



Pension Newsletter

Pension Benefit Guaranty Corporation

Fall 2001

Rating PBGC's Service

The results of PBGC's 2001 American Customer Satisfaction Index (ACSI) are in. In our first year of participating in the survey, PBGC's customer satisfaction index is 73, which is four points higher than the most recent average for all Federal agencies and two points higher than the private services sector score on a 0-100 scale. The customer confidence index—a gauge of whether customers feel PBGC will do a good job in the future—is 80.

The ACSI survey, conducted annually by the University of Michigan, is used by 170 companies and 50 Federal agencies. For our segment, PBGC selected people like you—participants in pension plans we trustee—who contacted us recently.

You told us through the survey what we need to do to improve our service:

- Keep you informed about the status of your pension;
- Make ourselves conveniently

available to handle your transactions or answer questions;

- Respond more quickly to your needs, whether by phone or mail;
- Consistently handle your transactions or questions accurately the first time; and
- Make written communications clear and helpful.

Here are some improvements we are making to keep you better informed:

- Piloting plan-specific Web pages for plans we trustee, focusing on information pertinent to participants in those plans. The pilot Web pages include an online benefit estimate calculator unique to that pension plan. We plan to expand this to all trusted plans with 500 or more future retirees.
- Offering you on PBGC's homepage (www.pbgc.gov), all the PBGC forms you may need to transact business with us. We are also working to offer the option of filing these forms electronically.
- Providing an e-mail address (mypension@pbgc.gov) on PBGC's homepage as another way for you to contact us.
- Beginning next year, issuing new plain language benefit estimates to participants within one year of PBGC's trusteeship of their pension plan, followed by annual notices with information about the plan's status.

Service, Security Remain PBGC Hallmarks

by Acting Executive Director John Seal

At PBGC, we remain dedicated to protecting your benefits and satisfying your pension-related needs. You can always be confident that your pension is safe and secure and that your benefits will continue uninterrupted through both your lifetime and that of your beneficiary, if you have named one.

We want to exceed your expectations whenever we serve you. You have our commitment to provide you with nothing less.

Should questions about your pension arise, or you need assistance, there are more ways than ever to reach PBGC. In addition to writing us a letter (address to: PBGC, P.O. Box 19153, Washington, D.C. 20036-9153) or calling our toll-free number (1-800-400-7242), you may also reach us via e-mail at mypension@pbgc.gov. We encourage your suggestions and carefully listen when we receive them. To serve you better, we continue to expand features and add new ones to the PBGC Web site (www.pbgc.gov). Please visit the site, where you will find our Customer Service Pledge, useful publications, downloadable forms and other information about how PBGC protects your pension.

Lastly, PBGC remains in a strong financial position with a substantial surplus at the end of the 2000 fiscal year. PBGC will be there to honor your hard-earned pension.



John Seal

Para nuestros lectores de habla hispana: Información en Español

¡El compromiso de la PBGC es brindar el mejor servicio a nuestros clientes de habla hispana!

- Para recibir información en español, llame al Centro de Servicios al Cliente al 1-800-400-7242, y apriete el número 2 en su teléfono. Representantes de la PBGC que hablan español estarán listos para responder a sus preguntas.
- Toda las cartas y formas que explican los beneficios garantizados por la PBGC están disponibles en español.
- Las personas que deseen apelar una decisión de la PBGC pueden hacerlo en español.

Además, si el cliente lo desea, la PBGC puede responder en español.

- La PBGC puede organizar reuniones para explicar los beneficios en español.

- Hay tres publicaciones de la PBGC en español, y todas están disponibles en nuestro sitio de la Internet, www.pbgc.gov:

Buscar la Pensión Perdida es una guía para localizar fondos de pensiones de ex-empleadores. Si desea una copia, escriba a: PBGC, Communications and Public Affairs Department, 1200 K St NW, Suite 240, Washington, DC 20005-4026.

Su Derecho a Apelar es un folleto que explica su derecho a apelar la determinación final de su beneficio calculado por la PBGC. Si desea una copia, escriba a: PBGC Participant and Employer Appeals Department, 1200 K St NW, Suite 480, Washington, DC 20005-4026.

Su Forma Segura de Recibir su Dinero explica cómo recibir su dinero directamente por medio de depósito electrónico bancario. Para obtener copias de este folleto, escriba a: PBGC, 1200 K St NW, Room 8139, Washington DC 20005-4026.

La coordinadora de servicios en español para la PBGC es **Orfanny Vanegas**. Si Ud. necesita ayuda, llame al 1-800-400-7242, extensión 3143, o escriba a: PBGC, Contacto de Habla Hispana, 1200 K St NW, Room 8139, Washington, DC 20005-4026.

Translation Services Now Offered

For your convenience PBGC now offers translation services in 145 languages ranging from Tagalog to Mandarin Chinese. Should you wish the services of a translator when you call the agency, please tell

our customer service representative the language you prefer. The representative will then contact PBGC's language translation service, and a translator will soon come on line to assist your conversation.

Information on PBGC's Web Site

When PBGC takes over large pension plans (with more than 5,000 participants), information on these plans is available at our Web site (www.pbgc.gov). This information includes:

- An information alert on the plan's status;
- Press releases;
- Schedule of participant meetings;
- Contact information; and
- Answers to questions about PBGC and the specific plan.

PBGC is in the process of redesigning its Web site. The new site (to be released at the end of September 2001) will continue to provide information on specific plans through the "View a Pension" Plan link off the home page.

New plan-specific information is always being added to the Web site, so check us out! And, if you have any questions or comments about the Web site, send an e-mail to: webmaster@pbgc.gov.

PBGC Takes Over Some 160 Pension Plans Each Year

Each year, PBGC takes over from sponsoring companies an average of 160 pension plans that did not have enough funds to pay promised benefits to workers in retirement. Today, PBGC is responsible for the pensions of more than a half million people who participated in three thousand plans.

Trans World Airlines is the largest employer whose plan was taken over recently by PBGC. Other large company plans now administered by the agency include those of Grand Union grocery stores and Bradlees department stores.

Do You Know Someone Due Pension Benefits?

PBGC is responsible for locating all people in pension plans it takes over as well as in plans that end with sufficient funds to pay full promised benefits but are unable to locate people due benefits. This can present challenges because some people may not have kept their company plan administrator informed of changes in name, address or employer.

PBGC uses information from family, friends and the public, including company records and telephone listings, to locate people due benefits.

Several years ago, PBGC became the first government agency to use the Internet in such a search effort. Today, our Web site (search.pbgc.gov) lists names and last-known addresses of missing people, companies where they earned their pensions, and the dates their pension plans ended.

We seek your help in locating people we have yet to find. You can search the Web site by last name, company, or the state where an employer that sponsored a pension plan was headquartered.

To date, PBGC has found about 8,000 people due some \$25 million in benefits. The agency works with newspapers, TV and radio stations for publicity in locating missing people. Despite these efforts, we are still looking for more than 12,000 people owed \$34 million in benefits. You can help by telling family members, friends and current and former co-workers that PBGC is looking for people who may be due benefits.

Working together, we can reconnect people with their hard-earned pensions.

AARP Study Finds Retirees with Pensions in the Minority

Retirees who earned pensions during their working years are outnumbered by those who did not, according to a recent report issued by AARP. Slightly more than one-third of younger and older retirees received pension benefits in 2000, a figure that is up only slightly from 1980.

While the percentages of

people aged 50 and older receiving pensions grew little in the two decades, benefit amounts increased nearly 50 percent for younger and older retirees receiving them. The amount of annual pension income (in 1999 dollars) increased from:

- \$11,400 to \$16,800 for 62 - 64-year-olds,
- \$8,300 to \$12,500 for 65 - 74-

year-olds, and

- \$6,800 to \$10,100 for older retirees.

This rapid growth in pension income for pension holders, in the context of stagnating pension coverage, suggests a growing gap between those who have better jobs with better benefits and those who do not.

Important Information About Federal Tax Withholding

- If your pension benefit began on or after January 1, 1983, and if the taxable portion of your annual payment is \$14,880 or more (\$1,240 a month), PBGC will withhold Federal income tax unless you elect otherwise.
- To change your tax withholding, request an election form from PBGC's Customer Service Center at 1-800-400-7242. If you use a TTY/TDD, call 1-800-877-8339 and give the relay operator our telephone number.
- If you do not wish to change your withholding, **YOU DO NOT HAVE TO DO ANYTHING.**
- Regardless of your election, you should review the tax rules to see if you have to pay an estimated federal income tax. You may also incur penalties if your tax payments (whether withholding, estimated, or both) do not cover the proper amount of the tax you owe.
- Effective July 1, 2001, the Federal income tax withholding tables decreased as a result of "EGTRRA," the Economic Growth and Tax Relief Reconciliation Act of 2001. If you currently have Federal income tax withheld from your benefit payment you may notice a change in your tax withholding.

PBGC Meeting Participants!



A Trans World Airlines employee receives information about PBGC at a recent meeting in St. Louis, Mo.

More Ways to Prove Identification in Applying for Benefits

When PBGC takes over a pension plan we normally request information, including documentation such as a birth certificate, from all persons who participated in the plan. If you haven't already submitted the

information or documents requested, you will be asked to do so when you apply for benefits. In addition to photocopies of birth certificates, the agency now accepts photocopies of U.S. passports, green cards and nat-

uralization certificates to verify identification of people applying for benefits. If necessary, we reserve the right to request original documents or certified copies of the documents.

Keep PBGC Informed

Should you move or change your name or telephone number, PBGC needs this new information to serve you best.

If you change your address, you can visit your local post office to pick up a change-of-address form (Postal Form 3576). Then simply fill it out

and address it to: PBGC, P.O. Box 19153, Washington, DC 20036-9153.

To help us properly identify you and your records, we ask that you put the last four digits of your Social Security Number on the line marked account number.

You can also send an e-mail

message to mypension@pbgc.gov or phone our Customer Service Center toll-free at **1-800-400-7242** to provide us with information about changes in your name, address, or phone number.

Thanks for helping us serve you better!

1200 K Street, NW Washington, DC 20005-4026
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