SECTION CONTENTS

7 REPORTING

7 Reporting

7.1 Introduction

As a plan employer, you report members' service, salary and contributions to us twice a year. This information is used to determine members' benefit entitlements. When payroll reporting does not match previously submitted payroll information (e.g., in the event of a termination or retirement), we will contact you. See the applicable sections of this manual for reporting details on enrolment, purchases, termination or retirement.

You and your plan member employees make contributions to the College Pension Plan based on your members' pensionable salary. Members' retirement benefits are calculated based on their accrued pensionable service and highest average pensionable salary. The information you report is also used to calculate annual member pension adjustments (PAs), and to generate annual member's benefit statements. See section 9 for more information on PAs.

This section will answer questions you have about how to report Plan Member Record information, service events (service, salary and contributions), along with variances, types of service and methods for submitting your reports. See section 6 for what to do when members are on LTD, and how to correct previously-posted data.

7.2 Web services

The plan provides members and employers with self-serve information via the member and employer websites. The employer website is also the access point to the Employer Portal.

The secure employer website contains links to training information, the *Employer Instruction Manual*, employer news and newsletters, and forms. Employer reporting is done through the Employer Portal.

The Employer Portal provides access to reporting tools, reporting instructions, E-Remittance and User Management,

and allows you to view salary and service for your plan member employees. Access to both the secure employer website and Employer Portal requires registration. See the Web Services section on the employer website sign-in page, accessed from from pensionsbc.ca.

7.2.1 Resources available on the Employer Portal

The Employer Portal is where you will find detailed instructions about employer reporting. You will also be able to access the tools used to report plan member information to Employer Operations. These tools can be accessed via the navigation menu at the top of the Employer Portal home page: Message Board, Plan Member Record Electronic Form, Data Submission, File Pick-up, Reporting Instructions, LTD Start/Stop, LTD Policy Validation and Employee information at Retirement (EITR).

7.2.1.1 *Message Board*

Message board allows you to communicate securely with Employer Operations. The message board is used exclusively by employers and Employer Operations staff for the purposes of employer reporting. The message board is a secure, central location to access your correspondence regarding confidential data about employer reporting.

7.2.1.2 Plan Member Record Electronic *Form*

Service, salary, and contributions cannot be allocated to a member who has not been enrolled via a PMR.

In the Plan Member Record (PMR) Electronic Form tool, you can complete and submit your PMRs and view the history of the PMRs you have submitted. If you have existing employees that are not contributing, you can use the Plan Member Record/Member Validation tool to check if they are contributing. You can also use this tool to check if existing employees are or should be enrolled.

7.2.1.3 Data Submission

The Data Submission tool is a secure environment where employers submit plan members' personal, address, spousal, employment and service event (contribution, service and salary) data. Data files are accepted in Excel or standard format, and instant feedback is provided on any formatting errors. You can also view the history of the files you've submitted in the submission history section.

7.2.1.4 File Pick-up

Employer Operations places files in File Pick-up for you to download. For example, your electronic Pension Adjustment file would be available in File Pick-up for you to download.

7.2.1.5 Reporting instructions

On the Reporting instructions page you will find detailed instructions on how to format your data files, including written instructions about both Excel and standard format reporting.

7.2.1.6 LTD Start/Stop

Use this tool to report an employee's LTD Start/Stop information once you receive confirmation from an approved LTD carrier or administrator.

7.2.1.7 LTD Policy Validation

This tool allows employers to access their list of open, approved LTD policies and validate each policy.

7.2.1.8 Employee Information at Termination/Retirement (EITR)

Use the Employee Information at Termination/Retirement tool to enter the termination date and final service, salary, and contributions for members who are terminating employment or retiring.

The EITR Submitted Report allows you to track your submitted EITRs and reconcile data on your payroll report.

7.3 Payroll reporting

Your payroll report is due 10 calendar days after the end of your pay period. This gives us time to process the data and contact you regarding any errors. The information in your report is used to calculate and produce your members' Pension Adjustments (PA) by the end of February.

CPP has two payroll reporting periods (segments) each calendar year:

- Segment one: records your members' pensionable service, salary and contributions paid at any time between January 1 and August 31 (the dates can reflect your payroll dates).

- Segment two: records your members' pensionable service, salary and contributions paid at any time between September 1 and December 31 (the dates can reflect your payroll dates).

Payroll records must be tracked separately for employees with concurrent employments. As of January 1, 2014, you are required to either:

- cap the annualized lowest-paid salary, service and contributions if pensionable service would otherwise exceed 12 months in a calendar year, or,

- report the concurrent employment details for each employment under a separate Service Event Record.

7.3.1 Pensionable salary inclusions and exclusions

Pensionable salary is the portion of a member's salary used to calculate pension contributions and pension benefits. It is made up of the base salary received by a plan member, plus plan-specified inclusions (listed below). To be included as pensionable salary in the plan, income must be regularly recurring compensation, paid on a bi-weekly or monthly basis and not as a lump sum.

Do not report salary that is non-pensionable or was earned prior to the member commencing contributions to the plan.

The following lists may not cover all types of compensation paid to your employees. Contact the College Pension Plan if you have a question about whether a type of salary paid is pensionable or non-pensionable.

Inclusions

- base salary (remuneration or compensation paid uniformly and consistently in each pay period for the performance of regular duties);

- department head allowance;

- senior instructor allowance;

- pay for directed studies;

- distance education tutor salary;

- vacation pay (when vacation time is taken);

- higher salary while acting in a position;

- shift differential;

- extra wage for first aid qualification;

- trade certification;

- leave top-up (paid by the employer for maternity, parental, compassionate care and other forms of leave of absence provided for under the *Employment Standards Act*);

- short-term disability top-up pay;

- WorkSafeBC payments made through the employer;

- WorkSafeBC or LTD top-up payments made through the employer (paid to employees to top up their salaries when receiving WorkSafeBC or benefits under an LTD plan);

- salary while on rehabilitation from long-term disability;

- pay as a result of a grievance settlement (if a period of service is associated with the payment);

- pay for time off in lieu of overtime pay;

- recurring contracts for guided study, music school private lessons, tutoring and marking;

- contracts for services if an employer/employee relationship exists and payments under the contract are regular and recurring;

- pay in respect of overload when allocated to a period of reduced workload in the current year or a future year and paid at straight time (see section 7.3.3.4);

- retroactive pay covering periods during which the member was contributing to the plan, whether received as a lump sum or not; and

- amounts that form a regular and ongoing part of compensation and are expected to normally occur each year.

Exclusions

- overtime pay (i.e., where an employee receives a premium rate of pay in respect of work duties completed over and above regular full-time work hours);
- overload pay when paid in addition to an employee's regular, annual full-time pay (see section 7.3.3.4);
- payments made in lieu of vacation (i.e., an employee is paid a lump sum or regular recurring amount for vacation not taken with no time credited);
- bonuses;
- discretionary merit allowances such as honorariums, performance pay and other incentive based payments;
- expense reimbursements (including vehicle and travel allowances/payments, northern/remote living allowances and reimbursement of tuition fees);
- additional pay in lieu of benefits;
- lump sum severance pay;
- lump sum retirement incentive payments; and
- pay as a result of a grievance settlement (if there is no period of service associated with the payment).

A member can receive other lump-sum forms of compensation for various reasons. To determine whether these types of payments should be recognized as pensionable, please contact the College Pension Plan for advice **in advance**.

7.3.2 Pensionable and contributory service

There are two types of pension plan service used in the College Pension Plan:

- pensionable service, and
- contributory service.

Pensionable service is the actual time worked while contributing to the plan. It is used when determining the amount of the retirement benefit.

Contributory service is the period of a member's service for which contributions were made by the member or employer. Contributory service is reported as whole months only. If a contribution is made in a month, a whole month of contributory service is reported. It is used to determine the member's eligibility for a retirement benefit, and any early retirement reduction. See section 4 for more information on retirement benefits.

There are some circumstances where the member may not be working but still accrues pensionable and contributory service (for example, a paid leave of absence).

7.3.2.1 Defining "full time"

For a teaching/instructor position, an employer must establish a full-time basis (typically 15-20 hours per week of classroom time). All of a member's salary in relation to that full-time position is pensionable. Each member's individual salary should be reported in full and contributions deducted on the full pensionable salary.

Please note that full time is based on the number of hours (or days) worked in a position and not on the salary level. This means that salary should not be capped at a fixed dollar amount for the purpose of determining full-time service. Compensation for work performed in excess of full-time hours would only be considered "overtime" and not pensionable if the member received a premium rate of pay. Otherwise, all salary is pensionable.

7.3.2.2 Calculating pensionable service

Calculate pensionable service in months for the reporting period using one of the following methods:

Method 1)

$$\frac{\text{Actual number of days or hours worked}}{\text{Maximum (full-time) days or hours available to work in year}} \times 12 = \text{\# months}$$

EXAMPLE

During segment 1 the member works 1,138 hours out of a possible 1,820 hours for the year.

Pensionable service credited for the segment:
1,138 ÷ 1,820 × 12 = 7.50 months

Method 2)
You can also calculate pensionable service by pay period.
The following breakdown shows the amount of service to credit
for each potential pay period.

> 12 (monthly) 12 / 12 = 1.0000 month of service per pay period
>
> 24 (twice monthly) 12 / 24 = 0.5000 months of service per pay period
>
> 26 (every two weeks) 12 / 26 = 0.4615 months of service per pay period
>
> *Occasionally there will be 27 pay periods in a calendar year using this method—regardless of this, each pay period should be calculated as having a potential 0.4615 months of service.

EXAMPLE

A member works full time during the 27 pay period year.

Pensionable service credited:

First segment: 0.4615 × 18 pay periods = 8.3070 months:
                        report 8.31 months

Second segment: 0.4615 × 9 pay periods = 4.1535 months:
                        report 4.15 months

                        TOTAL = 12.4605 months

52 (every week) 12 / 52 = .2308 months of service per pay period

> To pro-rate service for part-time members, multiply the result above by the percentage worked during the pay period.

EXAMPLE

In segment 1, member works 50 per cent of full time for 8 of 17 pay periods.

Pensionable service credited for the segment:
0.50 × .4615 × 8 = 1.8460 months

7.3.2.3 Pensionable service for other work

> For other work, such as marking contracts or contracts to teach individual courses, employers must establish a baseline on which to calculate pensionable service. An example would be a marking contract where a person is paid an hourly rate. It would be reasonable to assume that seven hours reflects one full day and service would be based on that full-time equivalent.

For an individual course, the employer needs to determine the time and credit service in relation to the baseline. A compressed course (e.g., a six-week course taught in three weeks) would be treated as pensionable service related to the amount paid (i.e., six weeks of service.)

For contracts where there is a set amount of pay for a "body of work" with no time specified in the contract, the employer must determine the basis for the compensation and the number of hours represented by the compensation amount. For instance, tutors/markers may be paid based on the number of students assigned to them, not by the hours they work. The only exception would be a personal services contract where an employer/employee relationship does not exist. In this case the compensation is not pensionable.

If an employee contributing under a primary position is also performing other work in another position with you, their payroll records must be tracked separately.

7.3.3 Specific salary and service reporting requirements

7.3.3.1 Non Regular Faculty—Reporting Pensionable Service

Whether members are regular or non-regular, the plan rules prescribe the same methodology for calculating pensionable service.

A non-regular faculty member with the same workload as a regular full-time faculty member for a given period of employment will receive the same amount of pensionable service. Equally, a non-regular faculty member assigned half of the workload of a regular full-time faculty member for a given period of employment will receive the proportionate amount of pensionable service.

It is possible for a member, either regular or non-regular faculty, to have their service capped and not receive the amount of service corresponding to their amount of work.

For example, if a member earned eight months of pensionable service within the first six months of the year and did not terminate employment for pension purposes (i.e. because they preserve the right to resume employment under a collective agreement), they would receive eight months of pensionable service. However, if the same member terminated

their employment after the first six months of the year, they would only be eligible for a maximum of six months of pensionable service.

7.3.3.2 Service, salary and contributions in excess of 12 months

A member can only accumulate 12 months of pensionable service in the College Pension Plan in a calendar year. Where more than 12 months of pensionable service is accumulated, the salary earned from their employment with the lowest annualized salary is not pensionable and any contributions made on this salary must be refunded.

12 months pensionable service exceeded with a single employer
As of January 1, 2014, you must either cap the annualized lowest-paid salary, service and contributions if pensionable service would otherwise exceed 12 months in a calendar year (see below), or report all salary, service and contributions earned under a separate Service Event Record for each employment.

We will review all reported data, and employee and employer contributions that result in an over-accrual of service will be refunded from the employment with the lowest annualized salary.

EXAMPLE 1—CAPPING

The member has two positions with a single employer: one full-time and one part-time. The employer caps all of the part-time service, salary and contributions because the part-time position has a lower annualized salary.

Employment #1 - Full time annualized salary = $78,000 ($6,500/mo.)

Employment #2 - Part time annualized salary = $67,000 ($5,583/mo.)

	EMPLOYMENT	PENSIONABLE SERVICE	CONTRIBUTORY SERVICE	PENSIONABLE SALARY	MONTHLY AVERAGE
JAN–AUG	FT #1	8.00	8	$52,000	$6,500
JAN–AUG	PT #2	2.50	8	$13,958	$5,583
SEP–DEC	FT #1	4.00	4	$26,000	$6,500
SEP–DEC	PT #2	1.50	2	$8,375	$5,583

One payroll report record (shown in spreadsheet format) will be reported as follows:

Segment #1 (Jan–Aug):

00000000	Name	RG	10GENERL	52000.00	8.00	8	Required member contribu-tions*			20XX-01-01	20XX-08-31

Segment #2 (Sep–Dec):

00000000	Name	RG	10GENERL	26000.00	4.00	4	Required member contribu-tions*			20XX-09-01	20XX-12-31

* The member's total eligible salary under all employments is taken into account when determining when the YMPE will be reached and contributions are deducted accordingly.

EXAMPLE 2—CAPPING

The member has three positions with a single employer: one full-time and two part-time. One of the member's part-time positions has a higher annualized salary than their full-time position. The employer caps some of the service, salary and contributions in each segment.

Employment #1 - Full time annualized salary = $78,000 ($6,500/mo.)

Employment #2 - Part time annualized salary = $67,000 ($5,583/mo.)

Employment #3 - Part time annualized salary = $79,500 ($6,625/mo.)

	EMPLOYMENT	PENSIONABLE SERVICE	CONTRIBUTORY SERVICE	PENSIONABLE SALARY	MONTHLY AVERAGE
JAN–AUG	FT #1	8.00	8	$52,000	$6,500
JAN–AUG	PT #2	2.50	8	$13,958	$5,583
SEP–DEC	FT #1	4.00	4	$26,000	$6,500
SEP–DEC	PT #2	1.50	2	$8,375	$5,583
SEP–DEC	PT #3	2.00	2	$13,250	$6,625

One payroll report record (shown in spreadsheet format) is reported for Segment #1 (Jan–Aug) and two for Segment #2 (Sep–Dec) as follows:

Segment #1: The annualized earnings from employment #1 are higher than the annualized earnings from employment #2 and the employee earned 8 months of pensionable service under employment #1. All service, salary and contributions under employment #2 are capped.

Primary payroll:

00000000	Name	RG	10GENERL	52000.00	8.00	8	Required member contribu-tions*			20XX-01-01	20XX-08-31

Segment #2: The annualized earnings from employment #3 are higher than the annualized earnings from employment #1 and employment #2. All service, salary and contributions under employment #2 are capped, and the service, salary and contributions under employment #1 are partially capped. All service, salary and contributions under employment #3 are reported under a secondary report.

Primary payroll:

00000000	Name	RG	10GENERL	13000.00	2.00	2	Required member contributions*			20XX-09-01	20XX-12-31

Secondary payroll:

00000000	Name	AD	10GENERL	13250.00	2.00	2	Required member contributions*			20XX-09-01	20XX-12-31

* The member's total eligible salary under all employments is taken into account when determining when the YMPE will be reached and contributions are deducted accordingly.

Capping salary, service and contributions

You have the option to cap pensionable service and salary when you know the member will exceed 12 months of service in a calendar year. If you choose this option you must cap the lowest annualized salary as shown in the examples below.

EXAMPLE 1—NO CAPPING

The member has three positions with a single employer: one full-time and two part-time. One of the member's part-time positions has a higher annualized salary than their full-time position. The employer reports all the service, salary and contributions in each segment.

Employment #1 - Full time annualized salary = $78,000 ($6,500/mo.)

Employment #2 - Part time annualized salary = $67,000 ($5,583/mo.)

Employment #3 - Part time annualized salary = $79,500 ($6,625/mo.)

	EMPLOYMENT	PENSIONABLE SERVICE	CONTRIBUTORY SERVICE	PENSIONABLE SALARY	MONTHLY AVERAGE
JAN–AUG	FT #1	8.00	8	$52,000	$6,500
JAN–AUG	PT #2	2.50	8	$13,958	$5,583
SEP–DEC	FT #1	4.00	4	$26,000	$6,500
SEP–DEC	PT #2	1.50	2	$8,375	$5,583
SEP–DEC	PT #3	2.00	2	$13,250	$6,625

The employer reports two payroll report records (shown in spreadsheet format) for Segment #1 and three for Segment #2.

Segment #1 (Jan–Aug): Primary payroll

00000000	Name	RG	10GENERL	52000.00	8.00	8	Required member contribu-tions*			20XX-01-01	20XX-08-31

Secondary payroll (employment #2)

00000000	Name	AD	10GENERL	13958.00	2.50	8	Required member contribu-tions*			20XX-01-01	20XX-08-31

Segment #2 (Sep–Dec): Primary payroll

00000000	Name	RG	10GENERL	26000.00	4.00	4	Required member contribu-tions*			20XX-09-01	20XX-12-31

Secondary payroll (employment #2)

00000000	Name	AD	10GENERL	8375.00	1.50	2	Required member contribu-tions*			20XX-09-01	20XX-12-31

2nd Secondary payroll (employment #3)

00000000	Name	AD	10GENERL	13250.00	2	2	Required member contribu-tions*			20XX-09-01	20XX-12-31

* The member's total eligible salary under all employments is taken into account when determining when the YMPE will be reached and contributions are deducted accordingly.

EXAMPLE 2—NO CAPPING

The member has two positions with a single employer: one full-time and one part-time. The employer takes contributions on all employments.

Employment #1 - Full time annualized salary = $78,000 ($6,500/mo.)

Employment #2 - Part time annualized salary = $67,000 ($5,583/mo.)

	EMPLOYMENT	PENSIONABLE SERVICE	CONTRIBUTORY SERVICE	PENSIONABLE SALARY	MONTHLY AVERAGE
JAN–AUG	FT #1	8.00	8	$52,000	$6,500
JAN–AUG	PT #2	2.50	8	$13,958	$5,583
SEP–DEC	FT #1	4.00	4	$26,000	$6,500
SEP–DEC	PT #2	1.50	2	$8,375	$5,583

The employer reports two payroll report records (shown in spreadsheet format) in each segment as follows:

Segment #1 (Jan–Aug): Primary payroll

00000000	Name	RG	10GENERL	52000.00	8.00	8	Required member contribu- tions*			20XX-01-01	20XX-08-31

Secondary payroll

00000000	Name	AD	10GENERL	13958.00	2.50	8	Required member contribu- tions*			20XX-01-01	20XX-08-31

Segment #2 (Sep–Dec): Primary payroll

00000000	Name	RG	10GENERL	26000.00	4.00	4	Required member contribu- tions*			20XX-09-01	20XX-12-31

Secondary payroll

00000000	Name	AD	10GENERL	8375.00	1.50	2	Required member contribu- tions*			20XX-09-01	20XX-12-31

* The member's total eligible salary under all employments is taken into account when determining when the YMPE will be reached and contributions are deducted accordingly.

To avoid a possible arrears situation, we suggest you cap only in situations where the member holds a regular full-time position and the additional service earned in a part-time or session position is paid at a lower annualized salary.

12 months pensionable service exceeded under different employers

As of January 1, 2014, should a member work concurrently with different employers and contribute to the pension plan on more than one employment, both employee and employer contributions that result in an over-accrual of service will be refunded as ineligible. The related salary, service and contributions will be removed from the account with the lowest annualized salary.

7.3.3.3 Retroactive salary

A member may receive salary retroactively (e.g., contract settlement) for a period that you have already reported. In this event, report salary and contributions only. The corresponding pensionable service will already have been reported with the original salary and service data.

The retroactive salary that applies to the period the employee was a plan member is pensionable and you must report it.

Contribution rates on retroactive salary are calculated using the date the salary is paid and not the date the salary was earned.

If you pay a plan member in the current year for time earned in a prior calendar year that has not yet been reported, contributions must not be deducted and remitted through the normal process. The service, salary and contributions for the prior year must not be included on your payroll report. Any adjustment to what was reported for a prior calendar year must be done through the arrears (see section 2) or ineligible process (see 7.3.4.2).

Reporting retroactive salary

It is important that we are able to differentiate regular salary from salary that is retroactive to prior years, because it can affect a member's future retirement benefit. See section 7.4.2 Service Event for further information on Service Event types.

Method 1)
Report retroactive salary using a service event type RT on a separate line on your payroll report and do not include the retroactive salary amount in regular salary. If you report using this method, the pay will automatically be apportioned to the correct period for highest average salary purposes.

The member worked full time and was paid $45,000.00 in 20xx, but $5,000.00 of the pay was retroactive salary for 20yy.

111111111	Name1	RG	10GENERL	40000.00	8.00	8	2796.00			20xx-01-01	20xx-08-01
111111111	Name1	RT	10GENERL	5000.00			349.50			20yy-01-01	20yy-12-31

If you are unable to report using method 1, you can report using methods 2 or 3. If you use methods 2 or 3, you will be reporting the retroactive salary information on a second Service Event Record.

Method 2)

If your payroll system is unable to split out the retroactive pay from the current salary when the payroll report is created, include the retroactive pay in your regular payroll report and submit a second Service Event Record, separate from your regular payroll report. On this report, you must use a service event type AD to remove the retroactive salary from the regular earnings and a service event type RT to apply it to the correct period.

EXAMPLE (EXCEL FORMAT)

The member worked full time and was paid $45,000.00 in 20xx, but $5,000.00 of the pay was retroactive salary for 20yy.

Payroll report (retroactive salary is included)

111111111	Name1	RG	10GENERL	45000.00	8.00	8	3145.50			20xx-01-01	20xx-08-31

Second Service Event Record (adjusts the payroll report amount and shows the retroactive salary as RT)

111111111	Name1	AD	10GENERL	-5000.00			-349.50			20xx-01-01	20xx-12-31
111111111	Name1	RT	10GENERL	5000.00			349.50			20yy-01-01	20yy-12-31

Method 3)

Report retroactive salary on a second Service Event Record, using a service event type RT and do not include the retroactive salary amount in the regular pay on your regular payroll report.

EXAMPLE (EXCEL FORMAT)

The member worked full time and was paid $45,000.00 in 20xx, but $5,000.00 of the pay was retroactive salary for 20yy.

Payroll report

111111111	Name1	RG	10GENERL	40000.00	8.00	8	2796.00			20xx-01-01	20xx-08-31

Second Service Event Record

111111111	Name1	RT	10GENERL	5000.00			349.50			20yy-01-01	20yy-12-31

Terminated and retired

If a member has terminated employment or retired, and subsequently receives retroactive pay for a period of time when they were still an active plan member, contact Member Services at the College Pension Plan. We will advise you whether or not contributions should be deducted and remitted.

7.3.3.4 Pregnancy/maternity or parental/adoption leave top-up

Employment Insurance (EI) pays a portion of pre-leave salary to a prescribed maximum. If you "top up" pregnancy/maternity or parental/adoption leave to a maximum percentage of salary, the top-up is pensionable salary. The pensionable service on the top-up is calculated as a percentage of the full-time equivalent of pre-leave salary.

EXAMPLE

Pre-pregnancy/maternity leave full-time salary = $5,000 per month
(1 month of pensionable service credited)

Top-up = $1,500 per month ($18,000 for the year)

Pensionable service:

$1,500 ÷ $5,000 = 0.3 months (3.6 months for the year)

If you pay the top-up as a lump sum at the end of the leave, this is considered payroll arrears. See section 2 and section 8 for information on reporting and paying for arrears.

Note: Members may be able to purchase leaves. See section 2.

7.3.3.5 Overload Pay

Overload refers to a situation where a member voluntarily agrees to a workload that exceeds 100 per cent for a set period. Depending on the collective agreement, compensation for overload can be extra pay at straight time or at a premium rate of pay, and in some cases it is allocated to a future period of reduced workload, similar to banked overtime.

Overload pay for a period of reduced workload in the current year or a future year and paid at straight time is considered pensionable salary. Overload pay when paid in addition to an employee's regular, annual full-time pay is not considered pensionable salary.

EXAMPLE 1

The member works for employer A. The collective agreement states that at the time an employee accepts an overload assignment, they must choose either to receive extra pay at straight time, or to have a reduced workload in a future semester.

YEAR	MONTHS OF SERVICE EARNED IN SEGMENT 1 (JAN. TO AUG.)	MONTHS OF SERVICE EARNED IN SEGMENT 2 (SEP. TO DEC.)	TOTAL SERVICE IN THE YEAR	OVERLOAD SERVICE BANKED
1	8	4	12	0
The member works their regular assignment at full time. The member accrues 12 months of pensionable service in the year.				
2	7	5	12	0
The member teaches one less class in Segment 1, resulting in reduced service for the segment. The member teaches an extra class as an overload assignment in Segment 2. The overload service is pensionable because it is paid at straight time and the member would otherwise have less than 12 months of service in the year. The member accrues 12 months of pensionable service in the year.				
3	7	6	12	0
The member works their regular full-time assignment, but a one-month labour disruption in Segment 1 results in reduced service. The member works an overload assignment in Segment 2, and is paid at straight time. The overload is pensionable until the member reaches their full-time equivalent for the year. The employer deducts contributions and reports six months of pensionable service and salary for Segment 2. Because the member has more than 12 months of service for the year, both the member and the employer will receive a refund of contributions for the extra month. The member accrues 12 months of pensionable service in the year.				
4	9	4	12	1
The member teaches an extra class in Segment 1 and banks the overload time for a future period of reduced workload. The member works their regular assignment in Segment 2. The member accrues 12 months of pensionable service in the year.				
5	7	4	12	0
The member has a reduced workload in Segment 1. One month of banked overload from the previous year is taken as regular pay with contributions deducted in Segment 1. The member works their regular assignment in Segment 2. The member accrues 12 months of pensionable service in the year.				

EXAMPLE 2

The member works for employer B. The collective agreement states that when an employee accepts an overload assignment, they may choose either to receive extra pay at time and one-half, or to bank the time and take a reduced workload in a future semester.

Year	Months of Service Earned in Segment 1 (Jan. to Aug.)	Months of Service Earned in Segment 2 (Sep. to Dec.)	Total Service in the Year	Overload Service Banked
1	8	3	11	0

The member accepts an overload assignment in Segment 1, and takes extra pay at time and one-half. Because the member is paid at a premium rate of pay, the overload is not pensionable. The member teaches a reduced workload in Segment 2, resulting in lower service for the segment. The member accrues 11 months of pensionable service in the year.

Year	Months of Service Earned in Segment 1	Months of Service Earned in Segment 2	Total Service in the Year	Overload Service Banked
2	8	4	12	1

The member teaches their regular full-time workload in Segment 1, and accepts an overload assignment in Segment 2. The member banks the overload and takes a reduced workload in the next year. The member accrues 12 months of pensionable service in the year.

Year	Months of Service Earned in Segment 1	Months of Service Earned in Segment 2	Total Service in the Year	Overload Service Banked
3	7	4	12	0

The member has a reduced workload in Segment 1. The banked overload from the previous year is paid to the member at straight time, equal to the amount of the reduced workload. The overload is pensionable at the time it is paid, in Segment 1. The member works their regular full-time assignment in Segment 2. The member accrues 12 months of pensionable service in the year.

7.3.3.6 *Severance pay*

When a member receives severance pay, it is generally not pensionable; however, it may be considered pensionable if certain criteria are met.

- Under the *Income Tax Act*, the member must still be an employee for severance pay to be pensionable.

- To be considered an employee, the member must have employment insurance premiums and Canada Pension Plan contributions taken from their severance pay.

- If the member does not meet the definition of employee as described above, contributions to the pension plan alone are not allowed.

If you require further information on the above, please contact CRA.

Pensionable and contributory service must be reported along with the salary and contributions on your payroll report. Prior year adjustments cannot be reported through the payroll reporting process; they must be dealt with as an arrears purchase.

You must submit Employee Information at Termination/ Retirement online at the end of the severance period, not at the beginning. If you have already submitted the data, you will need to provide us with an *Amended Employee at Termination or Retirement* form showing the new termination date.

7.3.3.7 Vacation pay

In general, vacation paid for time off is pensionable and pay in lieu of vacation time is not. There must be pensionable service associated with vacation pay for it to be pensionable.

7.3.3.8 Deferred Salary

If you offer a deferred salary program and employee is participating, report all contributions on full salary for current year.

7.3.4 Contributions

For the current employer and member contribution rates, click on *E-Remittance* in the Employer Portal, select the plan, then click on *View Contribution Rates*.

Both employer and member contribution rates are subject to change, based on an independent actuarial valuation that is performed at least every three years. The last valuation is available within the Annual Report on the plan website. Click *About us > Reports*.

For more information, see the plan rules, which are available at college.pensionsbc.ca.

EXAMPLE

Member contributions on a pensionable salary of $60,000 for the year 20xx are calculated as:

Contributions on salary of $60,000
$60,000 x 10.05% = $6,030

Total member-paid contributions = $6,030

Employer contributions on a pensionable salary of $60,000 for the year 20xx are calculated as:

Contributions on salary of $60,000
$60,000 x 10.15% = $6,090

Total employer-paid contributions = $6,090

7.3.4.1 Ineligible contributions

Ineligible contributions can occur if contributions are taken on salary that is not pensionable. If ineligible contributions are discovered before you submit your *Payroll Report,* you can refund these contributions to the plan member and adjust your next remittance for the employer portion. If ineligible contributions are discovered after you have submitted your *Payroll Report*, you must contact us as we will refund those contributions plus interest to you and the plan member.

7.3.4.2 ITA limits on T4s

The College Pension Plan is registered under the *Income Tax Act*, and contributions to the plan are tax-deductible within certain maximums for reporting on members' T4 statements.

The Income Tax Regulation 8503(4) sets maximums on the amount of tax-deductible registered pension plan contributions (these limits affect high-wage earners). We will post a bulletin to the web each year to advise you of the maximum contribution amounts to be shown on the T4. This applies to tax deductibility of the contributions only; you must still make contributions on all earnings.

7.4 Preparing your payroll report(s)

At the end of each segment submit your Payroll Report(s) (Service Event Record) containing member service, salary and contributions data for payrolls paid in that segment.

If an employee contributing under a primary position is also performing other work in another position with you, their payroll records must be tracked and reported separately. Service and salary earned under their primary position must be reported under the primary payroll report file type and service and salary earned under their other positions with you must be reported under the secondary payroll report file types.

If you have opted to cap salary earned (from employments with the lowest annualized salary), you must report data on separate reports when a portion of the lower salary was eligible.

Depending on an employer's pay schedule, it is possible for a pay period to start and end in December with the regular "pay" date for the period falling in January of the next year. In this situation it is normal for the service, salary and contributions earned for the pay period to be remitted and reported in the next year. For example, service, salary, and contributions earned from December 15, 20yy to December 29, 20yy but paid on January 3, 20xx would be included in your August 20xx payroll report.

Detailed information on reporting formats is available on our Employer Reporting home page.

Prior year adjustments are not permitted

If you pay a plan member in the current year for time earned in a prior calendar year that has not yet been reported, contributions must not be deducted and remitted through the normal process. The service, salary and contributions for the prior year must not be included on your payroll report. Any adjustment to what was reported for a prior calendar year must be done through the arrears (see section 2) or ineligible process (see 7.3.4.2).

7.4.1 Employee group (for reporting purposes)

10GENERL—used for all College Pension Plan members

The employee group must be included on all reports to the corporation. Please contact Employer Operations if you have any questions.

7.4.2 Service event

Any service, salary and contributions you report are called "service events." You must use service event types as shown below.

SERVICE EVENT TYPE VALUES	DESCRIPTION (LINK TO SECTIONS)	SERVICE EVENT MUST ONLY INCLUDE
RG	Regular pensionable earnings under primary position. Report on primary payroll report.	• Pensionable service • Contributory service • Pensionable salary • Employee contributions
AD	Pensionable earnings from additional positions with same employer. Report only on secondary payroll reports.	• Pensionable service • Contributory service • Pensionable salary • Employee contributions
RT	Retroactive earnings	• Pensionable salary • Employee contributions
RH	Rehabilitation earnings	• Pensionable service • Contributory service • Pensionable salary • Employee contributions

7.4.3 Service Event Record

To create a Service Event Record follow the formatting requirements outlined on the Reporting Instructions page under Employer Reporting in the Employer Portal. Then submit this file through Data Submission. You will find instructions for submitting both standard format files and Excel files on the Employer Reporting page.

The dates must reflect the actual time that the member is working or deemed to be at work.

The effective **start date** for each member on your payroll report is:

• your payroll start date for the segment,

- January 1 or September 1 (if you report based on the calendar year), or
- the date the member started contributing (if in current segment).

The effective **end date** for each member on your payroll report is:

- your payroll end date for the segment,
- August 31 or December 31 (if you report based on the calendar year), or
- the last day the member contributed in the segment.

Payroll records must be tracked separately for employees with concurrent employments. As of January 1, 2014, you are required to either:

- cap the annualized lowest-paid salary, service and contributions if pensionable service would otherwise exceed 12 months in a calendar year, or,
- report the concurrent employment details for each employment under a separate Service Event Record.

7.4.4 Avoiding common errors

Refer to the reporting instructions for preparing and submitting your reports on the secure employer site.

Payroll Report

- Only include members for whom you have paid pensionable salary or service during a segment or those on an approved LTD claim. If there aren't any service events for an employee, remove them from the report. Do not report service with only a zero.
- Ensure you have submitted new members whose contribution start date is in the current year
- Only report current adjustments
- Ensure your payroll start dates for the current year do not overlap with your previous report
- Report each service event type [regular (RG), rehabilitation (RH), retroactive (RT)] as a separate entry
  - When an employee starts or ends long-term disability, the RH and RG must be reported based on the long-term disability dates

- Report pensionable and contributory service and salary for employees with over 35 years of pensionable service

- For employees who are no longer working, report the service event end date as the last day they contributed

LTD Start/Stop

Report the correct end date for your member's RG service event. If an incorrect date is reported, future LTD start dates that overlap a posted RG will cause an error and the LTD start date will not be accepted.

7.4.5 Finalizing your payroll report

After the payroll report is posted to your members' accounts, we make sure the total amounts posted are equal to the total amounts you have remitted throughout the year (see section 8).

In most cases, if a difference is identified, we will contact you. You will need to review your submitted report and notify us about any corrections or additions. If the difference cannot be explained, the segment will be completed and our finance department will be in contact with you to arrange payment adjustments.

7.5 Non-payroll reports

7.5.1 Reporting Plan Member Record information

7.5.1.1 Plan Member Record (PMR) Electronic Form

Access the PMR Electronic Form tool

1. Sign in to the secure employer website and access the Employer Portal.

2. Under Employer Reporting, click Plan Member Record Electronic Form.

Create a new PMR

The PMR Electronic Form tool is used to create an employee record in our system. Given there are no errors in the PMR submission, the PMR for the employee will upload to their account instantly. The PMR can be dated up to four months into the future as it will be stored electronically until the indicated contribution start date. Please note—for future dated PMRs, these PMRs are not accessible in this state until the Contribution start date has passed. Please refrain from submitting any updates until this time, or contact Employer Operations if you have any questions.

New PMRs must be completed and submitted within 30 days of the employee's contribution start date for a new employee group, and if a plan member changes employee groups or moves from one plan employer to another.

1. Access the PMR Electronic Form tool.

2. Select Create New Plan Member Record.

3. Complete the required fields marked with an * asterisk:
   - SIN
   - last and given names
   - gender
   - birth, hire, and contribution start dates
   - employee group
   - union affiliation
   - address, city, province, postal code
   - email address

4. Complete the applicable optional fields.

5. Click Submit.

Update a PMR

Use the Update Existing PMR tool when a plan member's information changes, including when a member with an immigration SIN (begins with 9) obtains a Canadian SIN. Updates to existing PMRs must be completed and submitted within 30 days of the change.

1. Access the PMR Electronic Form tool.

2. Select Update Existing Plan Member Record.

3. Complete the required fields marked with an * asterisk:

   - SIN (if updating from an immigration SIN, enter the Canadian SIN)

   - last name

4. Complete changes to other applicable fields. If updating from an immigration SIN, enter it in the previous SIN field.

5. Click Submit.

Note: When updating a member's Union Affiliation, Primary or Secondary Location information, you must also provide the Employee Group.

View PMR Submission History

Use the Submission History tool to view and print the history of the PMRs your organization has submitted.

This tool is located under the Employer Reporting > Data Submission > Submission History section.

PMRs submitted with pending errors will appear under the main File Type: Plan Member Record area on the Data Submission History page. PMRs with pending errors will display with a *Processing* status. Employer Operations will contact the organization if there is any further information required for PMRs in *Processing* status. All PMRs submitted by the organization can be viewed by clicking on the *Rolled Up PMR History* link located underneath the Plan Member Record file. The fully posted PMRs will appear under this report with a *Posted* status.

7.5.1.2 *Creating a report to enrol multiple employees*

You have the option of enrolling employees using a report instead of completing the Plan Member Record Electronic Form for each individual. To do this, you will also need to access our detailed instructions on preparing and submitting reports, available in the Employer Portal. Click *Employer Reporting > Reporting Instructions*.

To create a report that would include all of the required Plan Member Record information, the following records need to be completed and submitted to us through the Data Submission tool:

- Person Record

- Address Record

- Employment Record

- Spouse Record (available if reporting using 'Standard Format' only)

If using Excel format:

- You will not be able report the spousal information; this information can be provided to us directly by the plan member once you have enrolled them.

- All records—Person, Employment and Address (optional) must be sent to us on the same day.

7.5.2 Address information

Report new address information for employees who are plan members on an ongoing basis via the Plan Member Record Electronic Form. Please refer to the Canadian Addressing Guide (available on the Canada Post website) for formatting instructions.

We require up-to-date address information to ensure that plan members receive our correspondence e.g. pension estimate, pension adjustment statement, Member's Benefit Statement.

7.5.3 Plan member union affiliation

Employers must report up-to-date union affiliation information for all their plan member employees. You can report annually or submit changes any time using the individual Plan Member Record (PMR) update tool or by

submitting an employment record report. Please include this information on the Plan Member Record when you enroll new employees. If reporting annually, see section [7.6 Submitting your report(s)](#) for information on the data submission format.

Before you begin:

1. Refer to your collective agreements to identify the correct unions. Collective agreements usually list the employer(s) and union on the title page (i.e. the agreement between the employer and the union).

2. Find the union in [Appendix A—Union affiliation reporting abbreviations](#) to obtain the correct union affiliation code.

If you are not able to identify the correct union, the department who negotiates your collective agreements may be able to help.

If the union you need is not listed in Appendix A, please contact the Employer Operations via message board for assistance.

Regardless of how you report union affiliation information, please remember:

1. It is mandatory to report this information.

2. If an employee has more than one position and union affiliation, report the affiliation information for the most worked position.

3. The first five characters (or information provided in column D if using the spreadsheet reporting method) represents union affiliation.

4. Union affiliation codes are case sensitive and can be no more than five characters.

5. If your employee does not belong to a union, report them as NONU (non-union).

6. Input the code exactly as it is shown in the table provided in [Appendix A—Union affiliation reporting abbreviations](#).

7. Do not make up your own codes.

7.6 Submitting your report(s)

It is your responsibility to ensure the security and confidentiality of information you submit to us.

7.6.1 Submitting through the web

You are required to submit your files through our Data Submission tool, which is designed to make employer reporting easy, secure, efficient and accurate. The Data Submission tool is in the Employer Portal. Click *Employer Reporting > Data Submission*.

If you have not already done so, you will need to set up a profile before you can submit a file to the corporation. Your profile specifies the file types and formats of the data that you submit for employer reporting. Once you access the Data Submission web service, you will be asked to set up a profile.

Data files are accepted in Excel or standard format, and instant feedback will be provided on any formatting issues. Once you have addressed any formatting issues, your data will load directly into our system on the evening of the day you submit it. You can also view the history of the files you've submitted and their current status up to 18 months after the submission.

1. Standard format file

Our standard format is fixed width. It requires a header record to provide details on the submission, and a trailer record to provide the totals of the records on the file. You can access further details on preparing and submitting reports in the Employer Portal. Click *Employer Reporting > Reporting Instructions*.

To find out more about submitting to us in this format, please have your systems expert contact us at employer.services@pensionsbc.ca.

2. Excel format file

If you do not report using our standard format, you must use an Excel formatted spreadsheet. Excel formatted files must provide the correct data elements in a prescribed column order. Detailed information about how to set up and submit your Excel formatted files is available in the Employer Portal. Click *Employer Reporting > Reporting Instructions*.

If you have questions, please contact employer.services@pensionsbc.ca.

7.6.2 Submitting without web access

If you don't have access to our website or have questions about other ways to submit files, please contact us immediately by phone toll-free (Canada/U.S.) at 1-855-356-9701 or by email at employer.services@pensionsbc.ca.

7.7 Payroll Report verification

Once your payroll report has been submitted, it will move through a series of further checks to ensure it meets our requirements. If there are errors, we will contact you for clarification or ask you to submit a corrected report.

The checks occur in two stages: the report is scanned, then individual records are reviewed.

Report
Scanning for the following:

- report is a duplicate

- a report is missing (e.g., last year's report)

- mandatory fields are missing (including fields for individual records)

- the column totals do not balance

Individual record
Reviewing for the following:

- person does not exist in the database (a Plan Member Record was not submitted)

- no record of an active employment with your organization (a Plan Member Record was not submitted)

- pensionable service exceeds contributory service

- reported contributions do not correspond with reported salary (see *Variance Summary Report*)

7.8 Data validation reports sent to you

7.8.1 Variance Summary Report

The *Variance Summary Report* lists plan members whose reported salaries do not match reported contributions. A variance can occur for any of the following reasons:

- insufficient contributions deducted on pensionable salary

- excess contributions deducted on pensionable salary

- payroll report was not reconciled to actual contributions deducted and remitted, and salary and contributions were reported incorrectly (see section 8)

If you receive a *Variance Summary Report*, correct each individual account, following the instructions and return it to Employer Operations.

We will make corrections to individual accounts based on the information you provide on the *Variance Summary Report*.

You must not reflect any of these adjustments on the next payroll report. If a variance correction results in you having to collect additional contributions or return excess contributions to an employee, the correction must not be reported to us again. It **must not be included** in future regular remittances or payroll reports. The next payroll report must only include pensionable salary paid to the employee in that segment and indicate contributions that were made or deemed to be made on that salary.

7.8.2 One year, no contributions

Each year, we may send you a report called *Active Members With No Service Events in Over One Year.* This report lists employees for whom you have not reported any data for the preceding calendar year.

Plan members' names may appear on the report for the following reasons:

- member has terminated employment and Employee Information at Termination/Retirement has not been submitted online

- member is on an extended leave of absence

- member is casual and has not worked for one year

- member is on LTD

- member is on a seniority or recall list and has not made a contribution for one year

The report will be accompanied by an email notification outlining what action you will need to take for plan members listed on the report. See section 3 for more information on termination.

IMPORTANT: The termination date for pension plan purposes will be when the member stops contributing to the plan (last day worked) or at the end of the approved leave, whichever is later.

7.9 Key employer reporting dates

The continued success of payroll reporting relies on timely submission of accurate information. You are responsible for reconciling the total monies remitted to the detailed payroll reports filed. This ensures the accuracy of member records for PAs and member's benefit statements. Any delays in submitting information may delay production of your PAs.

Reports/Files Required	Final Date for Submission
Any changes to your income tax numbers, sort option for Pension Adjustment/Member's Benefit Statements or listed contacts	Mid-November
Member address changes	December 1
Location/sub-location sort file (if you are provided with one)	December 1
Payment for direct mailing of PA statements to members (if applicable)	Last week in December
Plan Member Record data (should be reported upon enrolment)	Last week in August/December*
LTD confirmation reports	January 10 September 10
Payroll report(s)	Segment 1 The earlier of September 10, or 10 business days after the last pay period in August Segment 2 The earlier of January 10, or 10 business days after the last pay period of the calendar year

* You must complete and submit Plan Member Record information electronically within 30 days of enrolment.

Appendix A—Union affiliation reporting abbreviations

A code has been assigned to each union, or organized employee association/society. In most cases this is the same as the union's acronym, but where this exceeds 5 characters, the acronym has been shortened.

Plan members not represented by a union (includes employees that are exempt, excluded or management) have a unique code that must be reported—NONU.

See [Section 7.5.3 Plan member union affiliation](#) for more information.

Union Name (Legal)	Union Code
B.C. General Employees' Union	BCGEU
Canadian Union of Public Employees	CUPE
Federation of Post-Secondary Educators of BC	FPSE
BC Institute of Technology Faculty and Staff Association	FSA
Plan members who are not represented by a union	NONU
Royal Road University Faculty Association	RRUFA
Simon Fraser University Faculty Association	SFUFA
Thompson Rivers University Open Learning Faculty Association	TROLF