

Help! She Needed Somebody

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In 1999, a gentleman at Lincoln Financial, a friend of Mike Nolan's, was looking to move our deferred compensation plan from Wells Fargo to another firm. Mike came in and made the pitch, and after some other discussions, Lincoln Financial decided to go with Nolan. I was an administrator working in executive compensation at the time.

Deferred compensation had been handled in the benefits area, but was now moved to the executive comp area. I began handling small parts of the plan administration.

Up until October 2003, I had an administrative position where I worked on parts of the executive compensation plan. But because I had picked up a lot working with Nolan from 2000 on, I was offered a promotion to a professional position to manage the deferred compensation plan. I had just one week to work with the outgoing manager, and my new supervisor was knee deep in the new payroll system.

It was a mess for two years. We found there were old accounts that should have been paid but never were, accounts that should have been closed that deductions were still being drawn from. Our new payroll system just couldn't handle certain triggers.

Through it all Nolan helped me by saying, this is what we can do for you. I once had a manager who always told me that in order to think outside the box you had to ask questions. All of a sudden I was put in this professional position, and I asked Nolan a lot of questions. Bill and his staff would prepare material for me. Sometimes we'd sit on the phone for an hour and he'd help me grasp what I was looking at and caution me to get additional input.

We did annual enrollments every year—all in-house executives—everyone who was paid \$100K or more—we had agents' plans and employee plans. We solicited between 200 and 250 people annually. One was a bonus

solicitation. We would ask them, if they were eligible, whether they wanted to defer any portion of their next year's bonus. This had to be done by the end of June for IRS reasons. We did that in April and May, and did the salary solicitation in November. It was generally the same group of people.

Bill helped with all of these documents, put them in the right language, and helped us create flyers with all the information people needed. At that time, everything was done by the U.S. mail, so Q&As sheets, forms, etc., all had to be mailed out, then mailed back. Nolan kept all the records of this and sent the enrollment results to us and filed the hard copies. They kept meticulous records. Their recordkeeping system was great.

From the time I took it on in Oct. 03, to when I retired in 2008, I went through four bosses and two payroll systems. Three of my four bosses were out of our Corporate offices in Philadelphia and I worked in the Fort Wayne, IN offices handling deferred comp. I did everything possible to learn the ins and outs of deferred comp and read numerous IRS rules and regulations as well as our legal plan documents to better understand the process. I felt very blessed to work with Bill Myrthil. He was the person at Nolan who was assigned to Lincoln's account. There had been numerous problems with our payroll processes as we transferred from in-house to an outside vendor as we discovered that the project manager had left a lot of very critical processes on the table.

I worked very closely with Nolan as our plan included delayed deferrals which meant that deductions were not always taken at the start of each calendar year, but would begin at any point during the year when they reached their 401k limit. It was an extremely complicated process. On top of that, every year our plan changed just enough that in the five years I did deferred comp, I rarely did the same thing twice!

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I made numerous phone calls to Nolan. Once a year we did our annual distribution, and Bill would send me reports on the accounts to be distributed which included cash, stock, or cash/stock to the individual. I would then take his reports and cut and paste the information I needed into an Excel file. When I told him how many hours it had taken me to do that, he said, “Just tell me how you need the data and I’ll get it to you.” He revamped his reports so that I could convert much more easily and send fairly directly to Payroll or to our Stock Administration area for processing.

Bill would often say, “You can handle this piece this way.” Or, “No, even if they’re asking, they can’t do it that way because of the IRS rules and regulations.” Nolan was the first line for calls from the employees needing explanations regarding their accounts or enrollment. For example, during open enrollment, often we had employees who would miss the enrollment deadline date. They would contact Nolan to see if an exception could be made. Nolan would then contact me with the request and then get back to the employee with the response.

We also had a process around our distributions that once the accounts were valued at the beginning of the month, or during the annual distribution, the payouts would be distributed to employees within 6 weeks of the date the account was valued. A number of employees were upset that they were losing interest on their funds during that time, but Nolan would again handle the calls and remind them that that was what was stated in the Plan documents and were the rules that needed to be followed.

At enrollment time, Nolan was more than happy to work with the various divisions and do PowerPoint informational pieces and Q&A sessions via phone or online, so that all of the senior management understood the process enough to filter it down to either the agents or executives reporting to them.

Because of the locations of Lincoln companies, Nolan helped us produce webinars and we were able to be much more efficient in sharing information regarding enrollment and deferrals.

In 2007 I had a new boss who was more of a hands-on manager over the Plans. As the liaison between Lincoln and Nolan, she wanted to see a lot more reports and comparisons (enrollment data, distributions, future distributions, etc.), and Nolan came through with numerous reports on where we were at with deposits and payouts. I was still involved with the day-to-day work with deferred comp, but she assumed primary responsibility for handling our relationship with Nolan, our vendor.

Whatever we asked them for, they delivered in a timely manner. It was my understanding that when they came on board in 2000, their role was very limited, but as time progressed, Lincoln made more and more demands on them for data and tools, and Nolan always came through. Nolan put together some wonderful presentations and always gave us what we needed when we needed it.

I miss working with the people at Nolan. I had some very good friendships and when I would call they were glad to hear from me. I respected them and I needed their knowledge, and they never hesitated to share what they knew with me.

Bill would encourage me by saying, “I just want you to know, you can do deferred comp. I don’t know anyone who wouldn’t have trouble. Lincoln’s plan is so complicated, but you can do this.” No matter how many times I asked a question, Bill or someone on his team would get me the answers. They were very professional. A great group of people.

There were times as I was learning deferred compensation that Bill would talk to me for more than an hour on the phone. I read the

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IRS rules and regulations enough to know that how accounts are handled is critical – not just to the employee’s account, but we did not want to incur an audit to an account or to all of the Corporation’s accounts at Nolan – so asking questions to make sure that rules are followed was extremely important. I never wanted to put the company at risk and never did so.

Because of the complexity of our deferred compensation plan, there was no way employees could enroll online in the beginning years. Nolan encouraged us to consider online enrollments and once our Plans were more streamlined (in 2006) we were able to do online enrollments for the 2007 plan year.

We received many thank you’s from employees, who now had all the information they needed at their fingertips. They found the Nolan system very user friendly and could enter information without a lot of difficulty and few calls back to the vendor. We also found it to be a tremendous cost savings. We could now see who logged on; could track enrollments; and be pro-active to those who had started to enroll but had not yet completed the process.

Mike Nolan added many qualified people to his staff. They would come up with great ideas on how to streamline things and run additional reports. They made gathering data much easier and helped me save a lot time as I no longer needed to do so many things manually. I rarely had to take issue with them, but when an issue did arise, Bill Myrthil worked with me and with his staff to have things resolved.

I hope I’ve helped. I’d love to see them succeed and do even better. They are a great company and one I could trust.