



December 6, 2013

Volume 17, Issue 24

Email the LookOut Staff

LookOut Archives

In This Issue

- Business Plan Spotlight: Customer Education
- Compliments from our Facebook fans
- Changes to state employees rehire rules take effect January 1
- 401(k) and 457 Plan New Year Changes
- ORS hosts Section 218 training
- 2013 Defined Contribution summit
- Business Briefs
- 3rd floor GOB sees updates for staff wellness
- Dish with the Directors
- A Piece of ORS History
- Prepping your garden for winter
- GetFit clothing drive
- Snap a new pic for the Photoboard
- Comings and Goings
- Show off your holiday selfies

Calendar

Business Plan Spotlight: Customer Education

Because Customer Education works closely with Customer Service, many CE business plan items are collaborations.

Customer involvement, or focusing on feedback from our customers, fosters customer service excellence. The more feedback we can get from customers on what they want to see from us, what they understand, and what we could communicate more clearly, the better ORS's communications will be.

Simplify Connections financials. ORS is required to publish financial information about the retirement system every March, and we do it in the Connections retiree newsletter. We made a first round of improvements to our financials a few years ago, but we can do even better. By looking at several other systems as models, CE will instill customer confidence by making sure our financial information is easy to read and understand.

Social Media. Now that ORS has the most-liked public pension Facebook page in the U.S., we're planning to do more. Our Facebook page should grow, but also support existing processes and reduce call volumes. CE will pull data from Facebook, Siebel, and the ORS website to measure success. We'll also jump on other social media forums, such as Wikipedia, YouTube and Twitter. This item will forge operational excellence and instill customer confidence.

[back to top](#)

Compliments from our Facebook fans

- Dorothy T. - I am grateful for my State of Michigan employment, benefits & retirement pluses. Novixus is speedy & accurate. Appreciate their good service.
- Benni J. - Every interaction I have ever had with Mich ORS was wonderful. From before I retired to the present day, I have been well-advised by courteous people. Thanks!!
- Richard J L. - Great people to work with!



December	
Public school board meeting	19
Christmas Eve	24
Christmas	25
New Year's Eve	31
January	
New Year's Day	1
Martin Luther King Day	20
State employees board meeting	23
Public school board meeting	30

- Anne T. - Love having this information available through Facebook!
- Diane T. - Thank you! This information has helped so much. I don't think it's as much of a hike as I thought was going to be. Thank you for posting [the new insurance rates].
- Gene T.- Phil...just a note of thanks for your excellent stewardship of the ORS...my pension has made all the difference in the manner in which my wife and I live.

[back to top](#)

Changes to state employees rehire rules take effect January 1

The last legislated changes from 2012 SERS reform take effect for all state employees rehired on or after January 1, 2014.



Currently a DB member who left state employment with less than 10 years of service will return as a DC participant but retain the DB premium subsidy, and a pension based on their prior years and wages. Service earned as a DC participant can be used towards vesting for insurance and pension, but will not be included in the pension calculation. Going forward, a DB member who has less than 10 years of service and is rehired on or after January 1, 2014, will be classified as a DC participant with Personal Healthcare fund; they do not retain any pension or DB healthcare eligibility based on prior service.

DB members who left state employment with 10 or more years of service rehired on or after January 1, 2014, will be classified as a DC participant but will retain eligibility for premium subsidy and pension benefit based on their years under the DB plan. This is the same as it has been since 1/1/12.

A DC member with less than 10 years of service will become a participant in the personal healthcare fund, with no graded subsidy benefit.

Until January 1, 2014, a DC participant with more than ten years of service is given the election between graded subsidy and personal healthcare fund with a monetized payment. Going forward, they will no longer receive an election. All DC rehires with ten or more years of service will become participants of the personal healthcare fund with monetized payment.

If a DC participant made an election in the 2012 reform, they will retain that election upon rehire.

ORS is partnering with the HRMN team to inform State HR offices of the changes. Several communications are planned for December and January to ensure HR offices are informed. In January, ORS is scheduled to present the changes to HR staff utilizing the SERS HR bimonthly webinars. Communications are being led by **Trista Stine, Katie Little** and **Krystal Strahan**.

ORS policies and procedures will be updated with the new rules by the end of the year.

[back to top](#)

On The Horizon
<ul style="list-style-type: none"> • Ground Hog Day February 2 • Valentine's Day February 14 • President's Day February 17

Quick Links
<ul style="list-style-type: none"> • ORS Member Website • ORS Employer Website

Commonly Used Acronyms
AST Application Support Team
BLA Business Leadership Assembly (EPC, BPOs, and BPLs)
BPD Benefit Plan Design
BPL Business Process Leader
BPO Business Process Owner
CE Customer Education
CS Customer Service
DB Defined Benefit
DC Defined Contribution
DTMB Department of Technology, Management and Budget

EPC	Executive Process Council <i>(Phil, Laurie H, Anthony, Laurie M, and Kerrie)</i>
EPO	Executive Process Owner
ER	Employer Reporting
ORS	Office of Retirement Services
PRIM	Preretirement Information Meeting <i>(public school employees)</i>
PRO	Preretirement Orientation <i>(state employees)</i>
PS	Process Support
SME	Subject Matter Expert
UAT	User Acceptance Testing

401(k) and 457 Plan New Year Change

A new contract with ING, our record keeper for the State of Michigan 401(k) and 457 Plans, will be effective January 1, 2014. The new contract provides some changes to the 401(k) and 457 Plans effective in mid-January 2014:

- Senior Marketing Specialist **Kendra Casey** added on-site as a communications resource.
- New, lower-cost investment options.
- A flat participation fee.
- Loan privilege available for 457 plan balances. This includes public school participants.
- Improved navigation and financial planning features on the State of Michigan 401(k) and 457 Plans website.
- Continued local education support, including financial education seminars and one-on-one service appointments.



[back to top](#)

ORS Strategic Intents



- **Forge Operational Excellence**
- **Instill Customer Confidence**
- **Engage Hearts and Minds**

ORS hosts Section 218 training

In November, ORS hosted the regional training for NCSSA (National Convention of Social Security Administrators). ORS is designated by the governor to manage Michigan's master agreement with the IRS and the Social Security Administration, which allows public employees in Michigan to pay into Social Security. **Phil Stoddard** is the State Social Security Administrator who oversees this process, called Section 218 because it's directed by Section 218 of the Federal Social Security Act.

Currently, 95 percent of Michigan government employee wages are covered for social security. Any public employer or political subdivision of Michigan (like a county, township, or mental health authority) must notify our office if they participate in a qualified retirement plan and also want to pay into social security for their employees. Once we're notified, ORS works with the AG's office to determine if the entity is eligible for 218 coverage.

Participants included Dr. Maryann Motza, the SSSA (State Social Security Administrator) from Colorado, Melanie Piccin, the SSSA from Washington, James Driver, currently regional director of IRS, and Jocelyn Bohanan from Ohio. From Michigan, we had Tom Quasarano and Brian LaVictoire from the Attorney General's office, and **Cathleen Curran**, **Bobby Hoppes**, and **Trista Stine** from ORS.

[back to top](#)



2013 Defined Contribution summit

Anthony Estell and **Kerrie Vanden Bosch** attended the 7th annual Defined Contribution Summit at the end of November, presented by Institutional Investor Forums. Through panel sessions, debates, roundtable discussions, workshops and special guest speakers, this year's summit explored a broad range of topics that DC plan sponsors must consider to tackle the unique challenges facing tomorrow's

retirees.

[back to top](#)

business briefs

ER presents training at MSBO

On November 13, **Mary Staley** teamed up with a Human Resources Benefits coordinator from a Michigan School district to teach a 3-hour course hosted by MSBO titled *Benefits and Retirement*. The course was designed specifically for payroll, HR, and reporting staff on retirement and employee benefits to educate district employees on how to help public school members with their HR and benefit concerns while reporting information appropriately. Approximately 50 school district employees attended the course.

Insurance rates and benefit summaries updated for 2014

The insurance rates for public school retirees who retired after January 1, 2013 and for retirees who were not age 65 as of January 1, 2013 are available on the ORS Schools website. The *Insurance Options Summary (R0379C)* has also been updated with 2014 insurance information. This form compares different insurance options available for public school retirees, giving a side-by-side summary of each option, as well as contact information for the insurance providers. Information on rates, options, and subsidy levels will be mailed to members in early December.

Revised Retirement Readiness booklet for state employees now online

The December 2013 version of Retirement Readiness: A Two-Year Countdown for state employees is now available online. This version includes revised language on insurance proofs and the Affordable Care Act. Copies will be available in early January.

[back to top](#)

3rd floor GOB sees updates for staff wellness

This year, ORS saw the start of the Get Fit team, encouraging health and wellness for staff. There are other updates around the office to further this goal.

Along the perimeter of A-Wing, there's now a visual reminder to encourage low-impact and safe physical activity. Using strips of carpet, ORS created a dedicated walking track. This small investment provides the benefits of living a healthier lifestyle - reduced healthcare costs, reduced short-term sick leave, improved employee relations and morale, and increased productivity.

So far, the feedback has been positive:

- **Mike Bates**- "I enjoy the track because the convenience allows me to walk when I otherwise may not. I appreciate the leadership team supporting an initiative that



encourages an active lifestyle and provides a means to help achieve it.”

- **Brenda Prast**- “I think the track is wonderful. It gives you a very specific spot where you can do the exercise that you need and when you’re feeling stressed that is a stress reliever to get away from your desk and move. And it’s really gonna help me get the weight off that I need to get off and be healthy.”
- **Priya Subramani**- “It’s good for people who are walking and sometimes to take a break for a walk. It’s very good to see the track.”
- **Kulvir Singh**- “I’m very happy to have this track because the weather is not that good outside. This is very helpful for the people who are health conscious. You can keep track and even I’m following this spot daily. This is a very good decision from management.”

We’ve also constructed a standard office space in Crossroads. This office will be used to provide training for all staff on how to safely (ergonomically) use your office space to benefit and maintain your health for the long term. You’ll see a schedule for the trainings soon.

[back to top](#)

Dish with the Directors

Laurie Hill and **Phil Stoddard** hosted the first Dish with the Director lunch on Thursday, December 5. Attendees were selected randomly to join Laurie and Phil for lunch and an open and honest conversation about their work here at ORS. In the coming months, Dish with the Director will help build relationships in a welcoming and casual setting.

Coming from a variety of roles and processes, the first lunch was a great opportunity to get to know people with whom you might not ordinarily spend much time. To help stimulate conversation, a couple of starter questions were sent to attendees before the lunch. While enjoying wraps and sandwiches, everyone shared their thoughts on the questions. After a great discussion, Phil and Laurie thanked everyone for their openness and for caring about making things better. **Jawone Baker** from CS said, “Dish with the Director was one of the most terrific experiences that I’ve had at ORS as it relates to building relationships with upper administration. With a laid back atmosphere, true expression went forth, concerns were addressed, and ideas were definitely welcomed. This is a meeting that I suggest that no one should miss.”

Watch your email for an invite to Dish with the Director in the future!



[back to top](#)

A Piece of ORS History



P.A. 300 of 1980, the Michigan Public Schools Retirement Act, is signed by Governor William Milliken.

[back to top](#)

Prepping your garden for winter

Light snow is covering the ground, but don't fret. There's still time to prepare your garden for the harsh winter months ahead.

Depending on your gardening style, prep work usually begins with cleaning up from the spring and summer months: weed, cut back old foliage, pull fallen annuals, and rake up leaves and debris. Once the garden space is clear, protect roses and dig up any bulbs that can't survive the cold of winter. Bulbs can be stored indoors, preferably in a dry spot within a paper bag.



It's too late in the season to plant spring bulbs, but next year, do so by early November at the latest. Next, water any spots that are especially dry to protect from breakage caused by winter winds. The final step in winter preparation is applying mulch around perennials to protect them from extreme cold. If you haven't found the time for this, though, that's okay!

Lisa Schmidt, a member of the garden team shared, "I've lived in my house for 17 years and my plants know it's survival of the fittest and every plant for itself. Because I'm a very low-maintenance person in general, I don't baby my plants. They're lucky to get watered in really hot weather. As a result, I have many very hardy things that have been with me for 17 years and anything else is just a distant memory. Winterizing my garden consists of me bringing my St. Francis statue in the garage."

When you get a chance, checkout out the poinsettia-filled planters in each wing and

the winter decorations in the garden. All of these items were possible thanks to your generous donations to the garden team this year. Thank you for making the ORS garden a success, and happy gardening!

back to top

GetFit clothing drive

In the spirit of this season of giving back, GetFit is still collecting winter wear to help the people in our community.

Coats, hats, boots, scarves, gloves/mittens, blankets, and pillows in all sizes for men, women, and children are being accepted. The articles can be either new or gently used and will be accepted until December 13th.

The items will be donated to EVE and SIREN. See the display near Central Perk to get more information on these great organizations. And stay tuned for details on the next big event!

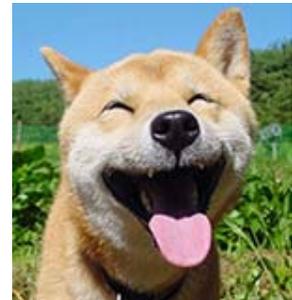


back to top

Snap a new pic for the Photoboard

Tired of your old picture in Crossroads or on the [digital photoboard](#)? Don't recognize your own staff picture in the *LookOut*?

Get a new picture taken! If you would like a new picture, please complete and submit an email [using this template](#). We will work to schedule a few minutes to take some new photos and help you pick the best one. We look forward to seeing you!



back to top



Comings



On November 12, AST welcomed Java developer **Karthick Sankar** to the team. Karthick lives in Lansing, received his masters in computer science at Wayne State and recently worked for Deutsch Bank in NYC. He enjoys traveling the east coast (especially NYC and the Smoky Mountains) and is also an avid moviegoer and fan of Italian and Ethiopian cuisines.

On November 25, **Nicole VanVleck** began as an analyst in ER. Nicole earned a BS in human biology at MSU and worked at the DCH newborn screening lab for over eight years. She lives in Charlotte and spends much of her free



time with her kids or working on various home improvement projects.



Naeem Alvi joined AST on November 18 as a business analyst. Naeem recently worked for QBE of Americas as a business analyst, and received an MBA from College of Business Administration in Pakistan. Naeem lives in Lansing and spends time hanging out with family, reading up on news and technology, or working out.



AST welcomed **Alok Gangaiyah** to the team on November 19. Alok lives in Lansing and is a fan of foreign films and reading manga. He also enjoys travelling when possible, and especially enjoyed Balboa Park in sunny San Diego.



Sanjay Gupta also joined AST on November 25. Sanjay lives in Troy and recently worked as an enterprise architect for GM, on the OnStar system architecture and development. Sanjay likes trying all kinds of food, watching movies, cheering on Detroit sports teams, and travelling- especially Denali National Park in Alaska.

ORS Purpose:
We are an innovative retirement organization driven to empower our customers for a successful today and a secure tomorrow.

The *LookOut* is published by the Office of Retirement Services, Department of Technology, Management and Budget, State of Michigan

Director:
Phil Stoddard
Edited by Customer Education



Goings

AST wishes the best to **Bhavana Kodumuri**. Bhavana's last day was December 2.

[back to top](#)

Oxford Dictionary Word of the Year 2013

A team of Oxford lexicographers and consultants to their dictionary team came to a unanimous decision for the 2013 Word of the Year - *selfie*.

Show off your holiday selfies

The holidays are upon us! Take a moment to celebrate by taking a few of selfies and sharing them with ORS. Send your selfie to the [LookOut](#) by COB Wednesday, December 18.

In case you're wondering: a selfie is a type of self-portrait photograph, typically taken with a hand-held digital camera or camera phone.



[back to top](#)

Note: Because some of the links in this newsletter point to network resources, some of the links may not work if you are reading this outside of the organization.