from the time of initial request from a member? [Exclude time in the mail.] a) Is this a number you regularly measure and track (versus an estimate)?	14	13	21	50	7	0	10	15	180	5	0	12	53		
76 Can members request and obtain a written pension estimate at any time during their career? [As opposed to, for example, requiring that the member be within a certain time period of earliest potential retirement before they can request a pension estimate.] a) If no: describe the time constraint? <u>Not earlier than 13 months prior to earliest possible retirement date.</u> <u>Online pension estimate calculator available for anytime during their career.</u>	No	No	No	73% Yes / 27% No / 0% n/a					15	87% Yes / 13% No / 0% n/a					53
77 Do you place a limit on the number of written pension estimates that a member can request? a) If yes, describe the limit?	No	No	No	13% Yes / 87% No / 0% n/a					15	19% Yes / 81% No / 0% n/a					53

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
n/a															
78 Do your written pension estimates (including cover letters, etc. sent with the estimate):															
a) Clearly address if and how the pension is inflation protected (or not protected)?	Yes	Yes	Yes	67% Yes / 33% No / 0% n/a					15	62% Yes / 38% No / 0% n/a					53
b) If your pension is coordinated with or reduced by social security (or CPP in Canada) is the impact explained?	Yes	Yes	Yes	40% Yes / 27% No / 33% n/a					10	56% Yes / 18% No / 27% n/a					33
c) Discuss alternative scenarios that could improve the pension such as purchasing service credit or working longer?	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a					15	81% Yes / 19% No / 0% n/a					53
d) Model alternative retirement payment options?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	83% Yes / 15% No / 2% n/a					52
Activity 2f Mass Communication: (i) Website															
79 Are all, most or some of your forms available online for either completion or downloading?	Most	Some	New	40% All / 13% Some / 47% Most / 0% n/a					15	38% All / 17% Some / 45% Most / 0% n/a					53
80 Does your website have a secure member area where members can access their own data?	No	No	No	93% Yes / 7% No / 0% n/a					15	94% Yes / 6% No / 0% n/a					53
If yes:															
a) How many unique members accessed the secure member area? [Count a member only once even if he visited multiple times.]	n/a	n/a	n/a	225,503	102,886	24,430	109,461	13	1,570,341	67,214	2,454	126,630	43		
b) How many visits in total were there by members to the secure member area? [Count each visit even if the same member visits multiple times.]	n/a	n/a	n/a	2,068,581	627,612	86,273	741,536	14	3,474,431	252,909	9,741	553,322	48		
c) If a member wants to register for the first time, does he/she have to wait for a password in the mail?	n/a	n/a	n/a	27% Yes / 67% No / 7% n/a					14	17% Yes / 77% No / 6% n/a					50
d) Do you welcome the member by name on the home page of the secure member area?	n/a	n/a	n/a	93% Yes / 0% No / 7% n/a					14	85% Yes / 9% No / 6% n/a					50
e) Are users required to acknowledge a disclaimer every time they log in?	n/a	n/a	n/a	20% Yes / 73% No / 7% n/a					14	13% Yes / 81% No / 6% n/a					50
f) Are users required to acknowledge a disclaimer every time they generate a pension estimate?	n/a	n/a	n/a	33% Yes / 53% No / 13% n/a					13	26% Yes / 64% No / 9% n/a					48
g) Do inactive members have access to the secure member area?	n/a	n/a	n/a	80% Yes / 13% No / 7% n/a					14	79% Yes / 15% No / 6% n/a					50
81 Indicate whether the following capabilities are available on your website and provide volumes:															
a) Benefit calculator in non-secure area?	Yes	Yes	Yes	67% Yes / 33% No / 0% n/a					15	47% Yes / 53% No / 0% n/a					53
b) Benefit calculator in secure area not linked to member data?	No	No	No	20% Yes / 80% No / 0% n/a					15	11% Yes / 89% No / 0% n/a					53
c) Benefit calculator in secure area linked to member's salary and service data?	No	No	No	80% Yes / 20% No / 0% n/a					15	85% Yes / 15% No / 0% n/a					53
d) Service credit purchase calculator?	Yes	Yes	Yes	73% Yes / 27% No / 0% n/a					15	69% Yes / 27% No / 4% n/a					43
e) Register for 1-on-1 counseling sessions?	No	No	No	47% Yes / 47% No / 7% n/a					14	30% Yes / 66% No / 4% n/a					51

Survey Question	Your Response			Peers 2015					All Participants 2015				
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#
e1) If yes, does the member have real-time access to available dates and times?	n/a	n/a	n/a	47% Yes / 0% No / 53% n/a				7	23% Yes / 6% No / 72% n/a				15
f) Register for presentations?	Yes	Yes	Yes	73% Yes / 27% No / 0% n/a				15	53% Yes / 42% No / 6% n/a				50
g) Live chat?	No	No	New	0% Yes / 100% No / 0% n/a				15	6% Yes / 92% No / 2% n/a				52
h) Change address?	No	No	No	80% Yes / 20% No / 0% n/a				15	82% Yes / 18% No / 0% n/a				45
i) Change beneficiary?	No	No	No	47% Yes / 53% No / 0% n/a				15	44% Yes / 53% No / 2% n/a				44
j) Change email address?	No	No	New	80% Yes / 20% No / 0% n/a				15	81% Yes / 17% No / 2% n/a				52
k) Reset password?	No	No	New	80% Yes / 13% No / 7% n/a				14	74% Yes / 21% No / 6% n/a				50
l) Change banking information for direct deposit?	No	No	No	60% Yes / 40% No / 0% n/a				15	47% Yes / 53% No / 0% n/a				45
m) Change tax withholding amount?	No	No	No	73% Yes / 27% No / 0% n/a				15	58% Yes / 42% No / 0% n/a				45
n) Download or print duplicate tax receipts? [i.e., 1099s in the U.S.]	No	No	No	87% Yes / 13% No / 0% n/a				15	70% Yes / 30% No / 0% n/a				53
o) View pension payment details? [i.e., gross amounts, deductions]	No	No	No	93% Yes / 7% No / 0% n/a				15	75% Yes / 25% No / 0% n/a				53
p) Submit a retirement application online?	No	New	New	40% Yes / 60% No / 0% n/a				15	25% Yes / 75% No / 0% n/a				53
If yes:													
p1) Does the online application provide an estimate, final value or neither of the annuity payment the member will receive?	n/a	n/a	n/a	27% Neither / 33% Estimate / 40% n/a				9	13% Final/ 9% Neither / 19% Est / 58% n/a				22
p2) Approximately what % of retirements submitted online require follow-up documents or signatures to be mailed in?	n/a	n/a	New	100.0%	90.0%	16.8%	73.4%	8	100.0%	100.0%	0.0%	70.6%	19
q) View status of online retirement application?	n/a	n/a	n/a	40% Yes / 20% No / 40% n/a				9	17% Yes / 25% No / 58% n/a				22
r) Apply for a refund or transfer-out?	No	No	New	47% Yes / 53% No / 0% n/a				15	28% Yes / 64% No / 8% n/a				49
s) Secure mailbox or digital file including history of recent correspondence and member documents?	No	No	No	47% Yes / 53% No / 0% n/a				15	36% Yes / 62% No / 2% n/a				52
t) Download member statement? [i.e., Adobe format]	No	No	No	80% Yes / 20% No / 0% n/a				15	85% Yes / 13% No / 2% n/a				52
u) Upload documents (such as birth certificates)?	No	No	No	33% Yes / 67% No / 0% n/a				15	21% Yes / 75% No / 4% n/a				51
v) View pensionable earnings and/or service without downloading?	No	No	No	80% Yes / 20% No / 0% n/a				15	83% Yes / 15% No / 2% n/a				52
If yes:													
v1) Are both salary and service data available?	n/a	n/a	n/a	80% Yes / 0% No / 20% n/a				12	81% Yes / 2% No / 17% n/a				44
v2) Is online data up-to-date to the most recent pay period?	n/a	n/a	n/a	67% Yes / 13% No / 20% n/a				12	60% Yes / 23% No / 17% n/a				44
v3) Is a complete annual history from the beginning of employment provided?	n/a	n/a	n/a	53% Yes / 27% No / 20% n/a				12	49% Yes / 34% No / 17% n/a				44
w) If you administer a core DC or hybrid DB/ DC plan:													
w1) Switch between investment options?	No	n/a	n/a	53% Yes / 13% No / 33% n/a				10	24% Yes / 7% No / 69% n/a				14
w2) Change deferral percentage selections for regular contributions?	No	n/a	n/a	33% Yes / 33% No / 33% n/a				10	11% Yes / 20% No / 69% n/a				14
w3) Initiate withdrawals?	No	n/a	n/a	27% Yes / 40% No / 33% n/a				10	13% Yes / 20% No / 67% n/a				15
w4) View current valuation of their account?	No	n/a	n/a	60% Yes / 7% No / 33% n/a				10	24% Yes / 9% No / 67% n/a				15

Survey Question		Your Response			Peers 2015					All Participants 2015				
		2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#
	If yes, volume?													
	a) Benefit calculator in non-secure area?	147,475	226,943	202,500	340,735	100,705	14,242	105,051	10	480,254	77,489	8,323	101,838	24
	b) Benefit calculator in secure area not linked to member data?	n/a	n/a	n/a	29,141	7,226	1,940	12,769	3	29,141	16,859	1,940	16,716	6
	c) Benefit calculator in secure area linked to member's salary and service data?	n/a	n/a	n/a	639,983	175,428	9,556	228,825	12	1,089,017	67,227	4,597	153,506	45
	d) Service credit purchase calculator?	3,829	3,399	2,497	639,983	14,471	905	85,960	9	639,983	6,396	656	38,771	27
	e) Register for 1-on-1 counseling sessions?	n/a	n/a	n/a	4,476	2,364	581	2,552	7	10,245	1,999	34	2,284	14
	f) Register for presentations?	11,344	10,239	1,544	16,664	5,542	3,057	7,097	11	20,901	4,177	0	5,610	26
	g) Live chat?	n/a	n/a	New	n/a	n/a	n/a	n/a	0	533	533	533	533	1
	h) Change address?	n/a	n/a	n/a	45,463	9,721	2,995	15,416	11	73,008	5,666	425	13,145	33
	i) Change beneficiary?	n/a	n/a	n/a	27,172	7,624	4,509	11,587	7	228,609	7,387	296	23,043	20
	j) Change email address?	n/a	n/a	New	88,189	49,192	5,259	39,560	9	88,189	5,607	50	17,795	29
	k) Reset password?	n/a	n/a	New	209,123	39,349	1,253	81,000	8	209,123	25,953	50	47,503	26
	l) Change banking information for direct deposit?	n/a	n/a	n/a	18,977	2,915	560	4,818	9	153,930	1,733	170	11,896	21
	m) Change tax withholding amount?	n/a	n/a	n/a	33,211	4,371	1,095	7,669	11	117,161	3,062	218	9,071	26
	n) Download or print duplicate tax receipts? [i.e., 1099s in the U.S.]	n/a	n/a	n/a	68,942	18,963	2,500	24,368	10	72,825	6,556	350	15,945	28
	o) View pension payment details? [i.e., gross amounts, deductions]	n/a	n/a	n/a	311,911	43,579	8,574	89,500	12	910,898	23,823	123	81,382	36
	p) Submit a retirement application?	n/a	New	New	6,826	4,829	549	4,287	5	6,826	3,801	294	3,331	7
	q) View status of online retirement application?	n/a	n/a	n/a	137,009	27,616	1,344	46,385	5	137,009	24,093	1,344	34,042	7
	r) Apply for a refund or transfer-out?	n/a	n/a	New	19,189	2,985	91	6,304	7	28,295	3,200	39	6,953	13
	s) Secure mailbox or digital file including history of recent correspondence and member documents?	n/a	New	New	219,381	105,874	3,925	108,763	4	368,962	59,195	2,407	108,431	12
	t) Download member statement? [i.e., Adobe format]	n/a	n/a	n/a	322,685	54,279	6,334	76,120	11	832,646	28,568	71	70,216	36
	u) Upload documents (such as birth certificates)?	n/a	n/a	n/a	4,224	357	3	1,235	4	4,224	194	3	1,019	8
	v) View pensionable earnings and/or service without downloading?	n/a	n/a	n/a	1,029,403	180,273	29,759	311,190	10	2,086,795	95,566	2,297	293,279	35
	w) If you administer a core DC or hybrid DB/ DC plan:													
	w1) Switch between investment options?	n/a	n/a	n/a	14,904	3,236	870	6,497	5	14,904	1,568	3	4,453	8
	w2) Change deferral percentage selections for regular contributions?	n/a	n/a	n/a	3,776	2,907	612	2,432	3	3,776	2,907	612	2,432	3
	w3) Initiate withdrawals?	n/a	n/a	n/a	2,995	2,995	2,995	2,995	1	57,475	5,118	2,995	21,863	3
	w4) View current valuation of their account?	n/a	n/a	n/a	989,779	134,285	34,208	315,230	5	989,779	93,454	5,514	239,302	7
	<u>Videos</u>													
82	Do you have videos that members can access online?	Yes	Yes	New	93% Yes / 7% No / 0% n/a				15	81% Yes / 19% No / 0% n/a				53
	If yes:													

Survey Question		Your Response			Peers 2015					All Participants 2015				
		2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#
a) How many different videos do you have for members online? During your most recent fiscal year: b) What was the total number of new views for all streamed videos? c) What was the total number of downloads for all downloadable videos?		25	29	New	312	19	1	37	14	312	16	1	25	43
		40,452	38,554	New	138,347	8,551	0	21,424	11	172,318	6,225	0	16,938	37
		Unknown	Unknown	New	1,504	17	0	507	3	29,186	0	0	2,746	12
Activity 2f Mass Communication: (ii) News and Targeted Communication														
83	What % of email addresses do you have in your system for the following groups:													
	a) Active members?	9.0%	0.0%	0.0%	84.0%	42.6%	0.0%	44.3%	15	100.0%	45.0%	0.0%	44.1%	49
	b) Inactive members?	0.0%	0.0%	0.0%	48.0%	25.9%	0.0%	23.0%	15	60.1%	16.4%	0.0%	19.7%	46
	c) Annuitants?	13.0%	0.0%	0.0%	71.6%	40.9%	0.0%	39.2%	15	91.0%	31.8%	0.0%	32.5%	48
84	Indicate whether you sent newsletters or news magazines (in either electronic or paper format) last year to any of the following member segments, and if yes, the number of times it was sent and the approximate % sent electronically. Only indicate 'yes' if the newsletter was customized for and only sent to members in the segment: Target segment													
	a) All members (active, inactive and annuitants)?	No	No	New	33% Yes / 67% No / 0% n/a				15	32% Yes / 68% No / 0% n/a				53
	b) Active and inactive members?	No	No	New	27% Yes / 73% No / 0% n/a				15	12% Yes / 88% No / 0% n/a				52
	c) Active members and annuitants?	Yes	Yes	New	7% Yes / 93% No / 0% n/a				15	4% Yes / 96% No / 0% n/a				52
	d) Active members only?	Yes	No	New	53% Yes / 47% No / 0% n/a				15	60% Yes / 40% No / 0% n/a				53
	e) Inactive members only?	Yes	Yes	New	20% Yes / 80% No / 0% n/a				15	15% Yes / 83% No / 2% n/a				52
	f) Annuitants only?	Yes	No	New	93% Yes / 7% No / 0% n/a				15	77% Yes / 21% No / 2% n/a				52
	g) Age segments (i.e., under 35, 35-50, 50 plus)?	No	No	New	20% Yes / 80% No / 0% n/a				15	13% Yes / 85% No / 2% n/a				52
	h) Women only or men only?	No	No	New	0% Yes / 100% No / 0% n/a				15	2% Yes / 96% No / 2% n/a				52
	i) Employer or employment category (i.e., a different newsletter for teachers vs. bus drivers)?	No	No	New	27% Yes / 73% No / 0% n/a				15	11% Yes / 87% No / 2% n/a				52
	j) Other? (describe your other newsletter segments below)	No	No	New	40% Yes / 60% No / 0% n/a				15	15% Yes / 79% No / 6% n/a				50
	<u>n/a</u>													
	If yes: # of times you sent last year?													
	a) All members (active, inactive and annuitants)?	n/a	n/a	New	17	1	1	5	5	23	4	1	8	17
	b) Active and inactive members?	n/a	n/a	New	3	2	1	2	4	3	2	1	2	6
	c) Active members and annuitants?	1	4	New	1	1	1	1	1	3	2	1	2	2
	d) Active members only?	2	n/a	New	20	4	2	6	8	20	3	1	5	32

Survey Question	Your Response			Peers 2015					All Participants 2015				
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#
e) Inactive members only?	1	1	New	2	1	1	1	3	15	1	1	3	8
f) Annuitants only?	2	n/a	New	7	3	2	3	14	15	2	1	3	41
g) Age segments (i.e., under 35, 35-50, 50 plus)?	n/a	n/a	New	8	4	2	5	3	15	4	2	6	7
h) Women only or men only?	n/a	n/a	New	n/a	n/a	n/a	n/a	0	1	1	1	1	1
i) Employer or employment category (i.e., a different newsletter for teachers vs. bus drivers)?	n/a	n/a	New	23	12	4	13	3	23	6	4	10	5
j) Other? (describe your other newsletter segments below)	n/a	n/a	New	16	11	2	9	5	16	11	2	9	7
Approx. % sent by email													
a) All members (active, inactive and annuitants)?	n/a	n/a	New	75.0%	15.0%	0.0%	31.0%	5	100.0%	65.0%	0.0%	57.8%	17
b) Active and inactive members?	n/a	n/a	New	100.0%	13.6%	0.0%	31.8%	4	100.0%	18.6%	0.0%	32.9%	6
c) Active members and annuitants?	0.0%	31.0%	New	0.0%	0.0%	0.0%	0.0%	1	1.0%	0.5%	0.0%	0.5%	2
d) Active members only?	100.0%	n/a	New	100.0%	41.5%	0.0%	50.3%	8	100.0%	57.0%	0.0%	54.1%	32
e) Inactive members only?	0.0%	0.0%	New	5.0%	0.0%	0.0%	1.7%	3	80.0%	0.0%	0.0%	15.8%	8
f) Annuitants only?	0.0%	n/a	New	99.0%	0.0%	0.0%	18.1%	14	100.0%	0.0%	0.0%	20.9%	41
g) Age segments (i.e., under 35, 35-50, 50 plus)?	n/a	n/a	New	38.0%	35.0%	0.0%	24.3%	3	100.0%	38.0%	0.0%	50.4%	7
h) Women only or men only?	n/a	n/a	New	n/a	n/a	n/a	n/a	0	100.0%	100.0%	100.0%	100.0%	1
i) Employer or employment category (i.e., a different newsletter for teachers vs. bus drivers)?	n/a	n/a	New	100.0%	100.0%	0.0%	75.0%	4	100.0%	100.0%	0.0%	83.3%	6
j) Other? (describe your other newsletter segments below)	n/a	n/a	New	100.0%	100.0%	19.0%	81.8%	5	100.0%	100.0%	19.0%	84.8%	6
85 Are new members issued a 'welcome' kit describing their benefits?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a				15	92% Yes / 8% No / 0% n/a				53
a) If yes, does it include a personalized letter addressing the new member by name?	No	No	New	67% Yes / 33% No / 0% n/a				15	74% Yes / 19% No / 8% n/a				49
86 Do you send your members a general brochure with a summary of the benefits every year in either paper or email format?	No	No	No	27% Yes / 73% No / 0% n/a				15	25% Yes / 75% No / 0% n/a				53
87 Do you automatically send targeted letters or emails addressed to members by name triggered by the following milestones:													
a) Vested for pension benefits (if member is not vested immediately)?	No	No	No	27% Yes / 67% No / 7% n/a				14	29% Yes / 60% No / 11% n/a				40
b) Vested for disability benefits (if member is not vested immediately)?	No	No	No	20% Yes / 73% No / 7% n/a				14	13% Yes / 71% No / 16% n/a				38
c) Expiration of disability benefits for inactive members or members that have exited employment?	Yes	Yes	New	40% Yes / 60% No / 0% n/a				15	27% Yes / 60% No / 13% n/a				39
d) Approaching eligibility, or becoming eligible, for retirement?	Yes	Yes	New	53% Yes / 47% No / 0% n/a				15	51% Yes / 49% No / 0% n/a				53
e) Eligibility or likely eligibility, to purchase service credit?	No	No	New	20% Yes / 80% No / 0% n/a				15	27% Yes / 69% No / 4% n/a				43
f) Missing beneficiary?	No	No	New	20% Yes / 80% No / 0% n/a				15	24% Yes / 73% No / 2% n/a				44
g) Missing email address?	No	No	New	7% Yes / 93% No / 0% n/a				15	13% Yes / 87% No / 0% n/a				53

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
h) Never visited the secure member area?	No	No	New	7% Yes / 93% No / 0% n/a					15	9% Yes / 89% No / 2% n/a					52
i) Other milestone communication? (describe below) <u>Inactive members reaching age 69.5 and 70.5 to accommodate federal minimum distribution rules.</u>	Yes	Yes	Yes	73% Yes / 27% No / 0% n/a					15	72% Yes / 25% No / 4% n/a					51
88 Do you actively solicit member feedback on your publications through:															
a) Focus groups?	No	No	No	13% Yes / 87% No / 0% n/a					15	36% Yes / 64% No / 0% n/a					53
b) Tear out surveys or feedback cards in the publications themselves?	No	No	No	0% Yes / 100% No / 0% n/a					15	15% Yes / 85% No / 0% n/a					53
c) Surveys sent to members who request a publication?	No	No	No	0% Yes / 100% No / 0% n/a					15	13% Yes / 87% No / 0% n/a					53
d) Other (describe)? <u>ETF provides email address for members to send inquiries to newsletter editor.</u>	Yes	Yes	Yes	53% Yes / 47% No / 0% n/a					15	57% Yes / 40% No / 4% n/a					51
89 Do you publish any of the following materials in a language other than English (or other than French in Quebec and France), or in Braille:															
a) Member statements?	No	No	No	0% Yes / 100% No / 0% n/a					15	23% Yes / 77% No / 0% n/a					53
b) Annual report?	No	No	No	0% Yes / 100% No / 0% n/a					15	30% Yes / 70% No / 0% n/a					53
c) Newsletters?	No	No	No	0% Yes / 100% No / 0% n/a					15	23% Yes / 77% No / 0% n/a					53
d) Website?	No	No	No	20% Yes / 80% No / 0% n/a					15	36% Yes / 64% No / 0% n/a					53
e) Brochures and pamphlets?	No	No	No	20% Yes / 80% No / 0% n/a					15	40% Yes / 60% No / 0% n/a					53
Activity 2f Mass Communication: (iii) Member Statement															
90 How many times per year (annually = 1, every 2nd year = 0.5, every 3 years = 0.33, every 5 years = 0.2) do you send member statements to:															
a) Active members?	1	1	1	4	1	1	1	15	5	1	0	1	53		
b) Inactive members?	1	1	1	4	1	0	1	15	5	1	0	1	53		
91 Approximately what % of members complain about the accuracy of data in their member statements?	0.9%	0.9%	Unknown	2.0%	0.2%	0.0%	0.6%	15	2.0%	0.1%	0.0%	0.5%	53		
92 Indicate the approximate percentage breakdown of how you send member statements to active members:															
a) Directed through the employer?	84.0%	72.0%	75.0%	84.0%	0.0%	0.0%	11.0%	15	100.0%	0.0%	0.0%	8.4%	51		
b) Mailed directly to members' homes?	16.0%	16.0%	13.0%	100.0%	88.3%	0.0%	60.1%	15	100.0%	95.0%	0.0%	73.2%	51		
c) Email or text message to members that the statement is available in the secure member area?	0.0%	0.0%	0.0%	100.0%	7.0%	0.0%	26.4%	15	100.0%	5.0%	0.0%	21.4%	49		
93 On average, how current is an active member's data in the statements that the member receives (in months)?	3	3	3	5	2	0	2	15	6	3	0	3	52		

Survey Question	Your Response			Peers 2015					All Participants 2015					
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#	
[For example, if statements with data current to December 31st are mailed in a staggered mailing beginning May 1st and finishing June 30th, then the members are receiving data that is between 4 and 6 months old. or 5 months old on average.]														
94 Do your statements for active members include:														
a) Total accumulated service credit?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	89% Yes / 8% No / 4% n/a				51
b) Pensionable earnings?	Yes	Yes	Yes	87% Yes / 13% No / 0% n/a					15	91% Yes / 8% No / 2% n/a				52
c) A historical summary of salary and service credit earned each year?	No	No	No	53% Yes / 47% No / 0% n/a					15	30% Yes / 68% No / 2% n/a				52
d) The refund value if you left at the statement date?	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a					15	60% Yes / 36% No / 4% n/a				51
e) An estimate of the future pension entitlement based on age scenario modeling or assuming the member continues to work until earliest possible retirement?	Yes	Yes	Yes	73% Yes / 27% No / 0% n/a					15	89% Yes / 9% No / 2% n/a				52
<u>New Media and Other</u>														
95 Do you have a Facebook site?	No	No	No	73% Yes / 27% No / 0% n/a					15	55% Yes / 45% No / 0% n/a				53
If yes:														
a) How often do you update your site?	n/a	n/a	n/a	250	250	26	198	11	250	52	1	137	29	
b) How many "likes" do you have?	n/a	n/a	New	23,000	2,665	650	5,299	11	30,000	2,111	50	4,775	29	
96 Do you have a Twitter account?	Yes	No	No	67% Yes / 33% No / 0% n/a					15	58% Yes / 42% No / 0% n/a				53
If yes:														
a) How many tweets did you post last year?	42	n/a	n/a	3,300	212	0	490	10	3,300	173	0	391	31	
b) How many followers do you have?	118	n/a	n/a	2,923	361	0	859	10	2,923	442	0	802	31	
97 Do you have a mobile app?	No	No	No	7% Yes / 93% No / 0% n/a					15	8% Yes / 92% No / 0% n/a				53
a) If yes, does your app contain information that is linked to the member's data?	n/a	n/a	n/a	7% Yes / 0% No / 93% n/a					1	4% Yes / 4% No / 92% n/a				4
98 Do you have a mobile version of your website? [i.e., a version of your website designed specifically for smart phones and tablets]	No	No	New	60% Yes / 40% No / 0% n/a					15	49% Yes / 51% No / 0% n/a				53
a) If yes, can members access their own data via the mobile version of your website?	n/a	n/a	New	47% Yes / 13% No / 40% n/a					9	25% Yes / 25% No / 51% n/a				26
Activity 3 Collections and Data Maintenance														
99 Number of:														
a) Employers at the end of your fiscal year?	1,514	1,479	1,509	3,250	1,325	596	1,549	15	301,578	876	1	11,381	53	
b) Employers that joined your system during the fiscal year?	5	2	6	53	9	2	11	15	30,127	6	0	1,216	53	
c) Employers that exited your system during the fiscal year?	0	1	1	310	6	0	29	15	68,539	3	0	1,787	53	

Survey Question	Your Response			Peers 2015					All Participants 2015				
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#
100	<p>How many 'collection points' (i.e., employers, state agencies, departments and/or service providers etc) do you deal with for collecting:</p> <p>a) Member payroll data?</p> <p>b) Money (i.e., contributions)?</p> <p>[Your number of 'collection points' could be less than your number of employers if, for example, some of your payroll data comes from a central agency that processes payroll data from numerous employers and then provides it to you in a consolidated, integrated format.]</p>												
	1,514	1,479	1,509	3,077	1,157	89	1,423	15	30,705	542	1	2,230	53
	1,514	1,479	1,509	3,077	1,157	90	1,403	15	33,474	677	1	2,644	53
101	<p>How many 'reconciliation points' (i.e., employers, state agencies, departments and/or service providers, etc.) do you deal with when:</p> <p>a) Validating member data?</p> <p>b) Reconciling money issues (i.e., contributions)?</p> <p>[For most systems, the number of 'reconciliation points' will be the same as the number of 'collection points' per question 101 immediately above. But they could be different. For example, MOSERS has 1 primary collection point - the Office of Administration. The Office of Administration does not check to see if employers have sent the correct amount. MOSERS has to go back to the individual payroll offices at each employer to reconcile money problems and validate data.]</p>												
	1,514	1,480	1,509	3,077	1,325	2	1,511	15	125,000	784	1	4,679	53
	1,514	1,480	1,509	3,077	1,157	90	1,432	15	125,000	765	1	5,020	53
102	<p>What is the breakdown of 'collection points' providing you with payroll data between the following formats and what is the total number of active members covered by each format?</p> <p>a) 100% electronic? [No manual steps required unless there are errors.]</p> <p>b) Mostly electronic? [For example, some systems receive files by internet and then must manually start a program that uploads the file.]</p> <p>c) Computer readable? [i.e., via computer tape or disk]</p> <p>d) Paper?</p> <p>Total # of active members</p> <p>a) 100% electronic? [No manual steps required unless there are errors.]</p> <p>b) Mostly electronic? [For example, some systems receive files by internet and then must manually start a program that uploads the file.]</p> <p>c) Computer readable? [i.e., via computer tape or disk]</p> <p>d) Paper?</p>												
	0	0	0	2,955	835	0	1,278	15	32,564	450	0	2,122	53
	1,514	1,480	1,509	1,514	0	0	128	15	1,514	0	0	126	53
	0	0	0	0	0	0	0	15	1,966	0	0	37	53
	0	0	0	338	0	0	26	15	654	0	0	25	53
	0.0k	0.0k	0.0k	522.0k	232.3k	0.0k	237.7k	15	1,253,059.0	143.0k	0.0k	23,949.6k	53
	257.3k	256.8k	256.8k	257.3k	0.0k	0.0k	36.1k	15	15,805.0k	0.0k	0.0k	341.7k	51
	0.0k	0.0k	0.0k	0.0k	0.0k	0.0k	0.0k	15	1,103.3k	0.0k	0.0k	24.9k	50
	0.0k	0.0k	0.0k	5.0k	0.0k	0.0k	0.3k	15	10.0k	0.0k	0.0k	0.5k	50

Survey Question	Your Response			Peers 2015					All Participants 2015				
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#
103 How many warrants of execution or court orders did you obtain against delinquent employers?	0	0	0	33	0	0	2	15	31,096	0	0	865	53
104 What % of your active and inactive member on-line records are complete and accurate? [For example, you don't have to double check paper records or check non-recent data with employers prior to incepting a pension. On-line data may be inaccurate because of poor collection processes, or poor transfer of paper records in the past, or merging in new employers with had data etc.]	95.0%	95.0%	95.0%	100.0%	98.7%	67.0%	93.6%	15	100.0%	97.0%	56.0%	94.1%	53
105 Do you actively keep track of the addresses of inactive members?	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a				15	74% Yes / 26% No / 0% n/a				53
106 Do you have a diagnostic software system for detecting and correcting contribution errors?	No	No	No	93% Yes / 7% No / 0% n/a				15	87% Yes / 13% No / 0% n/a				53
107 When you get an address change, how many systems do you need to update? Activity 3b - Service to Employers	6	6	6	6	1	1	1	15	6	1	1	1	53
108 Number of:													
a) Incoming calls from employers?	6,782	8,878	12,019	74,856	15,452	3,759	20,452	15	78,000	9,394	0	14,561	53
b) Email queries from employers?	2,340	315	360	138,452	14,895	2,100	30,333	15	236,471	7,920	0	21,464	53
c) Conferences for employers (conferences must span more than half a day and typically involve multiple presentations)? [For example, some administrators with multiple employers host an annual conference to update the employers on trends, regulation, legislation, and new services that might affect their pension plan].	0	14	30	30	0	0	2	15	1,917	0	0	42	53
d) Presentations given to employers such as orientation workshops or seminars on benefit changes, etc. (do not include presentations given at conferences)?	49	67	43	92	40	7	40	15	547	21	0	44	53
e) On-site reviews (or audits or inspections) of your employers? [For example, several systems perform reviews of their employers that have problems providing data and or contributions on a timely basis to ensure that they are correctly fulfilling their obligations to their members.]	0	0	0	624	9	0	82	15	5,503	1	0	252	53
f) Other site visits to employers (exclude 'd' and 'e' above)?	2	6	1	135	6	0	34	15	3,573	4	0	207	53
109 Do you have an employer targeted section on your website or a separate website for your employers? [Do not include PDF documents.]	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a				15	87% Yes / 11% No / 2% n/a				52
110 Do you have online videos targeted for employers?	No	No	New	80% Yes / 20% No / 0% n/a				15	53% Yes / 45% No / 2% n/a				52

Survey Question	Your Response			Peers 2015					All Participants 2015									
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#					
111 How many different types of presentations did you give to employers? Describe the topic for each different presentation type given to employers below: <u>Rehired Annuitants</u> <u>WRS Eligibility and Employment Categories</u> <u>Late Reported Earnings</u> <u>WRS Annual Reconciliation</u> <u>Long Term Disability Insurance</u> <u>WRS Employer Orientation</u> <u>Health Insurance Eligibility</u> <u>Health Insurance 101</u> <u>n/a</u> <u>n/a</u>	8	9	8	10	6	2	6	15	20	5	0	5	53					
112 Do you have a newsletter dedicated to employers that is different from the newsletter for members? a) If yes, how many times did you prepare and send an employer dedicated newsletter last year?	Yes 33	Yes 28	Yes 31	93% Yes / 7% No / 0% n/a 33 12 3 14 14					75% Yes / 23% No / 2% n/a 69 10 0 12 40									
113 Do you have Service Level agreements with your employers that clarifies both your and the employer's service responsibilities and includes measurement and reporting vis-à-vis your responsibilities?	No	No	No	27% Yes / 73% No / 0% n/a 15					26% Yes / 72% No / 2% n/a 52									
114 Do you offer and maintain generalized reporting software for your employer collection points? If yes: a) Is the application web-based? [i.e., you connect to it through a web browser] b) Can the software integrate both data collection and billing? c) Can it provide real-time error checking and feedback versus data previously submitted by the employer? [For example, can it identify an unusual increase in an employee's salary?]	Yes Yes No No	Yes Yes No No	Yes Yes No No	100% Yes / 0% No / 0% n/a 100% Yes / 0% No / 0% n/a 87% Yes / 13% No / 0% n/a 67% Yes / 33% No / 0% n/a					15 15 15 15					87% Yes / 11% No / 2% n/a 83% Yes / 4% No / 13% n/a 55% Yes / 32% No / 13% n/a 55% Yes / 32% No / 13% n/a				
115 Do you maintain customized reporting software for any of your employer collection points? [For example, you may maintain customized reporting software for your largest employer.] Activity 4 - Governance and Financial Control	No	No	No	13% Yes / 87% No / 0% n/a 15					28% Yes / 68% No / 4% n/a 51									
116 Indicate the oversight bodies that you reported to last year, and the number of meetings, excluding investment related meetings, that you participated in:																		

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
a) Board of Trustees?	Yes	Yes	Yes	80% Yes / 20% No / 0% n/a					15	87% Yes / 13% No / 0% n/a					53
b) Non-board legislative oversight committee?	No	No	No	80% Yes / 20% No / 0% n/a					15	58% Yes / 42% No / 0% n/a					53
c) Advisory committee?	Yes	Yes	Yes	47% Yes / 53% No / 0% n/a					15	34% Yes / 62% No / 4% n/a					51
d) Members' Council?	Yes	Yes	No	7% Yes / 93% No / 0% n/a					15	21% Yes / 75% No / 4% n/a					51
e) Other (describe below)? <u>JL, TR, WR, DC</u>	Yes	Yes	Yes	47% Yes / 53% No / 0% n/a					15	53% Yes / 43% No / 4% n/a					51
# of meetings, including sub-committees, last year															
a) Board of Trustees?	5	5	4	38	20	5	20	12	94	23	0	24	46		
b) Non-board legislative oversight committee?	n/a	n/a	n/a	19	5	1	6	12	39	6	0	9	31		
c) Advisory committee?	16	23	11	20	5	2	9	7	20	4	0	6	18		
d) Members' Council?	4	4	n/a	4	4	4	4	1	15	4	0	5	11		
e) Other (describe below)?	11	16	12	11	4	2	6	7	85	8	0	13	28		
117 Do you have back-up equipment and premises arranged for your operations if substantial damage occurs at your principal location?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	100% Yes / 0% No / 0% n/a					53
118 Do you have an independent auditor that reviews and tests the disaster recovery plan?	No	No	No	53% Yes / 47% No / 0% n/a					15	58% Yes / 42% No / 0% n/a					53
119 If your principal location became inoperable due to some disaster (such as fire, tornado, etc), how long would it take, in business days, for you to:															
a) Continue paying pension payments to retirees?	5	5	5	5	1	0	2	15	10	1	0	2	53		
b) Begin doing new pension inceptions at normal volumes?	25	25	25	30	5	0	8	15	43	3	0	8	53		
c) Collect data and money from employers?	25	25	25	25	1	0	4	15	43	2	0	5	52		
d) Respond to member calls at close to current service levels?	3	3	3	30	3	0	6	15	43	3	0	5	53		
120 Did you have any material legislative changes or other unusual events that materially affected your costs and/ or service in the most recent fiscal year?	Yes	Yes	Yes	33% Yes / 67% No / 0% n/a					15	43% Yes / 57% No / 0% n/a					53
a) If yes, describe: <u>Agency was in development phase of implementing a benefit administration system that is scheduled to provide online services to our members and employers by 2018.</u> Satisfaction															
121 Did you do any satisfaction surveying in your most recently ended fiscal year? If yes, complete the table below for each activity that you surveyed. <u>1-on-1 counseling</u>	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	96% Yes / 4% No / 0% n/a					53

Survey Question	Your Response			Peers 2015					All Participants 2015				
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#
a) Did you survey satisfaction regarding this activity in your most recently ended fiscal year?	Yes	No	No	87% Yes / 13% No / 0% n/a				15	66% Yes / 25% No / 9% n/a				48
b) Did the survey focus primarily on this single activity? (versus including other activities)	Yes	n/a	n/a	80% Yes / 7% No / 13% n/a				13	57% Yes / 9% No / 34% n/a				35
c) What was the longest possible time in days between the activity and the survey?	0	n/a	n/a	60	1	0	8	13	365	2	0	22	35
d) Is the survey delayed by at least 1 day from the date of the session?	No	n/a	New	40% Yes / 47% No / 13% n/a				13	30% Yes / 36% No / 34% n/a				35
e) How often did you survey about the activity?	Continuous	n/a	n/a	250	250	12	232	13	250	250	1	198	35
f) Can you break down the survey results by service agent?	Yes	n/a	n/a	73% Yes / 13% No / 13% n/a				13	45% Yes / 21% No / 34% n/a				35
g) Can you break down the survey results by topic covered?	Yes	n/a	New	40% Yes / 47% No / 13% n/a				13	36% Yes / 30% No / 34% n/a				35
<u>Member presentations</u>													
a) Did you survey satisfaction regarding this activity in your most recently ended fiscal year?	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a				15	91% Yes / 2% No / 8% n/a				49
b) Did the survey focus primarily on this single activity? (versus including other activities)	Yes	Yes	Yes	93% Yes / 0% No / 7% n/a				14	83% Yes / 8% No / 9% n/a				48
c) What was the longest possible time in days between the activity and the survey?	0	0	0	60	1	0	7	14	365	1	0	24	48
d) Is the survey delayed by at least 1 day from the date of the session?	No	No	New	47% Yes / 47% No / 7% n/a				14	36% Yes / 55% No / 9% n/a				48
e) How often did you survey about the activity?	Continuous	Continuous	Continuous	250	250	27	234	14	250	250	1	202	48
f) Can you break down the survey results by service agent?	Yes	Yes	Yes	93% Yes / 0% No / 7% n/a				14	77% Yes / 13% No / 9% n/a				48
<u>Member telephone calls</u>													
a) Did you survey satisfaction regarding this activity in your most recently ended fiscal year?	Yes	Yes	Yes	73% Yes / 27% No / 0% n/a				15	72% Yes / 25% No / 4% n/a				51
b) Did the survey focus primarily on this single activity? (versus including other activities)	Yes	Yes	Yes	53% Yes / 20% No / 27% n/a				11	55% Yes / 17% No / 28% n/a				38
c) What was the longest possible time in days between the activity and the survey?	0	0	0	365	7	0	79	11	365	11	0	60	38
d) Is the survey delayed by at least 1 day from the date of the session?	No	No	New	40% Yes / 33% No / 27% n/a				11	43% Yes / 28% No / 28% n/a				38
e) How often did you survey about the activity?	Continuous	Continuous	Continuous	250	250	1	143	11	250	32	1	117	38
f) Can you break down the survey results by service agent?	Yes	Yes	Yes	47% Yes / 27% No / 27% n/a				11	40% Yes / 32% No / 28% n/a				38
g) Can you break down the survey results by topic covered?	No	No	New	33% Yes / 40% No / 27% n/a				11	38% Yes / 34% No / 28% n/a				38
<u>Pension inceptions</u>													
a) Did you survey satisfaction regarding this activity in your most recently ended fiscal year?	No	No	No	60% Yes / 40% No / 0% n/a				15	60% Yes / 34% No / 6% n/a				50
b) Did the survey focus primarily on this single activity? (versus including other activities)	n/a	n/a	n/a	40% Yes / 20% No / 40% n/a				9	43% Yes / 17% No / 40% n/a				32

Survey Question	Your Response			Peers 2015					All Participants 2015				
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#
c) What was the longest possible time in days between the activity and the survey?	n/a	n/a	n/a	90	30	1	38	9	365	30	0	56	32
e) How often did you survey about the activity?	n/a	n/a	n/a	250	12	1	89	9	250	12	1	69	32
<u>Written benefit estimates</u>													
a) Did you survey satisfaction regarding this activity in your most recently ended fiscal year?	No	No	No	47% Yes / 53% No / 0% n/a				15	51% Yes / 43% No / 6% n/a				50
b) Did the survey focus primarily on this single activity? (versus including other activities)	n/a	n/a	n/a	27% Yes / 20% No / 53% n/a				7	36% Yes / 15% No / 49% n/a				27
c) What was the longest possible time in days between the activity and the survey?	n/a	n/a	n/a	90	30	1	34	7	365	30	0	54	27
e) How often did you survey about the activity?	n/a	n/a	n/a	250	250	1	146	7	250	12	1	90	27
<u>Website - secure member area</u>													
a) Did you survey satisfaction regarding this activity in your most recently ended fiscal year?	No	No	No	40% Yes / 60% No / 0% n/a				15	51% Yes / 43% No / 6% n/a				50
b) Did the survey focus primarily on this single activity? (versus including other activities)	n/a	n/a	n/a	13% Yes / 27% No / 60% n/a				6	30% Yes / 21% No / 49% n/a				27
c) What was the longest possible time in days between the activity and the survey?	n/a	n/a	n/a	365	75	0	147	6	365	30	0	88	27
e) How often did you survey about the activity?	n/a	n/a	n/a	250	8	1	86	6	250	4	1	79	27
g) Can you break down the survey results by topic covered?	n/a	n/a	New	27% Yes / 13% No / 60% n/a				6	32% Yes / 19% No / 49% n/a				27
<u>Refunds, lump-sums & transfers-out</u>													
a) Did you survey satisfaction regarding this activity in your most recently ended fiscal year?	No	No	No	27% Yes / 73% No / 0% n/a				15	38% Yes / 57% No / 6% n/a				50
b) Did the survey focus primarily on this single activity? (versus including other activities)	n/a	n/a	n/a	13% Yes / 13% No / 73% n/a				4	26% Yes / 11% No / 62% n/a				20
c) What was the longest possible time in days between the activity and the survey?	n/a	n/a	n/a	365	46	30	122	4	365	31	0	72	20
e) How often did you survey about the activity?	n/a	n/a	n/a	12	12	1	9	4	250	12	1	48	20
<u>Purchases & transfers-in</u>													
a) Did you survey satisfaction regarding this activity in your most recently ended fiscal year?	No	No	No	33% Yes / 67% No / 0% n/a				15	43% Yes / 49% No / 8% n/a				49
b) Did the survey focus primarily on this single activity? (versus including other activities)	n/a	n/a	n/a	20% Yes / 13% No / 67% n/a				5	32% Yes / 11% No / 57% n/a				23
c) What was the longest possible time in days between the activity and the survey?	n/a	n/a	n/a	365	31	15	100	5	365	30	0	61	23
e) How often did you survey about the activity?	n/a	n/a	n/a	26	12	1	13	5	250	12	1	63	23
<u>Disability</u>													
a) Did you survey satisfaction regarding this activity in your most recently ended fiscal year?	No	No	No	53% Yes / 47% No / 0% n/a				15	33% Yes / 49% No / 18% n/a				37

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
b) Did the survey focus primarily on this single activity? (versus including other activities)	n/a	n/a	n/a	27% Yes / 27% No / 47% n/a					8	20% Yes / 13% No / 67% n/a					15
c) What was the longest possible time in days between the activity and the survey?	n/a	n/a	n/a	365	45	1	115	8	365	30	0	80	15		
e) How often did you survey about the activity?	n/a	n/a	n/a	250	12	1	71	8	250	12	1	105	15		
<u>Service to employers</u>															
a) Did you survey satisfaction regarding this activity in your most recently ended fiscal year?	Yes	Yes	Yes	87% Yes / 13% No / 0% n/a					15	64% Yes / 30% No / 6% n/a					50
e) How often did you survey about the activity?	Continuous	Continuous	Continuous	250	1	1	78	13	250	2	1	54	34		
122 If you surveyed satisfaction regarding the secure member area on your website, was the survey electronic? [i.e., email or web based]	No	No	No	27% Yes / 27% No / 47% n/a					8	36% Yes / 26% No / 38% n/a					33
If yes:															
a) Was the survey a menu item that the user had to find and select (as opposed to a survey actively sent to the user via email or a pop up)?	n/a	n/a	n/a	7% Yes / 20% No / 73% n/a					4	11% Yes / 25% No / 64% n/a					19
b) Did you survey 100% of users (versus a sample such as every 100th user)?	n/a	n/a	n/a	13% Yes / 13% No / 73% n/a					4	21% Yes / 15% No / 64% n/a					19
If yes:															
b1) Do you survey all visitors (meaning the same unique user can be surveyed multiple times)?	n/a	n/a	n/a	13% Yes / 0% No / 87% n/a					2	17% Yes / 4% No / 79% n/a					11
Plan Design															
<u>Plan Characteristics</u>															
123 Indicate 'yes' if your employers/ member groups can be described as the following (indicate all that apply):															
a) Is your membership limited to a city or county?	No	No	No	0% Yes / 100% No / 0% n/a					15	7% Yes / 93% No / 0% n/a					45
b) Participating Local Employers (i.e., municipalities have a choice in participating in your plan)?	Yes	Yes	Yes	67% Yes / 33% No / 0% n/a					15	53% Yes / 47% No / 0% n/a					45
c) State, Province, Country?	Yes	Yes	Yes	80% Yes / 20% No / 0% n/a					15	73% Yes / 27% No / 0% n/a					45
d) Teachers?	Yes	Yes	Yes	80% Yes / 20% No / 0% n/a					15	56% Yes / 44% No / 0% n/a					45
e) School Employees (Custodians, Admin. Staff)?	Yes	Yes	Yes	80% Yes / 20% No / 0% n/a					15	67% Yes / 33% No / 0% n/a					45
f) Safety (Police, Fire, Sheriff's Dept, etc) ?	Yes	Yes	Yes	67% Yes / 33% No / 0% n/a					15	58% Yes / 42% No / 0% n/a					45
g) Other (Judges, Legislators, etc)?	Yes	Yes	Yes	73% Yes / 27% No / 0% n/a					15	58% Yes / 42% No / 0% n/a					45
h) Corporate?	No	No	No	0% Yes / 100% No / 0% n/a					15	9% Yes / 91% No / 0% n/a					45
i) Industry?	No	No	No	0% Yes / 100% No / 0% n/a					15	11% Yes / 89% No / 0% n/a					45
i1) If Industry, describe the industry:															
<u>n/a</u>															

Survey Question	Your Response			Peers 2015					All Participants 2015				
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#
124	Which of the following descriptions best describes the non-optional benefit plans that you administer for each of your member groups: A plan is non-optional if members must participate in it, or choose between it and alternatives. Do not include membership in benefit plans that are supplemental and optional such as deferred compensation 457, 403B or 401(k) plans. Do not include plans administered by a 3rd party												
	a) Traditional Defined Benefit ("DB")?	No	No	No	87% Yes / 13% No / 0% n/a			15	89% Yes / 11% No / 0% n/a			53	
	b) DB Cash Balance (aka Money Purchase)?	No	No	No	13% Yes / 87% No / 0% n/a			15	8% Yes / 91% No / 2% n/a			52	
	c) Hybrid DB/ DC Cash Balance?	No	No	No	7% Yes / 93% No / 0% n/a			15	6% Yes / 92% No / 2% n/a			52	
	d) Hybrid DB/ Money Match?	No	No	No	7% Yes / 93% No / 0% n/a			15	2% Yes / 96% No / 2% n/a			44	
	e) DROP savings?	No	No	No	13% Yes / 87% No / 0% n/a			15	9% Yes / 89% No / 2% n/a			44	
	f) Defined Contribution ("DC")?	No	No	No	27% Yes / 73% No / 0% n/a			15	13% Yes / 85% No / 2% n/a			52	
	g) Hybrid DB/ DC?	Yes	Yes	Yes	60% Yes / 40% No / 0% n/a			15	26% Yes / 72% No / 2% n/a			52	
	h) Other (describe)? n/a	No	No	No	7% Yes / 93% No / 0% n/a			15	9% Yes / 85% No / 6% n/a			50	
125	Do members in any of your defined benefit plan(s) have the option of electing: [These questions are not applicable for DC plans or the DC portion of hybrid DB/DC plans]												
	a) A 'variable investment option' that can increase or decrease the value of a member's future DB pension depending on the investment performance of a 'variable fund'?	Yes	Yes	Yes	13% Yes / 87% No / 0% n/a			15	4% Yes / 96% No / 0% n/a			45	
	b) A 'pension savings overlay'? [Some Dutch systems have this option. The additional contributions are converted into an annuity at retirement. Interest is based on a fixed percentage or on the performance of the pension fund.]	Yes	Yes	Yes	27% Yes / 73% No / 0% n/a			15	9% Yes / 91% No / 0% n/a			45	
	c) To change their contribution rate in order to get either more money at retirement or earlier eligibility to retire?	No	No	No	0% Yes / 100% No / 0% n/a			15	4% Yes / 96% No / 0% n/a			45	
126	Do you have a Highly Compensated Employee replacement benefit program for employees that exceed legal or contractual limits of maximum pensionable earnings?												
		No	No	No	67% Yes / 33% No / 0% n/a			15	67% Yes / 33% No / 0% n/a			45	
127	Are any of the following activities administered by a third party:												
	a) DB administration?	No	No	No	0% Yes / 100% No / 0% n/a			15	15% Yes / 85% No / 0% n/a			53	
	b) DC administration?	Yes	Yes	Yes	67% Yes / 20% No / 13% n/a			13	32% Yes / 34% No / 34% n/a			35	
	c) Pensioner data maintenance?	No	No	No	7% Yes / 93% No / 0% n/a			15	17% Yes / 83% No / 0% n/a			53	
	d) Active member data maintenance?	No	No	No	7% Yes / 93% No / 0% n/a			15	17% Yes / 83% No / 0% n/a			53	
	e) Contribution collection?	No	No	No	0% Yes / 100% No / 0% n/a			15	17% Yes / 83% No / 0% n/a			53	
	f) Disability decisions?	Yes	Yes	Yes	40% Yes / 60% No / 0% n/a			15	32% Yes / 60% No / 8% n/a			49	

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
128 Which of the following programs do you offer to members AND administer yourself? [i.e., design, enrolment, premium collection]															
a) Pre-retirement health?	Yes	Yes	Yes	13% Yes / 87% No / 0% n/a					15	9% Yes / 91% No / 0% n/a					45
b) Post-retirement health?	Yes	Yes	Yes	53% Yes / 47% No / 0% n/a					15	29% Yes / 71% No / 0% n/a					45
c) Pre-retirement dental and vision?	No	No	No	7% Yes / 93% No / 0% n/a					15	4% Yes / 96% No / 0% n/a					45
d) Post-retirement dental and vision?	No	No	No	40% Yes / 60% No / 0% n/a					15	20% Yes / 80% No / 0% n/a					45
e) Long-term care insurance?	No	Yes	Yes	13% Yes / 87% No / 0% n/a					15	9% Yes / 91% No / 0% n/a					45
f) Loans to members?	No	No	No	20% Yes / 80% No / 0% n/a					15	9% Yes / 91% No / 0% n/a					45
g) Optional tax deferred savings plans? [i.e., 457, 403, 401k, 401a, etc.]	Yes	Yes	Yes	47% Yes / 53% No / 0% n/a					15	22% Yes / 78% No / 0% n/a					45
h) Optional insurance? [i.e., life and/or auto and/or home]	Yes	Yes	Yes	20% Yes / 80% No / 0% n/a					15	16% Yes / 84% No / 0% n/a					45
i) Other (describe)?	Yes	Yes	Yes	27% Yes / 73% No / 0% n/a					15	22% Yes / 73% No / 4% n/a					43
<u>Employee reimbursement accounts (medical, dependent care, commuter)</u>															
<u>Sick leave conversion (for post-retirement health insurance)</u>															
<u>Disability (40.63, LTDI, ICI, duty disability)</u>															
129 Is your organization directly responsible for both investments and pension administration?	No	No	No	73% Yes / 27% No / 0% n/a					15	72% Yes / 28% No / 0% n/a					53
130 Does your board have an organization separate from the plan administrator that supports the Board and helps oversee the administrator? [This separate organization may also be responsible for public relations and select administrative duties and projects such as designing communication materials.]	No	No	No	0% Yes / 100% No / 0% n/a					15	21% Yes / 77% No / 2% n/a					52
131 Does your board have the power on its own to approve your operating budget? [i.e., your budget does not also have to be approved by a separate government representative, such as the Treasury, Legislature, Governor, Minister, General Assembly, etc.]	No	No	No	33% Yes / 60% No / 7% n/a					14	51% Yes / 47% No / 2% n/a					44
<u>Paying Pension Rules</u>															
132 Do you make payments to annuitants that are accounted for separately from the normal pension?	Yes	Yes	Yes	87% Yes / 13% No / 0% n/a					15	53% Yes / 44% No / 2% n/a					44

Survey Question	Your Response			Peers 2015					All Participants 2015				
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#
<p>[For example :</p> <ul style="list-style-type: none"> • Some systems permit employers to supplement the normal pension of their retirees. The pension fund collects the supplement from the employer and pays it on behalf of the employer. • At some Dutch systems contributions to the normal retirement pension are required by the pensioner during early retirement. These contributions are often reimbursed to the pensioner. The accounting and the member's payment advice shows 2 different payments (the pension + the reimbursement) and 1 collection (the required contribution).] 													
<p>133 Do you:</p> <p>a) Check income of non-disabled pensioners? [For most systems this does not apply. At a few systems, if a pensioner's income from other sources exceeds a certain amount, his/her pension could be stopped or reduced.]</p> <p>b) Check income of disabled members after they have started receiving disability payments?</p> <p>c) Check school status? [For example, some systems will check that a dependent beneficiary is still eligible to receive a survivor pension benefit.]</p> <p>d) Do proof-of-life checks that require individual annuitants to provide affidavits or notarization or similar proof of life?</p> <p>e) Provide written confirmations of pensioner income or member account balances to third-parties? [For example, provide confirmation of income or account value for loans or for social security or subsidized housing. etc.]</p> <p><u>Payment Options</u></p>	Yes	Yes	Yes	47% Yes / 53% No / 0% n/a			15	33% Yes / 62% No / 4% n/a			43		
	Yes	Yes	Yes	87% Yes / 13% No / 0% n/a			15	56% Yes / 33% No / 11% n/a			40		
	Yes	Yes	Yes	53% Yes / 47% No / 0% n/a			15	56% Yes / 40% No / 4% n/a			43		
	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a			15	91% Yes / 7% No / 2% n/a			44		
	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a			15	98% Yes / 2% No / 0% n/a			45		
<p>134 Do you offer "joint and survivor" options that are:</p> <p>a) Reduced to Beneficiary Only? [For example, If the beneficiary dies first, then the retiree's pension continues at the same level. However if the retiree dies first then the beneficiary receives a reduced pension (such as 70% for spouse).]</p> <p>b) Reduced to Last Survivor? [For example, if either the retiree or beneficiary dies the survivor receives a reduced pension (such as 70%, etc.).]</p> <p>c) "Reversion" or "Pop-up"? [For example, if the beneficiary dies first, the retiree's pension increases to an unmodified level. However, if the retiree dies first the pension does not increase for the surviving beneficiary (and it may decrease).]</p>	Yes	Yes	Yes	80% Yes / 20% No / 0% n/a			15	76% Yes / 24% No / 0% n/a			45		
	Yes	Yes	Yes	27% Yes / 73% No / 0% n/a			15	27% Yes / 73% No / 0% n/a			45		
	Yes	Yes	Yes	87% Yes / 13% No / 0% n/a			15	56% Yes / 44% No / 0% n/a			45		

Survey Question	Your Response			Peers 2015					All Participants 2015				
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#
135 How many Joint and Beneficiary or Survivor percentages (i.e., 100% Survivor, 50% Survivor, etc.) do you permit? [If you permit any % selected by the member, then indicate "unlimited".]	2	2	2	91	3	2	13	9	91	3	1	7	30
136 Do any of your retirement formula for members explicitly subtract estimated Social Security (or CPP in Canada) when determining the benefit? a) If yes, is this true for all of your members or are some pensions reduced to reflect Social Security and others not? b) If yes, do you have a "Level Income" option for early retirees that pays a higher benefit to members prior to age 65 and then reduces the benefit at age 65 when social security (or CPP in Canada) starts to be paid?	No	No	No	33% Yes / 67% No / 0% n/a				15	51% Yes / 49% No / 0% n/a				45
	n/a	n/a	n/a	0% All / 33% Some / 67% n/a				5	20% All / 31% Some / 49% n/a				23
	n/a	n/a	n/a	27% Yes / 7% No / 67% n/a				5	47% Yes / 4% No / 49% n/a				23
137 Do you have "High/ Low" or "Low/High" options that are not tied to social security? [For example, a retiree might want higher payments for 10 years until a mortgage obligation is repaid, followed by lower payments.]	No	No	No	7% Yes / 93% No / 0% n/a				15	7% Yes / 93% No / 0% n/a				45
138 Do you offer "Annuity Certain" options? [For example, Annuity Certain options provide the annuitant with a monthly benefit for life. If the annuitant dies before a set guarantee period, monthly benefits continue to be paid to a beneficiary for the balance of the guarantee period.]	Yes	Yes	Yes	67% Yes / 33% No / 0% n/a				15	56% Yes / 44% No / 0% n/a				45
139 Do you have a designer option where members can design virtually any actuarially sound cash flow they choose? [Designer options need to be custom priced by an actuary.]	No	No	No	13% Yes / 87% No / 0% n/a				15	9% Yes / 91% No / 0% n/a				45
140 Can a member choose between a COLA protected and a non-COLA pension? [The only example we have seen provides a much higher FAS salary base for the non-COLA pension.]	No	No	No	0% Yes / 100% No / 0% n/a				15	4% Yes / 96% No / 0% n/a				45
141 Do you have a Deferred Retirement Option Plan ("DROP")? [This option allows eligible employees to receive payment of retirement benefits while continuing to work. These payments are usually deposited into a separate account, and the total accumulated value of this account is paid via lump sum to the employee on actual retirement.]	No	No	No	20% Yes / 80% No / 0% n/a				15	20% Yes / 80% No / 0% n/a				45
142 At retirement, can a member convert: a) Part of his benefit into a partial lump sum payment? b) All of his benefit into a lump sum or commuted value payment? [That can be rolled over to another fund, or investment account, etc.]	No	No	No	73% Yes / 27% No / 0% n/a				15	40% Yes / 60% No / 0% n/a				45
	No	No	No	27% Yes / 73% No / 0% n/a				15	22% Yes / 78% No / 0% n/a				45

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
143 Are members permitted to retire mid-month (in which case they receive a partial pension payment for the remainder of the month) or are they always assumed to retire on a set day (usually the first or the last day) of the month?	Any Day	Any Day	Any Day	33% Any Day / 67% Set Day / 0% n/a					15	36% Any Day / 64% Set Day / 0% n/a					45
144 How many mortality tables do you keep track of for determining joint and survivor or beneficiary options? [Most systems track only one table. But some systems calculate joint and survivor pensions using the mortality table that was in effect when the retiring member joined the system. Since mortality tables change from time to time, the result is that these systems are required to track numerous mortality tables.] <u>Cost of Living Adjustments</u>	1	1	1	228	2	1	18	15	228	1	1	8	44		
145 How many different cost of living adjustment ("COLA") rule sets do you have for retired, and if applicable, inactive members? (These rule sets may be either contractual or legislated.) [Most systems have only one or none. Examples of different COLA rule sets that could apply to various member groups or grandfathered subsets of member groups include: 1. CPI uncapped 2. CPI capped at 2% without a carry forward; 3. CPI capped at 2% with a carry forward]	2	2	2	13	2	1	4	15	13	2	0	3	45		
146 Do you have: a) Cost of living adjustment ("COLA") clauses that carry forward inflation that exceeds a cap (versus no cap or no carry forward or no COLA etc.)? b) Conditional COLA based on the level of funding? c) Umbrella legislation that guarantees the purchasing power of an annuitants' pension will not fall below a certain level? [An example of such legislated protection is the PPPA in California.]	No	No	No	20% Yes / 80% No / 0% n/a					15	20% Yes / 80% No / 0% n/a					45
	No	No	No	27% Yes / 73% No / 0% n/a					15	36% Yes / 64% No / 0% n/a					45
	No	No	No	13% Yes / 87% No / 0% n/a					15	18% Yes / 82% No / 0% n/a					45
147 Do you have COLA clauses that increase the base pensionable earnings of inactive members? a) If yes, are these COLA increases the same as they are for annuitants? <u>Benefit Formulas</u>	No	No	No	20% Yes / 80% No / 0% n/a					15	36% Yes / 62% No / 2% n/a					44
	n/a	n/a	n/a	7% Yes / 13% No / 80% n/a					3	24% Yes / 11% No / 64% n/a					16
148 How many different rule sets do you have that apply to member groups or subsets of a member group for qualifying for an unreduced retirement formula? [For example, one system has the following 3 rule sets that apply to its member groups and special subsets of its member groups.]	13	13	13	91	7	2	14	15	91	5	1	9	45		

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
<p>1. All public employees can get an unreduced retirement at 65 with 5 years of service, or at 60 with 20 years of service. (Even though there are two qualifying rules, it only counts as 1 rule set because the rules apply equally to all members.)</p> <p>2. Pre-1995 public employees can get an unreduced retirement at age 55 with 20 years of service.</p> <p>3. Teachers can get an unreduced retirement when age plus years of service equals 75.]</p>															
<p>149 Can members retire earlier than the age required for an unreduced retirement formula? [For example, at one system an unreduced formula of 1.5% per year of service is available beginning at age 60. Members can retire earlier but the pension is reduced by 5% for each year earlier than age 60.]</p>	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	98% Yes / 2% No / 0% n/a					45
<p>150 How many different salary definitions could apply in retirement formula calculations? [Examples of different salary definitions include:</p> <ul style="list-style-type: none"> • Average of 3 final years' salary subject to raises not in excess of 10%; • Average of 3 best consecutive years' salary with no cap on raises; • Final 12 months salary.] 	2	2	2	15	4	1	5	15	15	3	0	4	45		
<p>151 How many different 'formula percentage' rule sets could apply in unreduced retirement formulas? [For example, one system has the following three different 'formula percentage' rule sets:</p> <ol style="list-style-type: none"> 1. Fire and Police get 2.5% per year of service; 2. Public Employees get 1.75% per year of service; 3. Teachers get 1.8% for the first 5 years of service, 2.0% for the next 5 years of service and 2.3% per year of service thereafter.] 	8	8	8	91	4	2	12	15	91	4	1	7	45		
<p>152 Do you have different employers with different benefit formula? If yes, which of the following happens when a member moves from one employer that you administer to another with a different benefit formula? [For example, moves from PERS to Law Enforcement.]</p> <p>a) Each system uses its own formula and salary data to determine the benefit.</p> <p>b) Each system applies its own formula but uses either the salary earned in the last system, or the highest salary (or salaries) in either system.</p> <p>c) The highest formula will apply.</p>	No	No	No	67% Yes / 33% No / 0% n/a					15	49% Yes / 51% No / 0% n/a					45
	n/a	n/a	n/a	33% Yes / 33% No / 33% n/a					10	29% Yes / 20% No / 51% n/a					22
	n/a	n/a	n/a	20% Yes / 47% No / 33% n/a					10	18% Yes / 31% No / 51% n/a					22
	n/a	n/a	n/a	13% Yes / 53% No / 33% n/a					10	4% Yes / 44% No / 51% n/a					22

Survey Question	Your Response			Peers 2015					All Participants 2015				
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#
d) The formula of the plan where the member works last will apply.	n/a	n/a	n/a	20% Yes / 47% No / 33% n/a				10	18% Yes / 31% No / 51% n/a				22
e) Other (describe). <u>n/a</u> <u>External Reciprocity</u>	n/a	n/a	n/a	7% Yes / 60% No / 33% n/a				10	11% Yes / 38% No / 51% n/a				22
153 Do you have agreements with external systems where you both agree to use the member's final salary from the system where the member worked immediately prior to retirement in the benefit calculation? [Otherwise, each system pays the "dual" member a pension benefit based on its own rules for determining the benefit. Neither credit nor money are transferred between systems.]	Yes	Yes	Yes	33% Yes / 67% No / 0% n/a				15	33% Yes / 67% No / 0% n/a				45
154 Do you have agreements with external Systems where the member may combine internal and external credit to form one joint account? [The accounts remain separate until the member applies for a benefit, at which time either: • The System with the most service credit for that person is responsible for the combined account, or • The System where the member worked last is responsible] <u>Service Credit Rules</u>	No	No	No	27% Yes / 73% No / 0% n/a				15	18% Yes / 82% No / 0% n/a				45
155 How many different definitions do you have for a "full year" of service credit? [For example, a system could have: • One definition such as "more than 120 days = a year". • Or the following three definitions: 9 months = a year for state colleges, 10 months = a year for teachers and 12 months = a year for public employees. • Or the following three definitions: 182 days in school district A or B, 179 days in school district C and 180 days in all other school districts. • Or the following two definitions for hourly employees: 48 weeks of 40 hours per week versus 48 weeks of 36 hours per week.]	2	2	2	10	4	1	4	15	100	2	1	6	45
156 Does your system have more than one payroll year for determining service credit?	Yes	Yes	Yes	33% Yes / 67% No / 0% n/a				15	24% Yes / 76% No / 0% n/a				45

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
[For example, the teachers' year could be July - June with their service credit determined based on the time worked July - June and the public employees' year could be January to December with their service credit determined based on time worked January to December.] a) If yes, how many different payroll years exist in your system?	2	2	2	12	2	2	4	5	30	3	2	6	11		
157 How many different vesting periods do you have that apply to active members? [Your answer should be 0 if you have immediate vesting. Most North American systems have only one.]	1	0	0	8	2	0	3	15	8	1	0	2	45		
158 Do you permit: a) Permanent part-time employees to be members? [An example of a permanent part-time employee is someone contracted to work 3 days a week.]	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a					15	96% Yes / 4% No / 0% n/a					45
b) Casual/ temporary/ intermittent/ seasonal employees to be members? [An example of a "temporary" employee is an infrequent substitute teacher.]	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a					15	76% Yes / 24% No / 0% n/a					45
159 Are you sometimes asked by employers to determine the eligibility of members? [This can occur when a member works for multiple employers in your system or when there is unclear eligibility legislation. For example, a school bus driver may drive buses for multiple districts or counties at the same time. Based on time spent within each district the driver would be ineligible. However, based on the combined employment the driver may be eligible.] <u>Service Credit Purchases</u>	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a					15	87% Yes / 13% No / 0% n/a					45
160 Indicate each of the payment methods you permit for service credit purchases and upgrades: a) Rollover from tax qualified plans such as 401(a) or 401(k) or Conduit IRA or KEOGH in the US; or RRSP plans in Canada?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	93% Yes / 2% No / 4% n/a					43
b) Lump sum payments from members?	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	79% Yes / 11% No / 9% n/a					48
c) Installment payments direct from members?	No	No	No	60% Yes / 40% No / 0% n/a					15	55% Yes / 34% No / 11% n/a					47
d) Installment payments via payroll deduction through employers?	No	No	No	60% Yes / 40% No / 0% n/a					15	49% Yes / 42% No / 9% n/a					48
161 How many different service credit purchase categories do you have with different definitions and/or eligibility requirements? [For example, some systems have multiple different categories with different definitions such as 'refunded prior service', 'sick leave', 'military service', etc. Other systems have a single category such as 'any previous work. any time. anywhere'.]	7	7	7	32	14	6	14	15	37	11	2	12	43		

Survey Question	Your Response			Peers 2015					All Participants 2015				
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#
162 How many different service credit purchase calculation formula or methodologies do you have? [For example, one system has the following 4 different cost calculation formula: • Previously refunded contributions X the actuarial earnings rate. • Salary X Contribution Rate (no interest) for active duty military service. • Salary X Contribution Rate X 5% per annum for out-of-state government, or private school teaching service • Actuarial Cost for up to 5 years of any non-government, non-teaching work done outside of the pension system.]	9	9	9	19	6	3	8	15	19	5	1	6	43
163 Are your service credit purchase rules (category definitions, eligibility requirements and calculation methodologies):													
a) Essentially identical for all your members?	No	No	No	27% Yes / 73% No / 0% n/a				15	42% Yes / 51% No / 7% n/a				42
b) Similar for all member groups, albeit with some differences?	Yes	Yes	Yes	60% Yes / 40% No / 0% n/a				15	42% Yes / 53% No / 4% n/a				43
c) Very different for different member groups?	No	No	No	13% Yes / 87% No / 0% n/a				15	13% Yes / 80% No / 7% n/a				42
<u>Refunds, Transfers-out and Terminating Payments</u>													
164 Do you pay a one-time death payment when a member, retiree or the retiree's beneficiary dies (separate from the survivor pension)?	No	No	No	60% Yes / 40% No / 0% n/a				15	60% Yes / 40% No / 0% n/a				45
a) If yes, how many different one-time death payment rule sets do you have? [i.e., \$5,000, \$2,000 etc.]	n/a	n/a	n/a	6	4	2	4	9	8	2	1	3	27
165 How many different refund formulas do you have? [For example, a few systems have different formulas for vested and non-vested members, or for different member groups.] <u>Disability</u>	4	4	4	7	3	1	3	15	8	2	0	3	43
166 What happens to disabled members' benefits when they reach regular retirement age:													
a) No change (disabled member continues to receive the same disability payments. There are no new potential pension obligations.)?	No	No	No	80% Yes / 20% No / 0% n/a				15	62% Yes / 22% No / 16% n/a				38
b) Disabled members receive the greater of their current disability benefit or service retirement based on their service credit earned to the date of disability? [i.e., time on disability does not count as service credit]	No	No	No	27% Yes / 73% No / 0% n/a				15	16% Yes / 69% No / 16% n/a				38
c) Disabled members receive service retirement (time on disability counts as eligible service credit)?	No	No	No	33% Yes / 67% No / 0% n/a				15	38% Yes / 47% No / 16% n/a				38
d) Other (describe)?	Yes	Yes	Yes	40% Yes / 60% No / 0% n/a				15	20% Yes / 62% No / 18% n/a				37

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
<u>Disability Retirement benefits do not change. Income Continuation Insurance (ICI) & Long-Term Disability Insurance (LTDI) - end at age 65, which is normal retirement age for all but protective & executive/elected employees (exceptions: ICI - benefits may be payable longer if age 62 or older when first disabled; LTDI - benefits payable longer if age 61 or older on LTDI effective date.) Duty Disability benefits are offset by regular retirement benefits at Minimum Retirement Age, which is age 50 for protective occupation employees.</u>															
167 Will you pay a disabled member that returns to work at a salary lower than he previously earned: a) The difference between his old salary (or his old disability benefit) and his new lower salary? b) An amount that is potentially greater than the difference between his old salary and his new lower salary?	No	No	No	20% Yes / 80% No / 0% n/a					15	11% Yes / 69% No / 20% n/a					36
	No	No	No	7% Yes / 93% No / 0% n/a					15	4% Yes / 76% No / 20% n/a					36
168 How do you determine whether a member qualifies for long-term disability/ disability pension: a) Follow the ruling of a government agency such as social security or worker's compensation? b) Employer decides? c) Process independent of social security, worker's compensation and employer decisions? [For example, many systems use independent internal processes or medical review boards or medical consultants.] d) Other (describe)? n/a	No	No	No	20% Yes / 80% No / 0% n/a					15	11% Yes / 73% No / 16% n/a					38
	No	No	No	0% Yes / 100% No / 0% Some / 0% n/a					15	4% Yes / 82% No / 0% Some / 13% n/a					39
	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	80% Yes / 4% No / 16% n/a					38
	No	No	No	13% Yes / 87% No / 0% n/a					15	9% Yes / 76% No / 16% n/a					38
169 Which of the following descriptions best describes the MINIMUM level of disability necessary to be eligible for a long-term disability/ disability pension: [If you have different plans with different definitions, choose the definition that applies to the largest number of cases.] a) Disabling injury or illness that prevents you from performing your current job duties (even though you might be able to perform other jobs) and expected to be permanent (or for some systems - persist longer than 6 or 12 months)? b) Disabling injury or illness that prevents the member from performing current and 'other' jobs that he/she is qualified for and/or can become qualified to do in a reasonable period of time and expected to be permanent (or for some systems - persist longer than 6 or 12 months)? [Sometimes but not always the 'other job' is defined as not able to earn a certain level (i.e., 75%) of pre-disability earnings.]	No	No	No	47% Yes / 53% No / 0% n/a					15	47% Yes / 38% No / 16% n/a					38
	Yes	Yes	No	27% Yes / 73% No / 0% n/a					15	16% Yes / 67% No / 18% n/a					37

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
c) Totally and permanently incapacitated and member is not reasonably expected to recover from disabling medical condition or not expected to ever work again?	No	No	Yes	27% Yes / 73% No / 0% n/a					15	22% Yes / 58% No / 20% n/a					36
d) Other (describe)? <u>n/a</u>	No	No	No	13% Yes / 87% No / 0% n/a					15	9% Yes / 71% No / 20% n/a					36
170 If you administer short-term disability:															
a) Are the short-term and long-term disability/ disability pension processes closely entwined? [i.e., difficult to distinguish between costs of long-term/disability pensions and short term disability, same staff do both, similar approval processes]	No	No	No	20% Yes / 13% No / 67% n/a					5	11% Yes / 7% No / 82% n/a					8
b) Are the disability definitions, other than the expected duration of disability, the same for both long-term and short-term disability? [For example, the only difference between the definition of long-term/ disability pensions and short-term disability at some systems is the disabling injury or illness is expected to last longer than 12 months for long-term]	No	No	No	7% Yes / 27% No / 67% n/a					5	4% Yes / 13% No / 82% n/a					8
c) Are there materially different approval processes for short-term and long-term disability/ disability pensions?	Yes	Yes	Yes	20% Yes / 13% No / 67% n/a					5	7% Yes / 11% No / 82% n/a					8
171 How many different rule sets with different definitions or benefits do you have that apply to member groups or subsets of a member group for:															
a) Long-term disability/ disability pensions?	7	7	6	61	3	1	9	15	61	2	0	6	37		
b) Short-term disability (if you administer it yourself)? [For example, some systems have different disability definitions or benefits for police and fire than they do for other public employees. Other systems have grandfathered disability rule sets that only apply to members hired prior to a certain date.]	2	2	1	14	2	1	5	4	14	2	0	3	7		
172 Do you reduce payments if the member qualifies or receives:															
a) Disability social security?	Yes	Yes	Yes	47% Yes / 53% No / 0% n/a					15	22% Yes / 60% No / 18% n/a					37
b) Worker's compensation?	Yes	Yes	Yes	67% Yes / 33% No / 0% n/a					15	40% Yes / 42% No / 18% n/a					37
c) Other public funds (i.e., federal military disability)?	No	No	No	20% Yes / 80% No / 0% n/a					15	7% Yes / 76% No / 18% n/a					37
d) Income protection plans/other disability insurance?	Yes	Yes	Yes	27% Yes / 73% No / 0% n/a					15	9% Yes / 73% No / 18% n/a					37
e) Employer sick leave and annual leave pay?	Yes	Yes	No	40% Yes / 60% No / 0% n/a					15	13% Yes / 69% No / 18% n/a					37
f) Unemployment compensation?	Yes	Yes	Yes	33% Yes / 67% No / 0% n/a					15	13% Yes / 69% No / 18% n/a					37
g) Income from other employment?	Yes	Yes	Yes	67% Yes / 33% No / 0% n/a					15	33% Yes / 49% No / 18% n/a					37
h) Other (describe)? <u>other system administered benefits including retirement Pensionable Earnings</u>	Yes	Yes	Yes	33% Yes / 67% No / 0% n/a					15	18% Yes / 67% No / 16% n/a					38

Survey Question	Your Response			Peers 2015					All Participants 2015					
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#	
173	Indicate which of the following forms of variable compensation are paid in your system. And, if paid, indicate whether all, some or none of that type of variable compensation is included in pensionable earnings.													
	a) Bonuses?	Yes	Yes	Yes	87% Yes / 13% No / 0% n/a			15	89% Yes / 11% No / 0% n/a			45		
	b) Allowances, such as remote location pay or 'high risk' duty allowance or a car allowance?	Yes	Yes	Yes	87% Yes / 13% No / 0% n/a			15	84% Yes / 16% No / 0% n/a			45		
	c) Overtime pay?	Yes	Yes	Yes	93% Yes / 7% No / 0% n/a			15	84% Yes / 16% No / 0% n/a			45		
	d) Commissions or similar payments such as fees paid to sheriffs for process serving? If yes, is all, some or none of it included in pensionable earnings?	Yes	Yes	Yes	40% Yes / 60% No / 0% n/a			15	42% Yes / 58% No / 0% n/a			45		
	a) Bonuses?	All	All	All	20% All / 13% None / 53% Some / 13% n/a			13	13% All / 13% None / 62% Some / 11% n/a			40		
	b) Allowances, such as remote location pay or 'high risk' duty allowance or a car allowance?	Some	Some	Some	13% All / 13% None / 60% Some / 13% n/a			13	13% All / 18% None / 53% Some / 16% n/a			38		
	c) Overtime pay?	All	All	All	73% All / 0% None / 20% Some / 7% n/a			14	47% All / 13% None / 24% Some / 16% n/a			38		
	d) Commissions or similar payments such as fees paid to sheriffs for process serving?	All	All	All	20% All / 0% None / 20% Some / 60% n/a			6	16% All / 7% None / 20% Some / 58% n/a			19		
174	When determining a member's pensionable earnings does a cap on salary increases apply? <u>Customization Options</u>			No	Yes	Yes	53% Yes / 47% No / 0% n/a			15	42% Yes / 58% No / 0% n/a			45
175	Can either existing employers, or a new employer joining your system, choose:													
	a) Whether they offer early retirement, or a window of early retirement?	No	No	No	27% Yes / 73% No / 0% n/a			15	20% Yes / 80% No / 0% n/a			45		
	b) Whether or not part-time employees are eligible?	No	No	No	7% Yes / 93% No / 0% n/a			15	9% Yes / 91% No / 0% n/a			45		
	c) Whether employee contributions are paid pre or post tax?	No	No	No	47% Yes / 53% No / 0% n/a			15	18% Yes / 82% No / 0% n/a			45		
	d) Whether they pay for employee contributions themselves, or not?	Yes	Yes	Yes	53% Yes / 47% No / 0% n/a			15	29% Yes / 71% No / 0% n/a			45		
	e) Position coverage based on predetermined rule sets? [For example, employers can choose from a list of pre-determined rules sets such as 1.5% X FAS for General and 2.5% X FAS for Law Enforcement. Employers may have flexibility to determine eligibility for each group.]	No	No	No	20% Yes / 80% No / 0% n/a			15	9% Yes / 91% No / 0% n/a			45		
	f) Contribution levels and/ or match rates? [For example, at Texas MRS, employers can choose employee deposit rates of 5%, 6% or 7% and employer match rates of 1 to 1, 1.5 to 1 or 2 to 1. We think this only applies to money match and DC plans because for DB plans the promised benefit determines the contribution.]	No	No	No	13% Yes / 87% No / 0% n/a			15	9% Yes / 91% No / 0% n/a			45		

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
g) To pay for one-time improvements in retiree or member benefits? [For example, one fund's employers can elect to pay to improve the money purchase entitlement of their members.]	Yes	Yes	Yes	13% Yes / 87% No / 0% n/a					15	16% Yes / 82% No / 2% n/a					44
176 When new employers join your system, do they have the flexibility to customize any of the following items: If yes, indicate the number of standard choices for that item.															
a) Benefit program multipliers? [i.e., 2% per year of service, 2.5% per year of service, etc.]	No	No	No	0% Yes / 100% No / 0% n/a					15	0% Yes / 98% No / 2% n/a					44
b) Final salary definition? [i.e., Sick Leave in or out, Final 1 year, Highest 5 consecutive years, etc.]	No	No	No	7% Yes / 93% No / 0% n/a					15	2% Yes / 96% No / 2% n/a					44
c) Retirement eligibility rules? [i.e., age and/or years of service required to retire]	No	No	No	0% Yes / 100% No / 0% n/a					15	2% Yes / 98% No / 0% n/a					45
d) Cost of living adjustment rules? [i.e., CPI capped at 2%, CPI uncapped, etc]	No	No	No	0% Yes / 100% No / 0% n/a					15	2% Yes / 98% No / 0% n/a					45
e) Vesting period?	No	No	No	0% Yes / 100% No / 0% n/a					15	0% Yes / 98% No / 2% n/a					44
f) Service credit purchase categories?	Yes	Yes	Yes	13% Yes / 87% No / 0% n/a					15	7% Yes / 91% No / 2% n/a					44
g) Death benefit coverage? [i.e., one system has 3 choices: none, \$5,000 and \$10,000]	No	No	No	0% Yes / 100% No / 0% n/a					15	0% Yes / 100% No / 0% n/a					45
h) Disability coverage rules?	Yes	Yes	Yes	7% Yes / 93% No / 0% n/a					15	2% Yes / 98% No / 0% n/a					45
i) Choice as to whether and how contributions and benefits are coordinated with social security?	No	No	No	0% Yes / 100% No / 0% n/a					15	2% Yes / 96% No / 2% n/a					44
j) Other (describe)?	No	No	No	7% Yes / 93% No / 0% n/a					15	16% Yes / 82% No / 2% n/a					44
n/a															
If yes: # of standard options															
a) Benefit program multipliers? [i.e., 2% per year of service, 2.5% per year of service, etc.]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	n/a	n/a	n/a	n/a	0		
b) Final salary definition? [i.e., Sick Leave in or out, Final 1 year, Highest 5 consecutive years, etc]	n/a	n/a	n/a	2	2	2	2	1	2	2	2	2	1		
c) Retirement eligibility rules? [i.e., age and/or years of service required to retire]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	3	3	3	3	1		
d) Cost of living adjustment rules? [i.e., CPI capped at 2%, CPI uncapped, etc]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	2	2	2	2	1		
e) Vesting period?	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	n/a	n/a	n/a	n/a	0		
f) Service credit purchase categories?	5	5	5	5	4	2	4	2	5	2	2	3	3		
g) Death benefit coverage? [i.e., one system has 3 choices: none, \$5,000 and \$10,000]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	n/a	n/a	n/a	n/a	0		
h) Disability coverage rules?	2	2	2	2	2	2	2	1	2	2	2	2	1		
i) Choice as to whether and how contributions and benefits are coordinated with social security?	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	1	1	1	1	1		
j) Other (describe)?	n/a	n/a	n/a	1	1	1	1	1	3	1	1	2	7		

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
177 Can an existing employer change any of the choices (per question 176 above), effectively creating a new or altered rule set, at any time? <u>Collections and Data Maintenance</u>	Yes	Yes	Yes	20% Yes / 80% No / 0% n/a					15	22% Yes / 76% No / 2% n/a					44
178 How many different contribution percentages do you collect from: a) Employers? [For example, single member group systems may have only one contribution percentage whereas some multi-plan systems may collect numerous different contribution rates from various participating employers.] b) Members?	4	4	4	3,296	6	1	326	15	3,296	5	1	138	44		
	4	4	4	73	4	1	9	15	228	3	1	11	44		
179 Which of the following payment methods for employee contributions occur in the plans that you administer: a) No employee contributions? b) Employer pays his part and also the employee contributions? c) Employer withholds employee contributions pre-tax from his salary? d) Employer withholds employee contributions post-tax from his salary?	No	No	No	33% Yes / 67% No / 0% n/a					15	29% Yes / 71% No / 0% n/a					45
	Yes	Yes	Yes	60% Yes / 40% No / 0% n/a					15	47% Yes / 53% No / 0% n/a					45
	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	98% Yes / 2% No / 0% n/a					45
	No	No	No	67% Yes / 33% No / 0% n/a					15	33% Yes / 67% No / 0% n/a					45
180 Do you have any other contributions in addition to the regular employee and employer contributions? [For example, Ohio SERS collects a surcharge for members who earn less than a minimum compensation amount.] a) If yes, describe: <u>n/a</u>	No	No	No	47% Yes / 53% No / 0% n/a					15	44% Yes / 56% No / 0% n/a					45
181 Do you collect pension contributions from any members directly? [For example, Nurses in the Netherlands can continue to contribute to their pension even if they are inactive. Do not include optional contributions such as to 401k savings plans]	No	No	No	27% Yes / 73% No / 0% n/a					15	22% Yes / 78% No / 0% n/a					45
182 Do members deal with you directly when selecting or changing DB plan options such as options to switch from core DB to DC or DROP plans, option to participate in variable investment option overlays, option to change their contribution rate, option to repair pension gaps, pre-retirement election options, etc?	Yes	Yes	Yes	53% Yes / 40% No / 7% n/a					14	42% Yes / 38% No / 20% n/a					36
183 Are you required, by policy or by law, to actively seek out and initiate either a benefit or a refund for inactive vested members or inactive unvested members? <u>Billing and Inspection</u>	Yes	Yes	Yes	100% Yes / 0% No / 0% n/a					15	89% Yes / 11% No / 0% n/a					45
184 Do you:															

Survey Question	Your Response			Peers 2015					All Participants 2015						
	2015	2014	2013	Max	Med	Min	Avg	#	Max	Med	Min	Avg	#		
a) Send a written advice to employers that inform them of their required contribution rates and then rely on each employer to pay the correct contributions?	Yes	Yes	Yes	80% Yes / 20% No / 0% n/a					15	67% Yes / 29% No / 4% n/a					43
b) Invoice employers in arrears based on actual member service and salary data?	No	No	No	67% Yes / 33% No / 0% n/a					15	58% Yes / 38% No / 4% n/a					43
c) Invoice employers in advance based on estimated member service and salary data, and then adjust based on actual experience?	No	No	No	27% Yes / 73% No / 0% n/a					15	16% Yes / 80% No / 4% n/a					43
185 If you answered 'yes' to questions 184a, b or c above:															
a) How many times per year do you send invoices or 'advices' to each employer? <u>Divorce</u>	1	1	1	47	12	1	13	14	1,692	5	1	55	37		
186 Choose the statement that best describes how divorce settlements for active members (or divorce decrees or QDROS, or QILDROS, or Division of Benefit Orders, etc.) impact your system. If you have different rules for different plans, choose the statement that applies to the largest number of cases															
a) Minimal impact. Law prevents you from paying the pension to anybody except the member and the member's specified beneficiaries.	No	No	No	13% Yes / 87% No / 0% n/a					15	13% Yes / 84% No / 2% n/a					44
b) Minimal impact unless children are involved. With children you may be required to redirect payment.	No	No	No	0% Yes / 100% No / 0% n/a					15	0% Yes / 98% No / 2% n/a					44
c) A portion of the pension is paid to the ex-spouse, but ONLY when the member begins receiving benefits.	No	No	No	60% Yes / 40% No / 0% n/a					15	47% Yes / 51% No / 2% n/a					44
d) A portion of the pension is paid to the ex-spouse. The ex-spouse can initiate the pension at a time different than the member provided that eligibility conditions are met.	Yes	Yes	Yes	40% Yes / 60% No / 0% n/a					15	38% Yes / 62% No / 0% n/a					45
e) Other (describe) <u>n/a</u>	No	No	No	13% Yes / 87% No / 0% n/a					15	13% Yes / 84% No / 2% n/a					44

Appendix B - Foreign currency conversion

All currency amounts have been converted to USD using Purchasing Power Parity figures per the OECD. The table below shows the foreign exchange rates for the past 4 years.

Purchasing Power Parity ¹				
Currency	2015	2014	2013	2012
United States Dollars - USD	1.000	1.000	1.000	1.000
Canada Dollars - CAD	0.797	0.797	0.810	0.807
Euro - EUR	1.287	1.287	1.294	1.294
Denmark Kroner - DKK	0.131	0.131	0.131	0.131
Sweden Kronor - SEK	0.114	0.114	0.116	0.115
United Kingdom Pounds - GBP	1.427	1.427	n/a	n/a
Australia Dollars - AUD	0.667	0.667	0.679	0.675

1. The statistics for 2015 are not available until March 2016.

Appendix C - Activity definitions

1. Member Transactions	
1a. Pension Payments	<p>1. Paying (but not incepting) annuity pensions for disability, early and normal retirees and their survivors, including:</p> <ul style="list-style-type: none"> • EFT processing. • Check processing and postage. • Resolving failed, misdirected and lost payments. • Paying, but not calculating, adjustments to pensions. For example, many systems pay retroactive adjustments to pensions initiated based on incomplete data. • Collecting overpayments. • The processing of return payments from annuitants. • Stopping pension payments upon the death of an annuitant. <p>2. Processing deductions from the gross pension payment. For example:</p> <ul style="list-style-type: none"> • Processing and paying taxes and other governmental deductions, such as social security. • Processing legally required deductions such as liens on wages ordered by a judge. • Processing and effecting payment of optional deductions that the member can request, such as for health care or optional life insurance or union dues. • Processing and mailing of check stubs or EFT payment advices. • Processing and mailing of annual tax receipts to annuitants. • Keeping track of the rules and regulations for deductions. <p>3. Confirming payment eligibility. This includes:</p> <ul style="list-style-type: none"> • Cross referencing pension payrolls with death records. • Obtaining proof that someone is alive. • Checking eligibility. <p>If a sister organization performs any of the above tasks, then the costs incurred by the sister organization should be included here and in your Total Costs.</p> <p>Do NOT include:</p> <ul style="list-style-type: none"> • Maintaining banking, address and beneficiary data for retirees. These belong in 3c Data Not from Employers. • The work of inflation adjustments. It belongs in 1b Pension Inceptions.
1b. Pension Inceptions	<p>1. New annuitants: calculating, finalizing and arranging annuity pensions to new payees (i.e., early and normal service retirements, death in-service or on-pension resulting in annuity payments to spouse or dependents, divorce that results in new annuity pension streams). Exclude disability inceptions (except Dutch systems). Disability belongs in 1e Disability.</p> <p>2. Changes to gross amount of pensions (excluding disability pensions) including:</p> <ul style="list-style-type: none"> • Adjusting pensions that were initiated based on incomplete or estimated data. • Reducing the annuity payment when pensioner begins receiving social security (NL: AOW, Canada: CPP). • Cost of living adjustments for pensioners. • Last survivor options that reduce the amount paid to the pensioner when a spouse dies. • High/Low construction: Reducing the gross annuity paid from the "High" amount to the "Low" amount. • Pop-up options that increase the amount paid to the pensioner if spouse dies first. • Redesign of the payment option (such as changing from 0% survivor to 50% survivor) at request of the annuitant. <p>3. Time spent by the pension inception team on appeals about annuity pension inceptions. Exclude time and cost of legal staff or external legal counsel. Legal costs belong in 7d Legal and Rule Interpretation.</p>

Appendix C - Activity definitions

<p>1c. Withdrawals, Refunds, Transfers-out</p>	<p>Payments that terminate your relationship with a member including:</p> <ul style="list-style-type: none"> • Withdrawals and Refunds of contributions. • Lump sum and commuted value payments. • Pre-retirement death that results in a final payment (refund, commuted value, death payment). • One time death payments that are supplemental to the annuity payments. Do not include the cost of paying or stopping the final pension payment which belong in 1a Pension Payments. • Hardship withdrawals (including partials). • Excess contribution refunds (For example, 50% Rule Refunds in Canada). • Individual rollovers of DB monies to internal DC accounts which effectively terminate the DB pension entitlement. • Individual transfers-out of monies to authorized external systems. • Collective transfers-out when an employer exits your system. <p>The activity also includes:</p> <ul style="list-style-type: none"> • Providing written estimates of refunds and transfers-out (do not include estimates for Lump Sums and Commuted Value Payments which belong in 2e Written Pension Estimates). • Calculating, arranging and making estimated and final payments. • Related tax deductions, filings and reporting sent to members and tax authorities. • Reminders to speed up processing by external parties. • Collecting overpayments of lump sums or other terminating payments.
<p>1d. Purchases and Transfers-in</p>	<ul style="list-style-type: none"> • Service credit purchases for refunded past service, military service, etc. • Purchases that provide members with additional pensionable salary. • Individual transfers-in/ rollover of monies from external retirement systems. • Collective transfers-in such as when a new employer is merged into your system. <p>The activity also includes:</p> <ul style="list-style-type: none"> • Providing formal written estimates of purchases and transfers-in/ rollovers. • Posting purchases and applying payments. • Receiving purchase payments. • Related tax reporting sent to members and tax authorities. • Purchases applicant dealing directly with the Purchase division, subsequent to an initial request for a purchase.
<p>1e. Disability</p>	<p>Include only if you are responsible for the administration of non-optional long term disability, and/ or short term disability. Includes:</p> <ul style="list-style-type: none"> • Written disability estimates. • Disability approval process. • Applications and inceptions. • Disability appeals and complaints, provided that they are not handled by your legal staff or external legal counsel. Legal costs belong in 7d Legal Rule Interpretation. • Monitoring and reviewing disabled pensioners and/ or temporarily disabled members for continuing entitlement, including checks on income and medical reviews. • Checks on eligibility of disability payments. • Rehabilitation of disability recipients (very few systems perform this activity). • Medical assessment reviews of new hires for eligibility for death and disability benefits. <p>Do not include if disability is an optional benefit for members. Instead include in 1g Optional and Third Party Administered Benefits.</p> <p>Do not include insurance costs. If an insurance company administers the disability program on your behalf, and you cannot clearly separate the administration cost from the insurance cost, then treat disability as a third party administered benefit.</p> <p>Do not include paying disability pensions. This belongs in 1a Pension Payments.</p>

Appendix C - Activity definitions

1f. Healthcare Administration	<p>This activity only applies to the subset of U.S. systems that administer healthcare. Include only the costs of the healthcare department and any healthcare activities that are not closely integrated with pension administration activities (i.e., If the healthcare call center is separate from the pension administration call center, include its costs and volumes here. But if healthcare calls are integrated with the pension call center, include the costs and volumes in the Call Center activity.). The healthcare department will usually, at a minimum, be responsible for design, vendor management and enrolment.</p> <p>Do NOT include any activities that are integrated with pension administration and not done by the healthcare department. For example:</p> <ul style="list-style-type: none"> • Communication activities such as call center calls and presentations are often integrated with pension administration. In these cases the cost and volumes belong in the pension administration activity. • Similarly, the legal and actuarial departments often handle both healthcare and pension issues. If this is the case, these costs belong in activities 7c Actuarial and 7d Legal and Rules Interpretation.
1g. Optional and Third Party Administered Benefits	<p>Examples of optional and third party administered benefits are:</p> <ul style="list-style-type: none"> • Benefits that are supplemental to the members' primary pension benefit at retirement. Examples include tax deferred savings plans (i.e., 403B, 457, 401k and 401a), insurance (dental, vision, long-term care) and loans to members. • Third party administered benefits. For example, the defined contribution portion of hybrid DB/DC plans are often outsourced. <p>Include the costs of:</p> <ul style="list-style-type: none"> • Specialists responsible for optional and third party benefits, including design, vendor management and enrolment. • Fees paid to third parties to administer outsourced benefits. <p>Do NOT include:</p> <ul style="list-style-type: none"> • Communication activities such as call center calls, presentations and brochures. These belong in the communication activities. For example, the cost and volumes of call center calls about supplemental benefits belong in 2a Call Center. • Actuarial and legal costs. These belong in activities 7c Actuarial and 7d Legal and Rules Interpretation.

2. Member Communication

2a. Call Center	<p>The 'first-line' communication work for active, inactive and annuitant member inquiries. First-line communication includes responding to general questions, initial requests for activity specific work to be performed (such as a request for a written estimate or a refund of contributions, death reporting, change of address or direct deposit or beneficiary), questions about account status or annual statements, advice given over the phone, etc. This activity includes member inquiries by:</p> <ul style="list-style-type: none"> • Telephone: waiting for calls, talking to members on the phone, redirecting calls, training Contact Center staff, auditing calls, call satisfaction surveying and long distance charges. • Automated information or self-serve lines (i.e., telephone lines where the member never needs to speak to a service representative and can navigate menu options where they request forms and publications, etc.). But do NOT include the cost of responding to requests for forms and publications. This belongs in Activity 2f Mass Communication. • Email: reading, responding to simple requests, redirecting activity specific requests. • Written correspondence: reading, responding to simple requests, redirecting activity specific requests. <p>Includes contact center hardware and software.</p> <p>Do NOT include:</p> <ul style="list-style-type: none"> • Work performed after the call for activities where costs are collected separately. For example, if a member requests a written pension or benefit estimate, then the cost of preparing it belongs in 2e Written Pension Estimates and not here, even if the work is done in the Contact Center. • Subsequent follow-up activity specific communication. For example, a disability applicant dealing directly with the disability division belongs in 1e Disability.
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Appendix C - Activity definitions

2b. Mail Room, Imaging	<ul style="list-style-type: none"> • Managing incoming and outgoing mail. • Incoming written correspondence: sorting, redirecting activity specific requests. • Scanning and imaging of incoming documents and forms to start a workflow process. <p>Do NOT include:</p> <ul style="list-style-type: none"> • Postage. This belongs in the activities where they were incurred. For example, the mailing of pension checks, check stubs, EFT advices or annual tax receipts belong in 1a Pension Payments.
2c. 1-on-1 Counseling	<ul style="list-style-type: none"> • Walk-in traffic that meets with counselors. • Pre-scheduled 1-on-1 retirement and other counseling. Include pre-scheduled counseling sessions that are conducted via teleconference or over the phone that cover materials sent to the member in advance of the session. • If written pension estimates are prepared during a counseling session the cost belongs in counseling and not in written estimates.
2d. Presentations and Group Counseling	<ul style="list-style-type: none"> • All presentations to members and retirees. • Group retirement counseling. • Webinars.
2e. Written Pension Estimates	<p>Preparing and sending, by mail or email, customized written estimates in response to requests from individual members regarding:</p> <ul style="list-style-type: none"> • Annuity pensions including early and service retirement. • Giving customized written insight into pension consequences of divorce, death, layoffs, taxes, gaps in pension coverage, etc. • Lump sum or commuted value payouts. <p>Do NOT include:</p> <ul style="list-style-type: none"> • Estimates for transfers, purchases or refunds of contributions. These belong in 1c Withdrawals, Refunds, Transfers-out and 1d Purchases and Transfers-in. • Estimates that the member did not request, such as estimates that are automatically sent out when the member is eligible to retire or estimates on member statements. These belong in 2f Mass Communication. • Non-written estimates such as verbal estimates provided over the phone or obtained by the member from the website. • Time spent during a counseling session preparing written estimates. This belongs in 2c 1-on-1 Counseling.
2f. Mass Communication	<p>Any benefit related communication that is sent to all members or groups of members. The cost should include design, printing and mailing costs. Examples include:</p> <ul style="list-style-type: none"> • Member statements. • Brochures and publications. • Newsletters and information letters. • Videos, CD-ROMS. • Website pension content targeted at members and annuitants. Includes design, development and maintenance of the member content, as well as its pro rata share of the website infrastructure. • Annual reports and popular annual report summaries, but do not include the accounting and auditing costs incurred to prepare the annual report. Accounting costs belong in 4a Financial Administration and Control and auditing costs belong in 7e Audit. • Welcome kits. • Letters informing members when they reach or approach certain milestones such as becoming vested, eligible for disability, eligibility for retirement, etc. <p>Do NOT include:</p> <ul style="list-style-type: none"> • Pre-scheduled retirement counseling done in group sessions or 1-on-1 or member presentations. These belong in 2c 1-on-1 Counseling and 2d Presentations and Group Counseling. • 1-on-1 correspondence. These costs belong in the activity to which the correspondence pertains. For example, correspondence re: pension estimates belongs in 2e Written Pension Estimates. • Payment advices, check stubs, letters informing of changes in gross amount, and annual tax receipts prepared for retirees. These belong in 1a Pension Payments. • Employer targeted communication such as the employer portions of the website and employer newsletters. These belong in 3c Service to Employers.

Appendix C - Activity definitions

3. Collections and Data Maintenance	
3a. Data and Money from Employers	<ul style="list-style-type: none"> • Collection and cashing of member and employer contributions from employers. • Collection of member data (service credit, salary, personal information, employer, etc) from employers. • Reconciliation of required versus remitted money. • Analysis, correction and confirmation with employer of member data. • Setting up the data and money collection process for new employers. • Improving the data collection process for existing employers (i.e., converting paper systems to electronic, etc). • Registering member choices and instructions that are received through the employer. For example: <ul style="list-style-type: none"> ▫ Some hybrid DB/ DC systems require that a member's DC instructions come through the employer. ▫ Members at some Dutch systems can choose to contribute more to get early retirement. This choice is registered via the employer. <p>(The activities below used to be in a separate activity 'Billing and Inspection' and are now merged into 3a Data and Money from Employers)</p> <ul style="list-style-type: none"> • Advising employers of the required contribution rate (but excluding the actuarial cost of determining the rates which belongs in 7c Actuarial). • Billing employers for regular contributions, special contributions to cover funding shortfalls, additional payments to retirees funded by the employer, etc. • Collecting bad debts. But do not include legal costs. These belong in 7d Legal and Rules Interpretation. • Employer reviews or audits. For example, several systems perform on-site reviews of employers that have problems providing data and or contributions on a timely basis. They want to ensure that the employers are correctly fulfilling their obligations to their members. • Inspection and enforcement of obligation to participate in the System (i.e., participation in some Dutch industry funds is mandatory if the employer has certain characteristics).
3b. Service to Employers	<ul style="list-style-type: none"> • Training employers. • Helping new employers. • Maintaining employer relationships. • Presentations, counseling, workshops for employers. • Publications and newsletters for employers (as opposed to materials sent to members through employers). • Employer helpdesk/ Employer Call Center. • Employer website including the design, development and maintenance. as well as the pro rata share of the website infrastructure. • Advice, account management, HRM support re: pensions. <p>Do NOT include marketing to employers. Marketing costs belong in 4c Government and Public Relations.</p>
3c. Data Not From Employers	<p>Gathering and maintaining member data that is not provided by employers including:</p> <ul style="list-style-type: none"> • Retiree and Inactive data maintenance such as change of address, change of beneficiary, change in marital status, death, registering changes in payments, etc. • Tracking 'lost' inactive members. • If applicable, registering cost of living adjustments to the salary base of inactive members (a few systems do this). • Registering the impact of divorce on the future rights of members. But do not include the work of estimating the impact of divorce which belongs in either 2e Written Pension Estimates, 2c 1-on-1 Counseling and or 2a Call Center. Also do not include the cost of changing or initiating pensions as a result of divorce. This belongs in 1b Pension Inceptions. • Billing and collecting contributions directly from inactive members. For example, nurses in the Netherlands can continue to contribute to their pension even if they are inactive. • Registering member choices and instructions that are received directly from the member. For example: <ul style="list-style-type: none"> ▫ Defined Contribution instructions obtained directly from active, inactive or retired members, such as changes in asset allocation. <p>Do NOT include the cost of incepting new pensions or determining changes to the gross amount of the pension paid to retirees. This belongs in 1b Pension Inceptions.</p>

Appendix C - Activity definitions

4. Governance and Financial Control	
4a. Financial Administration and Control	<ul style="list-style-type: none"> • Budgeting and forecasting. • Financial reporting including preparing the annual report. • The chief financial officer's office including assistants. Exclude time spent on investments. • Compliance unless it is done by the legal department. If this is the case compliance costs belong in 7d Legal and Rules Interpretation. • Risk. <p>Do NOT include:</p> <ul style="list-style-type: none"> • Internal auditing of activity processes, or auditing of financial statements. These belong in 7e Auditing. • Actuarial work. This belongs in 7c Actuarial. • Printing and mailing, including postage, of annual reports to members. This goes in 2f Mass Communication. • Administration work that pertains to the Investment division, such as investment accounting.
4b. Board, Strategy, Policy	<ul style="list-style-type: none"> • Board of Trustees: elections, fees, expenses, etc. • The CEO's office including assistants. Exclude time spent on investments (when in doubt we suggest 50% administration, 50% investments). • Benchmarking studies, strategic planning, fiduciary audits, asset liability studies. But exclude portions attributed to investments. • New and existing plan/ product development. • Strategic market research. <p>Do NOT include:</p> <ul style="list-style-type: none"> • Actuarial or legal advisors to the Board. These costs belong in 7c Actuarial and 7d Legal, respectively.
4c. Government and Public Relations	<ul style="list-style-type: none"> • Maintaining relationships with government, unions and employer organizations. • Anticipating, influencing and initiating plan rule changes by government, by unions, by employers, and by employer organizations. • Costs of coordination with organizations of employers and employees. • Formulating a Governmental Policy document. • Media relations. • Marketing costs to attract new employers, or new members, or to support the position of the pension fund within the industry or other interest groups. • General communication/ marketing to support the position of the pension system in the community or in the industry. • Memberships in Councils of Industry Funds, Company Funds or International Organizations.
5. Major Projects	
	<p>Major Projects are long lived assets that could be (or are) capitalized and expensed over their useful life if you follow GAAP (Generally Accepted Accounting Principles). Examples of Major Projects include:</p> <ul style="list-style-type: none"> • Acquisitions of long lived assets such as computer hardware or a new building. • Major software development projects that will have an extended life. <p>If you do not capitalize Major Projects, provide the actual costs expensed during the year. If you do capitalize Major Projects, include the depreciation or amortization costs of all past and current Major projects. But do not include the current year's cash investment in Major Projects that are being capitalized.</p> <p>Do NOT include:</p> <ul style="list-style-type: none"> • Major Projects that pertain to non-pension or optional benefits such as a new IT system for health care. These costs should be excluded from Total Pension Administration Costs per question 7.1 Non-Pension and Optional Benefits are defined in the comment field in question 7.1.

Appendix C - Activity definitions

5a. Amortization of non-IT major projects	<p>Current year amortization of the non-IT portion of capitalized major projects.</p> <p>Major Projects are long lived assets that are capitalized (under GAAP or GASB 51) and expensed over their useful life, which is greater than one reporting period. Examples of non-IT major projects could include if the costs were capitalized: i) a large, one-time historic data cleaning project, or, ii) imaging all historic records.</p> <p>Do NOT include:</p> <ul style="list-style-type: none"> • Amortization of the IT portion major projects. This belong in activity 5c Amortization of IT major projects. • Amortization of leaseholds or office furniture. This belongs in activity 7a Building and Utilities.
5b. Non-IT major projects (if you don't capitalize)	<p>If you do not capitalize major projects, then include the current year cost of the non-IT portion of major projects that could be capitalized under GASB 51 or GAAP.</p> <p>Do NOT include the IT portion of major projects. This belong in activity 5d IT Major Projects (if you don't capitalize).</p>
5c. Amortization of IT major projects	<p>Current year amortization of the IT portion of capitalized major projects.</p> <p>Major Projects are long lived assets that are capitalized (under GAAP or GASB 51) and expensed over their useful life, which is greater than one reporting period. An example of an IT major project could be a major software development project in the application stage of development, i.e., design, software configuration, software interfacing, coding, installing hardware and testing.</p> <p>Do NOT include:</p> <ul style="list-style-type: none"> • Amortization of the non-IT portion major projects. This belongs in activity 5a Amortization of non-IT major projects. • Amortization/depreciation of IT infrastructure such as mainframes and servers. This belongs in 6a IT Strategy, Database Management and Applications (excl. major projects). • Amortization/depreciation of desktop hardware and software, or telecommunications equipment. This belongs in activity 6b. IT Desktop, Network, and Telecommunication. • Amortization of projects that relate to investment management.
5d. IT major projects (if you don't capitalize)	<p>If you do not capitalize major projects, then include the current year cost of the IT portion of major projects that could be capitalized under GASB 51 or GAAP.</p> <p>Do NOT include the non-IT portion of major projects. This belong in activity 5b Non-IT major projects (if you don't capitalize).</p>
6. Information Technology	
6a. IT Strategy, Database Management and Applications (excl. major projects)	<ul style="list-style-type: none"> • IT management and strategy. • IT architecture. • Data center i.e., current year cost (whether cash or amortization) of mainframe, servers, data center hosting. • Training. • Head of the IT department's office. • Database management including: building databases, testing databases for data integrity, maintaining databases, ensuring operation of databases. • Application maintenance, enhancement and development that is not capitalized. • Project management that is not included in Major Projects. <p>Do NOT include the portion of the above that relates to investment management.</p>
6b. IT Desktop, Network, and Telecommunications	<ul style="list-style-type: none"> • User services including application licenses, personal computer hardware and software, help desk. • Network (i.e., LAN/ WAN, network security). • Telecommunications including call center equipment and mobile devices. If any of the above costs are capitalized, include current year amortization. <p>Do NOT include the portion of the above that relates to investment management.</p>

Appendix C - Activity definitions

7. Support Services	
7a. Building and Utilities	<ul style="list-style-type: none"> • Building occupancy costs including rent, lease, amortization of leaseholds and building and office furniture depreciation. • Building depreciation if you own the building. • Building insurance. • Building maintenance services such as custodial, maintenance, security services etc. • Utilities. <p>Do NOT include the portion of the above that relates to investment management.</p>
7b. Human Resources	<ul style="list-style-type: none"> • Human resources staff and human resources consulting, including recruitment, training, career development, induction, disciplinary action etc. • Include time spent in the development of the HR framework, including policies and procedures. <p>Do NOT include:</p> <ul style="list-style-type: none"> • Time spent by non HR staff interviewing or training. For example the training of a call center agent belongs in activity 2a Call Center. • The portion of the above that relates to investment management. • Recruitment fees - these should be added to the staff costs of the people to which they relate in the different business units. <p>Do NOT include separation or severance costs here. These belong in the 'Third Party and Other Costs' of the activities that the terminated FTE performed.</p>
7c. Actuarial	<p>All internal actuarial department costs, external actuarial fees and sister-entity cross charges for actuarial work including:</p> <ul style="list-style-type: none"> • Actuarial work for financial and government reporting. • Actuarial work to determine funding policy, contribution rates or billing rates. • Quantifying the impact of changes in the plan. • Advice on plan design / redesign, funding and contributions, the employer's covenant, mergers and acquisitions etc. • Inception, disability and healthcare calculations that require actuarial input. • Formulating an Actuarial Policy document.
7d. Legal and Rule Interpretation	<ul style="list-style-type: none"> • All external legal fees. • Internal legal department (including legal fees charged by sister organizations or the corporate parent). • Appeals concerning pension inceptions (as well as any other appeals) if they are handled by the legal department or by external legal counsel. • Plan contract amendments. Adding new participating employers. • Interpretation of existing rule sets and laws. • Developing rules that simplify the interpretation of the plan contract and related legislation on behalf of staff, employers or members. • Support to the communications department in writing brochures and other communication material. <p>Do NOT include the portion of the above that relates to investment management.</p>
7e. Internal and External Audit	<ul style="list-style-type: none"> • Fees paid to the external auditor, particularly for the audit opinion on the accounts. • The external auditor may be the public audit office or an independent audit firm - in either case these fees or charges belong in the '3rd Party Fees' column. • The costs of internal audit and / or quality assurance departments.
7f. Benefits Paid for Retired Staff	<p>Healthcare and other benefit costs for retired or inactive staff that are paid by the employer (and not via member contributions) on a 'pay-as-you-go' basis.</p> <p>Do NOT include accrued costs for existing staff such as contributions to their pension. These belong in each activity's' cost as part of salary and benefits.</p>
7g. Other Support Services	<p>All other pension administration costs that have not been included elsewhere.</p>

Appendix D - Defaults

Survey Question	Method	Default
<p>Q21 How many written estimates for refunds/ terminations/ transfer-outs did you prepare in response to member requests? [Include all estimates whether they result in a refund or not.]</p>	<p>Your response was unknown. We have used as a default the value that ensures that the ratio of this value to the number of refunds and transfers-out is equal to the all-participant average ratio.</p>	<p>12,553</p>
<p>Q56 Provide the number of members counseled 1-on-1 that were:</p> <p>c) At the member's place of employment?</p>	<p>Your response was unknown. We used a default value of 0.</p>	<p>0</p>
<p>Q62 If you provide 1-on-1 counseling in the field, indicate the number of different field locations where you provided 1-on-1 counseling last year that were at:</p> <p>b) Member's place of employment?</p>	<p>Your response was unknown. We used a default value of 0.</p>	<p>0</p>