

# SECTION CONTENTS

## 7 REPORTING

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# 7 REPORTING

## 7.1 Introduction

As a plan employer, you report members' service, salary and contributions to us annually, and 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 Teachers' Pension Plan based on your members' pensionable salary. Members' pension 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 ([tpp.pensionsbc.ca](http://tpp.pensionsbc.ca))

The Teachers' Pension Plan provides members and employers with self-serve information via the website. The employer section of the plan's home page offers you two points of access: the Employer General section and Employer Login section.

The Employer General section contains links to training information, the *Employer Instruction Manual* and general web services information. Employer Reporting is done through the Employer Login section.

The Employer Login section provides access to secure information, tools and forms (like the pension estimator and the Employer Reporting home page), and allows you to view salary and service for your plan member employees. Access to this area of the website requires registration. When you are logged in, you can easily access both secure and public information. See the Web Services section on the Employer General page at [tpp.pensionsbc.ca](http://tpp.pensionsbc.ca).

### **7.2.1 Resources available on the Employer Reporting home page**

The Employer Reporting home page 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 portlets on this home page: Your Message Board, Plan Member Record Electronic Form, Data Submission, File Pick-up, Reporting Format, LTD Start/Stop, LTD Policy Validation, and Employee information at Retirement (EITR).

#### **7.2.1.1 Your Message Board**

Your 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 portlet, 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 also 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 portlet 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 this portlet for you to download. For example, your electronic Pension Adjustment file would be available in the File Pick-up portlet for you to download.

### **7.2.1.5 Reporting Format**

This portlet contains detailed instructions on how to format your data files. In the Reporting Format portlet, you can access 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 service 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.

### 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).

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 [tpp@pensionsbc.ca](mailto:tpp@pensionsbc.ca) if you have a question about whether a type of salary paid is pensionable or non-pensionable.

#### *Inclusions*

**A member's salary includes the following types of pay:**

- administrative, supervisory, or special qualification allowances as follows:
  - allowances paid to a school or district administrator, department head, teacher consultant, head teacher, special counselor or teacher-in-charge.
  - allowances paid to teachers who are employed to advise and assist teachers.
  - allowances paid to special class teachers such as those employed to teach children with disabilities and non-English speaking children.
  - allowances paid to relief teachers where there are unsettled working conditions.
  - allowances paid to teachers for performing the duties of:
    - ▶ a principal, vice-principal, department head, or head teacher,
    - ▶ a director or supervisor, or
    - ▶ a school librarian.

- an allowance paid by the British Columbia Teachers' Federation to the officers of the British Columbia Teachers' Federation.
- Salary Indemnity Plan (SIP) allowance.
- an isolation bonus.
- maternity leave top-up, parental leave top-up and other forms of salary top-up paid by the employer to a plan member who is on a leave of absence provided for under the *Employment Standards Act*.
- workers compensation benefit (WorkSafeBC) payments made through the employer payroll, unless paid during a period when the member is receiving SIP or long term disability (LTD) benefits.
- WorkSafeBC and LTD top-up payments made through the employer payroll (paid to employees to top-up their salaries when receiving WorkSafeBC or LTD benefits).
- salary as a result of a grievance settlement if a period of service is associated with the payment.
- the difference between the member's normal salary and the salary paid to a teacher on call (TOC) is pensionable salary of the member if the member paid a TOC for work performed in the member's absence.
- salary earned while employed in summer school, night school, continuing education or adult education if the position is included in the bargaining unit; if that position is not included in the bargaining unit, salary is pensionable only if the position requires a certified teacher.
- payment for preparation time.
- vacation pay where a period of service is associated with the payment.
- severance pay where a period of service is associated with the payment.
- retiring allowance where a period of service is associated with the payment.
- first aid allowance.

### ***Exclusions***

**A member's salary does not include the following types of pay:**

- overtime pay.
- payments made in lieu of vacation (i.e., an employee is paid a lump sum or recurring amount for vacation not taken and there is no period of service associated with the payment).
- lump sum payments for educational or academic bonuses.
- severance pay if no period of service is associated with the payment.
- retiring allowance if no period of service is associated with the payment.
- payments made in lieu of benefits.
- salary as a result of a grievance settlement if no period of service is associated with the payment.
- honoraria.
- contract work.
- car, meal, travel and clothing allowances.
- incentive pay.

For the purposes of this section, a payment is associated with a period of service if the member was employed during the period the payment covers.

### **7.3.2 Pensionable and contributory service**

There are two types of pension plan service used in the Teachers' 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 pension benefit. As of January 1, 2018, the 35 year pensionable service cap no longer exists.

**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 pension, and any early retirement reduction. See section 4 for more information on pensions.

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**

The Teachers' Pension Plan does not define what constitutes full-time hours.

The *School Amendment Act, 2012* established a new legislative framework for school calendars. Beginning with the 2013–14 school year, there is no standard calendar and each school board will establish calendars for school within its district.

The *School Act* and the new School Calendar Regulation set out the requirements for board-established school calendars. Section 3 of the Regulation also sets a minimum number of hours of instruction that boards must offer to students during the school year.

### **7.3.2.2 Calculating pensionable service**

Pensionable service is the actual time worked during a given reporting period. For all eligible employees, excluding TOCs, it is based on the total pensionable salary earned in relation to the member's full-time equivalent (FTE) pensionable salary.

For example, a full-time (i.e., 100 per cent) employee will receive 10 (12) months of pensionable service during a reporting period (January to December). A part-time employee who works at 50 per cent will receive five (six) months of pensionable service.

A teacher could earn more than one month of pensionable service in a month. If a full-time teacher works for a full month and also teaches a night school or summer school course, you must still report the full amount of service even if it exceeds the maximum (see section 1.6 for concurrent employment).

You should calculate pensionable service for summer and/or night school earnings on the basis of pensionable salary earned in relation to the FTE pensionable salary.

Pensionable service is calculated by dividing the pensionable salary earned by the full-time equivalent pensionable salary. This is multiplied by 10 (12) for the reporting period.

$$\frac{\text{Pensionable salary earned}}{\text{FTE pensionable salary}} \times 10 (12) = \text{pensionable service}$$

This calculation method applies to full-time teachers and part-time teachers. It also applies to the calculation of summer and/or night school earnings.

Pensionable service for TOCs is calculated by dividing the total days paid by full-time days available to work in the school year, as defined by the respective school district. This is multiplied by 10 for the reporting period.

$$\frac{\text{Days paid}}{\text{School district prescribed full-time days}} \times 10 (12) = \text{pensionable service}$$

A teacher will have their pensionable service reduced for each day they are absent without pay during the reporting period.

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**EXAMPLE A**

Full time (1.0 FTE) pensionable salary is based on receiving the base annual salary scale (Teachers' salary grid) as defined by the salary grid in the applicable collective agreement.

Pensionable Service is determined by the member's base salary received in relation to the member's 1.0 FTE pensionable salary.

For the following scenarios the 1.0 FTE base annual salaries are:

- a) \$50,444 = category 5, step 1
  - b) \$56,955 = category 5+, step 1
  - c) \$58,384 = category 6, step 1
-

Scenario 1

A full-time 10-month member at category 5, step 1 during the reporting period

$$\text{Pensionable salary} = \$50,444 + \text{SIP allowance} = \$51,453$$

$$\text{Pensionable service} = 10.00 \text{ months}$$

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Scenario 2

A full-time 10-month member at category 5, step 1 during the reporting period, also received a \$5,000 department head allowance for 10 months

$$\text{Pensionable salary} = \$50,444 + \$5,000 + 2\% \text{ SIP allowance} = \$56,553$$

$$\text{Pensionable service} = 10.00 \text{ months}$$

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Scenario 3

A full-time 10-month member at category 5, step 1 during the reporting period, also received a \$3,000 department head allowance for 6 months

$$\text{Pensionable salary} = \$50,444 + \$3,000 + 2\% \text{ SIP allowance} = \$54,513$$

$$\text{Pensionable service} = 10.00 \text{ months}$$

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Scenario 4

A 0.5 FTE 10-month member at category 5+, step 1 during the reporting period, also received a \$1,000 first aid allowance

$$\text{Pensionable salary} = (\$56,955 \times 0.5) + \$1,000 + 2\% \text{ SIP allowance} = \$30,067$$

$$\text{Pensionable service} = 5.00 \text{ months}$$

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Scenario 5

A FTE 1.0 10-month member at category 5, step 1 from January to June and category 5+, step 1 from September to December

$$\text{Pensionable salary} = \$50,444 \times (6/10) + \$56,955 \times (4/10) + \text{SIP allowance} = \$54,108$$

$$\text{Pensionable service} = 10.00 \text{ months}$$

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### Scenario 6

A full-time (1.0) 10-month member at category 5, step 1, receives a base salary grid increase, on December 1, to category 5+, step 1, retroactive to January 1

$$\text{Pensionable salary} = \$50,444 \times (9/10) + \$56,955 \times (1/10) + \text{retroactive pay of } \$5,860 + \text{SIP allowance} = \$58,094.$$

$$\text{Pensionable service} = 10.00 \text{ months}$$

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### Scenario 7

A full-time 10-month member at category 5, step 1 during the reporting period, also worked summer school and earned \$5,044

$$\text{Pensionable salary} = \$50,444 + 2\% \text{ SIP allowance} + \$5,044 = \$56,497$$

$$\text{Pensionable service to report} = 11.00 \text{ months}$$

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### Scenario 8

A full-time 10-month member at category 5, step 1 during the reporting period, also worked summer school and earned \$2,522

$$\text{Pensionable salary} = \$50,444 + 2\% \text{ SIP allowance} + \$2,522 = \$53,975$$

$$\text{Pensionable service to report} = 10.50 \text{ months}$$

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### **EXAMPLE B: MEMBER DID NOT EARN ALL SALARY**

A full-time, 10-month member earning \$80,000 (100% of the FTE pensionable salary) was absent for five school days during the reporting period.

$$\text{Pensionable service} = \frac{*\$77,948.72}{\$80,000} \times 10 = 9.74 \text{ months}$$

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\* Based on a school calendar of 195 days, 5 days without pay are equal to  $\$80,000/195 \times 5 = \$2,051.28$ . Accordingly,  $\$80,000 - \$2,051.28 = \$77,948.72$

### **EXAMPLE C: TOC CALCULATION**

A TOC worked two days per week with one-week spring break (192 days FTE as determined by the school district) for a combined 74 days during the reporting period.

$$\text{Pensionable service} = \frac{74}{192} \times 10 = 3.85 \text{ months}$$

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### 7.3.3 Specific salary and service reporting requirements

#### 7.3.3.1 *Service and related salary in excess of 10 (12) months*

Report all service accrued, and related salary, even if the member's service exceeds 10 (12) months in a calendar year (e.g., for a full-time teacher who works for a full month and also teaches a night school or summer school course, you must still report the full amount of service even if it exceeds the maximum). We will cap the member's service at 10 (12) months to comply with the *Income Tax Act* but the member will be credited with all of the pensionable salary that was originally reported.

#### 7.3.3.2 *Retroactive salary*

A member may receive salary retroactively (e.g., a 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 pension 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.

#### **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.

111111111	Name1	RG	05GE10MO	40000.00	10.00	10	2796.00		20xx-01-01	20xx-12-31
111111111	Name1	RT	05GE10MO	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	05GE10MO	45000.00	10.00	10	3145.50		20xx-01-01	20xx-12-31
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Second Service Event Record (adjusts the payroll report amount and shows the retroactive salary as RT)

111111111	Name1	AD	05GE10MO	-5000.00			-349.50		20xx-01-01	20xx-12-31
111111111	Name1	RT	05GE10MO	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	05GE10MO	40000.00	10.00	10	2796.00		20xx-01-01	20xx-12-31
-----------	-------	----	----------	----------	-------	----	---------	--	------------	------------

Second Service Event Record

111111111	Name1	RT	05GE10MO	5000.00			349.50		20yy-01-01	20yy-12-31
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**35-year members**

If an active member:

- accrued 35 years of pensionable service prior to January 1, 2018,
- recommenced contributions effective January 1, 2018, and
- receives retroactive salary for a period of time that pre-dates the 35 year date,

deduct contributions for the period prior to the 35 year date. Also deduct and report on the retroactive salary applicable to service earned after January 1, 2018.

**EXAMPLE (EXCEL FORMAT):**

The member worked full time and was paid \$67,000.00 in 2018, but \$7,000.00 of the pay was retroactive salary earned before and after the teacher reached 35 years.

Retroactive period: Sept. 1, 2015 – Dec. 31, 2017 (24 months)

- accrued 35 years pensionable service on June 30, 2016
- recommenced contributions on Jan. 1, 2018
- current year contribution rate is 12.92%

Payroll report

111111111	Name1	RG	05GE10MO	60000.00	10.00	10	7752.00		20180101	20181231
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Second Service Event Record

111111111	Name1	RT	05GE10MO	7000.00			376.83		20150901	20171231
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$\$7,000/24 \text{ months} \times 10 \text{ months (months in the retroactive period before reaching 35 years)} = \$2,916.67$  (retroactive salary for 10 month period)

$\$2,916.67 \times 12.92\% = \$376.83$  (retroactive salary  $\times$  current year contribution rate = contributions)

***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 [tpp@pensionsbc.ca](mailto:tpp@pensionsbc.ca). We will advise you whether or not contributions should be deducted and remitted.

**7.3.3.3 Maternity/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 using the same calculation formula as actual time worked (pensionable salary earned divided by full-time equivalent pensionable salary  $\times$  10 (12)).

### **EXAMPLE**

Pre-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:

$\$15,000 \div \$50,000 \times 10 = 3$  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.

#### **7.3.3.4 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.

If the above criteria are met, 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 data, you will need to provide us with an *Amended Employee Information at Termination/Retirement* form showing the new termination date.

### **7.3.3.5 *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.

### **7.3.3.6 *Substitution pay***

Teachers who take time off and have a TOC replace them will have their pensionable service reduced based on the amount of salary paid to the TOC.

For example, if a teacher earns \$300 per day and a substitute is paid \$200 per day, the member's pensionable service will be based on \$100 or  $\frac{1}{3}$  of their daily service entitlement.

### **7.3.3.7 *Modified school calendars and extended spring break***

If you are considering extending the spring break or moving to a modified school calendar or have staff working at one or more schools in your district and one is on a modified calendar, please contact the Pension Corporation for clarification of pension implications.

In most cases, extending the spring break or moving to a modified school calendar has little impact on members who are full-time within the calendar year and who are continuing their employment.

However, shifts to an extended spring break or to a modified school calendar can have more significant impacts on members' accounts if they are a TOC or they work for a district that extends the school calendar beyond June 30.

For example, the end date and credit for pensionable service may be affected in the year of a member's retirement, having an impact on either the member's retirement date or the amount of service credited to the member's account. These impacts can be mitigated, but employers should contact the Pension Corporation for assistance understanding the pension implications, assessing the most appropriate reporting procedures, and providing information to impacted members.

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**EXAMPLE**

## 1) Extended Spring Break

The regular spring break is one week in March. However, some schools may extend the spring break to two weeks and extend the school day by a defined amount of minutes per day so teachers will receive service and salary for the entire spring break.

In such as case, credited pensionable service is not affected if a teacher terminates prior to the spring break or between the spring break and the end of the school year.

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**EXAMPLE**

## 2) Modified School Calendar

The regular school calendar is 10 months from September through June. However, under a modified calendar, some schools might close for the month of April and open instead for the month of July. In such a case, a teacher retiring June 30 would have five months' service instead of six, or the teacher might not be able to retire as of July 1 because he or she may be working in the month of July.

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### 7.3.4 Contributions

For the current employer and member contribution rates, logon to the secured website, select E-Remittance within the Resources section, 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 under Plan Governance on the secured website.

For more information, see the plan rules.

**EXAMPLE**

Contributions on pensionable salary of \$60,000 for the year 20xx are calculated as:

Member contributions:

$$\$60,000 \times 12.92\% = \$7,752$$

Employer contributions:

$$\$60,000 \times 13.23\% = \$7,938$$

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#### **7.3.4.1 35-year members**

Members who reach 35 years before 2018 and are:

- active members on January 1, 2018, will recommence contributions effective January 1, 2018.
- inactive members on January 1, 2018 but become active after January 1, 2018, will recommence contributions effective the date they become active.

#### **7.3.4.2 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 to the plan member.

#### **7.3.4.3 ITA limits on T4s**

The Teachers' 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 send—and post to the web—a bulletin 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

At the end of each year, submit your annual *Payroll Report* (Service Event Record) containing member service, salary and contributions data for payrolls paid in that year. 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 14, 20yy to December 27, 20yy, but paid on January 2, 20xx, would be included in your 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)

You must report members according to their employee group. That is, a full-time 10-month teacher must be reported as 1 month for 10 months, not as .8333 for 12 months. You must also report members' salary according to their employee group. You cannot report a 10-month teacher's salary over a 12-month period.

You may have two groups of members: 10- and 12-month employees. The employee groups are identified by a specific employee group code. "05GE10MO" is used for 10-month Teachers' Pension Plan members; "05GE12MO" is used for 12-month Teachers' Pension Plan members.

The employee group will always be an eight-character field with the first two characters being "05" to indicate that it is a Teachers' Pension Plan employee group.

### ***Changing employee groups***

Dates of conversion to either a 10-month or 12-month employment must be reported to the corporation.

You must create a new Plan Member Record (PMR) for the new employee group. You must complete and submit PMR information electronically within 30 days of the change.

When completing a PMR, remember:

- A 'hire date' is required on the new record. In order for the PMR to be accepted into our system, you need to report the date the member joined this employee group. This should be the same date you enter as the 'contribution start date.'
- The 'contribution start date' on the new record must be the contribution start date under the new employee group.
- In cases where the previous employment group is definitely ending, you must advise us of this through the message board. We need to know a change of employee group has occurred, the PMR has been submitted and the previous employment end date.

See section 7.5.1, Reporting Plan Member Record information, for more information about submitting PMRs.

### ***10-month teachers paid over 12 months***

A member's pension is effective the first day of the month following the month for which final payment of salary is made. If you have converted a member to a 12-month pay system for any period after July 1, their pension effective date can be adversely affected. For example, if 12-month conversion occurred August 1, and the member retires June 30 and receives salary for July (regardless of it being paid in the month of June), the pension will be effective August 1.

To avoid this situation:

- You can implement a payroll savings plan. Withhold 17 per cent ( $100\% - [10 \div 12]$ ) of each paycheck and deposit it into a type of savings account. The member could still be paid over 12 months without the payroll system or the pension contributions being affected.

- Pay these members over 10 months in their last year of employment. However, if a member decides to retire after the beginning of the school year and they have already been paid according to a 12-month schedule, there could be administrative challenges to ensure the pension is effective July 1.

If you continue to pay members over 12 months, you must notify them that their pension effective date could be affected as described above.

Each member’s 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.” Enter service event types as shown below.

SERVICE EVENT TYPE VALUES	DESCRIPTION (LINK TO SECTIONS)	SERVICE EVENT <b><i>MUST ONLY</i></b> INCLUDE
<b>RG</b>	Regular pensionable earnings	Pensionable service Contributory service Pensionable salary Employee contributions
<b>RT</b>	Retroactive earnings	Pensionable salary Employee contributions
<b>RH</b>	Rehabilitation earnings	Pensionable service Contributory service Pensionable salary Employee contributions
<b>SF</b>	Salary Indemnity Plan (SIP) (reported by BCTF only)	Pensionable service Contributory service Pensionable salary

### 7.4.3 Service Event Record

To create a Service Event Record follow the formatting requirements outlined in the Reporting Format section, then submit this file through Submit File. You will find instructions for submitting both standard format files and Excel files in the Employer Reporting section of the Employer Login website.

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
- 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,
- December 31 (if you report based on the calendar year), or
- the last day the member contributed in the segment.

Please refer to section 1.1.6 for more information regarding concurrent employment and your reporting requirements.

### 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 the year 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

- Use natural numbers (i.e., no zeros) in the report columns. Zeros will be rejected and the line will be deleted or you will have to resubmit the report.
- 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. Logon to the secure employer website.
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. The PMR can be dated up to four months into the future as it will be stored electronically until the indicated contribution start date.

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
  - address, city, province, postal code
4. Complete the applicable optional fields.
5. Click Submit.

You must advise us if an employee changes employment group through the message board. We need to know a change of employee group has occurred, the PMR has been submitted, and the previous employment end date.

You must create a new PMR when you have an employee who moves into a different employee group. Use “05GE10MO” to indicate a 10-month member and “05GE12MO” for a 12-month member. The hire and contribution start date must be entered as the date the employee moved to the new group.

### ***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, Bargaining Association, 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.

### **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 electronic Plan Member Record for each individual. To do this, you will also need to access our detailed instructions on preparing and submitting reports, available in the Employer Reporting Format portlet (on the Employer Reporting home page).

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 portlet:

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

If using Excel format:

- You will not be able to 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—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 Update 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*.

## 7.6 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 web service, which is designed to make employer reporting easy, secure, efficient and accurate. The Data Submission web service is accessed under the Employer Reporting home page through the Employer Login section of your plan's website.

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 this format under the Employer Reporting Format portlet (on the Employer Reporting home page).

To find out more about submitting to us in this format, please have your systems expert contact us at [employer.services@pensionsbc.ca](mailto: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 under the Employer Reporting Format portlet (on the Employer Reporting home page).

If you have questions, please contact [employer.services@pensionsbc.ca](mailto: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 at 250 356-9701 (in Victoria) or 1 855 356-9701 (in the rest of Canada and the U.S.) or by email at [employer.services@pensionsbc.ca](mailto: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 Contribution Variance Summary Report**

The *Contribution 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 *Contribution Variance Summary Report*, correct each individual account and return it to Employer Operations.

You must not reflect any of these adjustments on the next year's annual 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 year's payroll report must only include pensionable salary paid to the employee in that year and the 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 data has not been submitted
- member is on an extended leave of absence
- member is casual and has not worked for one year
- member is on LTD and long term disability information has not been submitted online
- 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)	December 31*
LTD confirmation reports	January 10
Annual payroll report(s)	The earlier of January 10, or 10 business days after the last pay period of the reported year

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

