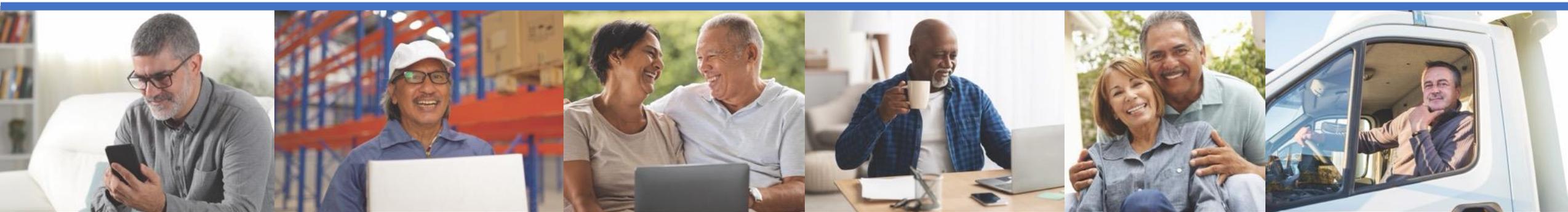




PENSION FUND
CONTRACT POLICIES AND PROCEDURES

INTRODUCTIONS

- ANDREW SPRAU, GROUP MANAGER, OPERATIONS ACCOUNTING
- KARL LEWIS, DIVISION MANAGER, CONTRACTS



AGENDA

- CONTRACT POLICIES / SAMPLE LANGUAGE
- BENEFITS FOR NEW PENSION PARTICIPATION
- CONTRACT RENEWALS
- ACCOUNTS RECEIVABLE
- EMPLOYER AUDITS
- QUESTIONS



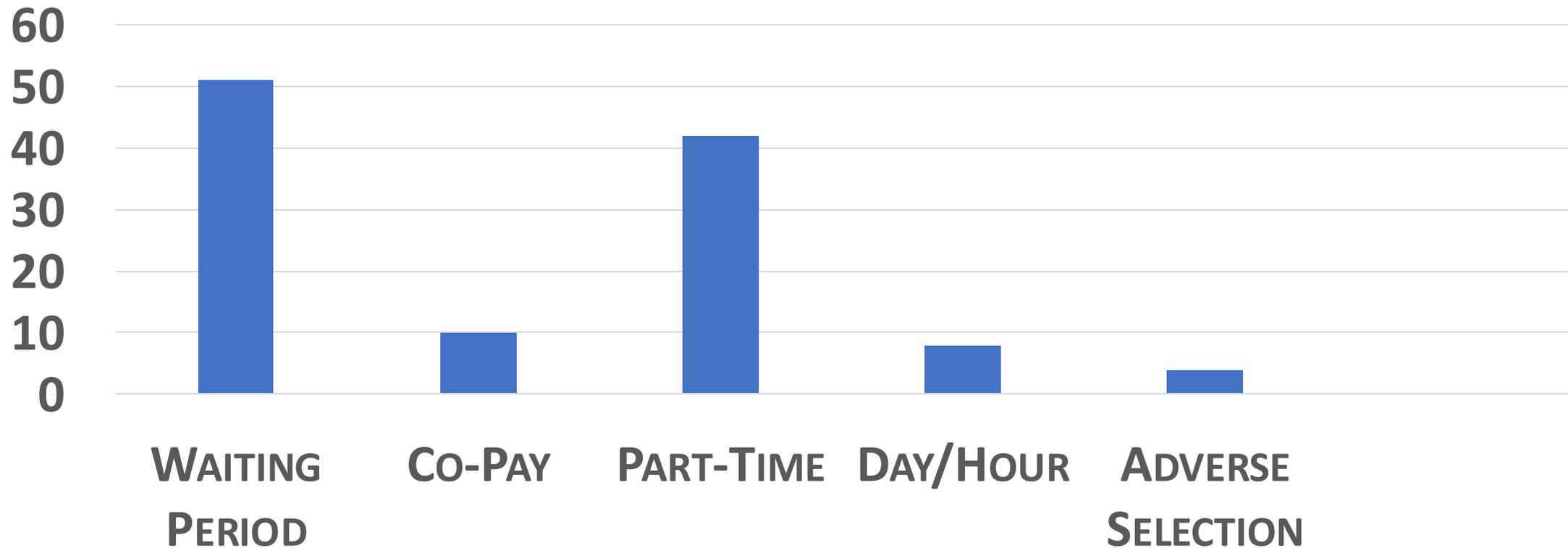
PENSION CONTRACT LANGUAGE

- PENSION POLICY REFERENCE GUIDE
 - USE QR CODE
- SAMPLE PENSION LANGUAGE
 - USE QR CODE HERE OR IN THE LOCAL UNION HANDBOOK
 - IF YOU DON'T HAVE THE QR CODE, YOU MAY CONTACT YOUR FIELD SERVICE REP. OR THE CONTRACT DEPARTMENT FOR ASSISTANCE.
 - OR REFER TO YOUR LOCAL UNION PORTAL OR [MYTEAMCARE.ORG/SUMMIT-RESOURCES](https://myteamcare.org/summit-resources)



POLICY ISSUES – 2023 TO CURRENT

103 CBAs - 115 POLICY ISSUES



PENSION CONTRACT LANGUAGE

- WAITING PERIOD, WHO'S COVERED, AND RATES AND DATES
- CONTRIBUTION REQUIREMENT
 - ALL COMPENSATED PERIODS
- EMPLOYER PAYMENT OBLIGATIONS (“EPOs”)
- EMPLOYEE COST SHARING



PENSION CONTRACT LANGUAGE

- SPLIT BARGAINING AND ADVERSE SELECTION
- NON-REGULAR EXCLUSIONS
- LEASED EMPLOYEES
- TRUSTEE RESTRICTIONS



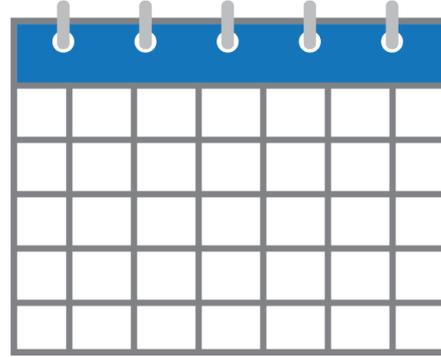
PENSION CONTRACT LANGUAGE

- MID-CONTRACT BARGAIN OUTS
- BARGAIN DOWNS / RATE REDUCTIONS
- DURATION
 - PLEASE NOTE THAT ANY AGREEMENT TERM FOR LESS THAN THE HISTORICAL CONTRACT DURATION, BUT NOT LESS THAN THREE YEARS, IS SUBJECT TO REVIEW AND APPROVAL BY THE TRUSTEES.



PENSION OPTIONS

- WEEKLY
- DAILY
- HOURLY
 - MAINLY FOR CONSTRUCTION OR ITINERANT COMPANIES



CONTRACT DEPARTMENT ASSISTANCE

- PARTICIPATION AGREEMENT (“PA”)
- PENSION RATE LETTER
- CONTRACT REVIEWED FROM COMPLIANCE.
- PENSION RELATED CHANGES, HAVE IT REVIEWED IN ADVANCE.



POTENTIAL NEW PENSION PARTICIPATION

▪ PENSION FUND NEW GROUPS

- ARPA FINANCIAL RELIEF PROVIDES OPPORTUNITY TO MARKET THE PENSION FUND
- NO CLASSES – ACCRUAL ONLY

▪ INCENTIVES FOR NEW PENSION FUND GROUPS

- **EMPLOYER:** NO WITHDRAWAL LIABILITY AND NO MANDATORY RATE INCREASES
- **MEMBER:** CONTIGUOUS VESTING FOR ALL PREVIOUS YEARS AT EMPLOYER
- **MEMBER:** NON-CONTRIBUTORY CREDIT ON A “ONE FOR ONE” BASIS
- **MEMBER:** ADVANTAGE OF DEFINED BENEFIT VS DEFINED CONTRIBUTION BENEFIT
- **UNION:** PARTICIPATION IN A TEAMSTER PENSION FUND



PENSION CONTRACT RENEWALS

- CONTRIBUTION RATE INCREASES
 - NO LONGER “REQUIRED” IN MOST SITUATIONS
 - NO “CAPPED” RATES – INCREASES PERMITTED AT ALL LEVELS
- PENSION LETTERS WILL BE SENT 2 TO 4 MONTHS PRIOR TO EXPIRATION OF THE AGREEMENT.
- RATE INCREASES ARE “BENEFIT BEARING”
 - EXAMPLE, \$200 RATE OVER 3 YEARS GROWS BENEFIT \$310, 4% INCREASES ON THE RATE GROW THE BENEFIT TO \$335)



PENSION CONTRACT RENEWALS

- RENEWALS
 - EMPLOYER AND/OR LOCAL IS REQUIRED TO SEND RENEWAL AS SOON AS THEY HAVE BEEN EXECUTED.
 - IF ANY GROUP IS REQUIRED TO CONTINUE TO INCREASE PENSION RATES, THE FUND WILL BILL THE EMPLOYER THE INCREASED RATES AUTOMATICALLY AFTER EXPIRATION, REGARDLESS.
 - EXPIRED CONTRACT LIST MAILINGS

ACCOUNTS RECEIVABLE

- PRIMARY EMPLOYER CONTACT WITHIN THE FUND
 - ENTER WORK HISTORY
 - COLLECT CONTRIBUTIONS
 - RESOLVE ACTIVATION ISSUES – NEW MEMBERS
 - ENSURE COMPLIANCE
 - RESOLVE EMPLOYER QUESTIONS
- GREAT RESOURCE FOR OUR LOCAL UNION PARTNERS
 - ASSIST WITH ACTIVATION ISSUES OR PROBLEMS
 - HELP REVIEW PAST WORK HISTORY



FIELD AUDIT SUMMARY

- PURPOSE: ENSURE ACCURATE MEMBER CREDIT
- 29 AUDITORS / 358 AUDITS IN 5 YEARS
- NOT FEASIBLE TO AUDIT EVERY EMPLOYER
 - RANDOM AUDITS – SELECTED BY A SAMPLING TECHNIQUE
 - REFERRAL AUDITS – FROM LOCAL UNIONS OR INTERNAL SOURCES FOR SUSPECTED MISREPORTING

FIELD AUDIT SUPPORT

- REFER FOR AUDIT FOR CONCERNS WITH REPORTING ERRORS OR ABUSE OF TEMPORARY OR LEASED LABOR
 - SUPPORTING EXAMPLES OR DOCUMENTS HELPFUL
- AUDIT STAFF COMMUNICATION
 - BEFORE - DURING - AFTER
- CONTACT MEGAN GRIFFITHS,
DIVISION MANAGER OF FIELD AUDIT
 - 847-232-5730 OR MGRIFFIT@CENTRALSTATES.ORG



RETAINING PENSION EMPLOYERS/WITHDRAWAL LIABILITY

- THE FUND WILL HAVE A SEPARATE SESSION REGARDING RETAINING PENSION EMPLOYERS AND WITHDRAWAL LIABILITY
- TOPICS INCLUDE:
 - WITHDRAWAL LIABILITY – PAST/PRESENT/FUTURE
 - AMERICAN RESCUE PLAN ACT (“ARPA”)
 - SPECIAL FINANCIAL ASSISTANCE (“SFA”)
 - HYBRID “NEW EMPLOYER” POOL
 - NEW GROUPS & CONTINUED PARTICIPATION THRU CORPORATE TRANSACTIONS
 - TOOLS FOR PENSION FUND RETENTION AND GROWTH

PENSION FUND CONTRACT POLICIES & PROCEDURES

QUESTIONS?

***WE ALSO HAVE A TABLE IN THE REGISTRATION ROOM TO ASSIST IN ANY QUESTIONS OR CONCERNS.**