



PENSION ADMINISTRATION **BULLETIN**

Reference No. 2007-10

Date: December 13, 2007

To: All Pension Administration Contact Persons at Contributing Member Organizations

RE: 2007 Year-End Data Collection Process & Time Line



TIME SENSITIVE
STEPS

Once again, we are fast approaching the NSAHO Pension Plan year-end of December 31 and our thoughts turn to the 2007 year-end data collection process. The reporting time line is critical in order that all members receive their annual pension statements as required by Nova Scotia pension law. The Nova Scotia Pension Benefits Act requires that pension statements be provided to plan members within 6 months of the end of the Plan year – the deadline for the NSAHO Pension Plan is June 30 of each year.

Every year, we take time to review the valuable feedback provided by Member Organizations to determine if there are areas of the year-end reporting process that can be improved to make the process more efficient for all concerned. In response to this feedback we have implemented a few changes to the process for 2007. For highlights of these important changes please refer to Appendix B.

As requested, we are forwarding the year-end package as early as possible to allow you sufficient time to use the Data Processor to identify and resolve data errors prior to printing your 2007 T4 slips. This will reduce the potential for required T4 amendments due to revised Pension Adjustments (PA) and contributions. **As per the *T4 Reporting Guide*, PA calculations are tied to pensionable earnings and pensionable hours, therefore, any changes to pensionable earnings or pensionable hours require a recalculation of the PA.**

As per the enclosed *2007 Year-end Timeline*, we are providing the 2007 year-end package for your facility on the enclosed CD. The CD includes a folder of the *2007 Year-end Pension Reports* applicable to your facility, as well as reference guides to assist you in completing each of these reports. We have also included a *Pension Resource Centre* with material provided during the November 2007 year-end training sessions. This folder is for your reference purposes only. As requested, we developed a new tool to assist in calculating deemed hours and earnings during Employer-approved unpaid leaves of absence. This *LOA Calculator* was introduced at the October 2007 Annual Administrators Session and can be found in the folder titled *Pension Tool Box*. The *2007* and *2008 Pension Adjustment Calculators* are also located in the *Pension Tool Box*.



NEW

The year-end package material is provided on the enclosed CD which includes the following folders, reports and reference material.

INDEX FOR CONTENTS OF YEAR-END CD:

1. 2007 Year-end Reporting Timeline
2. Pension Resource Centre
3. Pension Tool Box
4. **2007 Year-end Pension Reports**
 - a. 2007 Multi-ER Report **(DUE: Jan 4/08)**
(Will be included if we have identified members at your facility who we expect will also have pension data reported through another Employer.)
 - b. 2007 NSAHO LTD Rehab Hours Report **(DUE: Feb 1/08)**
(Will be included if you had members who were in receipt of NSAHO LTD benefits in 2007)
 - c. 2007 Non-NSAHO LTD Report **(DUE: Mar 31/08)**
(Will be included if your LTD carrier is one other than NSAHO)
 - d. 2007 Contribution Report (Use to import pension data to the Data Processor)
 - e. Address Update Report **(DUE: Jun 1/08)**
(Optional: Use only if statements are to be mailed directly to members.)
 - f. **2007 Year-end Reporting Guides**
 - i. Address Update Report – Guide
 - ii. Contribution Report – 2007 Guide
 - iii. Multi-ER Report – Guide
 - iv. Non-NSAHO LTD Report – Guide
 - v. NSAHO LTD Rehab Hours Report – Guide
 - vi. Secure Communications Website – Guide
 - vii. T4 Reporting
 - viii. Data Processor – 2007 Quick Reference Guide

Several guides have been developed to assist you in completing each of the year-end reports and in your day-to-day administrative responsibilities. Refer to the enclosed CD under the folder titled *2007 Year-end Reporting Guides*.

The **Multi-ER Report** was developed to reduce the T4 amendments required for members employed at more than one participating Employer. In order that Employers can report T4 information accurately on the original T4, NSAHO PP staff will identify those who require adjustments to their reported pension data, no later than February 1, 2008. For all Employers to benefit from this process, all Employers must participate on a timely basis, providing the completed *Multi-ER Report* to NSAHO PP by **January 4, 2008**.

The **2007 Contribution Report** is the key component to the year-end reporting process. For a detailed explanation on what is required in each column, please refer to the reference guide provided for the *Contribution Report – 2007 Guide*. As per the *2007 Year-end Time Line*, the 2007 “validated” data must be forwarded to the NSAHQ Pension Plan via the Data Processor by **March 31, 2008**. An updated version of the reference guide to the *Data Processor – 2007 Quick Reference Guide* is provided on the enclosed CD. Below is a summary of the steps required to complete this process by March 31, 2008:

- Report all pension related data on the *2007 Contribution Report*;
- Import the completed *Contribution Report* to the Year-end Data Processor;
- Resolve all Import Errors identified by the Data Processor;
- Validate or fix all Data Errors and Warnings identified by the Data Processor;
- Approve the data on the Data Processor.

The **deadline of March 31, 2008, allows a three (3) month window to prepare the 2007 Contribution Report and complete the data validation and approval process on the Data Processor**. We have received very positive comments from users of the Data Processor and have implemented further improvements based on your feedback. We continue to welcome your comments and request that you email Cheryl Mallett-Skelton with any suggestions for improvement (cskelton@nsaho.ns.ca). Usernames and passwords previously assigned continue to be active. If it is necessary to change the password due to a staff change or other security reason, please contact Cheryl at 832-8500 ext. 246.

Important Reminder Regarding Annual Reconciliation of Remittances:

Any “under” contributions or “over” contributions identified by the Data Processor that are not validated on the Data Processor (i.e. *Earnings Data from Multiple Employers*), must be rectified by the Employer. Refund any “over” contributions identified to the Employee and collect any “under” contributions from the Employee. Report any EmployEE and EmployER contribution adjustments separately on your next remittance as a *2007 adjustment*.

When all 2007 year-end data questions are resolved and the data is finalized, we will prepare an annual reconciliation. Based on the pensionable earnings from the *Contribution Report* (with any subsequent adjustments), we will determine the final required EmployEE and EmployER contributions and compare these contributions to the total of the monthly amounts you remitted to RBC. Any remaining "under" contributions or "over" contributions (by either employees or employers) will be determined. We will then provide a letter and reconciliation report for your review. Employers are required to make any adjustments (either the payment of additional contributions or a credit for an overpayment) on the next RBC remittance, being sure to identify such adjustments separately as 2007 year-end adjustments.

Page 4

Memo Reference 2007-10

To support you through the year-end reporting process, we offered several training sessions in November 2007. These will continue to be offered each year in October and November. If you have any questions on the 2007 year-end reporting process please contact Cheryl Mallett-Skelton at 902-832-8500 ext. 246.

We, at the NSAHQ Pension Plan, would like to extend best wishes to you and your family for a happy holiday and a prosperous new year.

NSAHQ PENSION PLAN

APPENDIX A
Summary of 2007 Data Collection Process:


The 2007 Data Collection Process will work as follows:

- STEP 1: If you received a *2007 Multi-ER Report*, provide the year-end data requested for the members identified on the report, and return to NSAHO PP via the Secure Communications Website by **January 4, 2008**. For more details, refer to the reference guide provided - *Multi-ER Report - Guide*.
- STEP 2: If you received a *2007 NSAHO LTD Rehab Hours Report*, provide the year-end data requested for the members identified on the report and return to NSAHO PP via the Secure Communications Website by **February 1, 2008**. LTD Rehab Hours are defined as Employer-paid pensionable hours earned during a period when the member qualified for LTD. For more details, refer to the reference guide provided - *NSAHO LTD Rehab Hours Report - Guide*.
- STEP 3: If you participate in an ER-sponsored LTD plan other than NSAHO, identify any members who qualified for LTD benefits during the 2007 payroll year. Provide the data requested for these members on the *Non-NSAHO LTD Report* and return this report to NSAHO PP via the Secure Communications Website, no later than **March 31, 2008**. The *Deemed Pensionable LTD Hours* and *Earnings* calculated by this report must be included when calculating the member's 2007 Pension Adjustment. For more details, refer to the reference guide provided - *Non-NSAHO LTD Report - Guide*.
- STEP 4: Complete the *2007 Contribution Report*. For more details on each column, refer to the reference guide provided - *Contribution Report – 2007 Guide*.
If you are unsure of any of our requirements, please contact Cheryl Mallett-Skelton (902-832-8500, ext. 246) for further clarification.
- STEP 5: Once you have completed the *2007 Contribution Report*, import it directly to the Year-end Data Processor. For assistance, refer to the reference guide provided - *Data Processor – 2007 Quick Reference Guide*. The Data Processor will not accept anything other than this Excel file. To ensure all data has been imported from the *Contribution Report*, resolve all import errors identified on the Import Report.
- STEP 6: Proceed to resolve/validate all preliminary data errors/warnings identified by the Data Processor. Once complete you will need to Approve your data which will release the data to the NSAHO Pension Plan where more refined tests will be run and additional questions may be necessary. **To meet required deadlines, plan staff requires your 2007 pension data to be imported, validated and approved on the Year-End Data Processor, no later than March 31, 2008.**

- STEP 7: **Your cooperation is required in resolving any follow-up data questions before June 1, 2008**, so that we can process the data and provide the annual member statements within the time frames required under pension law. The Nova Scotia Pension Benefits Act requires that pension statements be provided to plan members within 6 months of the end of the Plan year – the deadline for the NSAHO Pension Plan is June 30 of each year.
- STEP 8: If you elect to have the pension statements mailed directly to the member's home address, indicate this on the home page of the Data Processor. Then, by **June 1, 2008** complete the *Address Update Report* as provided and send to NSAHO PP via the Secure Communications Website. For further details, refer to the reference guide provided - *Address Update Report*.
- STEP 9: Upon completion of your 2007 annual pension statements, we will provide you with a letter and enclose an Employer Summary Report. The Employer Summary Report will be for your reference and will summarize each employee's pension statement information.
- STEP 10: If changes were required to original pension data, to determine other recalculation or reporting requirements please refer to the reference guide provided – *Pension Data Adjustments*.


APPENDIX B

HIGHLIGHTS OF CHANGES TO 2007 YEAR-END REPORTING PROCESS

 If you have any employees who elected to pay EmployEE and EmployER contributions during a 2007 ER-approved unpaid leave of absence, report the portion of required **EmployER Contributions paid by EmployEE** in the newly designated column on the *2007 Contribution Report*.

The *2007 Contribution Report* includes a column to report the portion of pensionable earnings earned prior to the April 2007 EmployER contribution rate increase. Please report this portion of earnings in the designated column, **Pen. Earnings up to Apr/07 ER Rate Change**.

When running data tests, the Data Processor now recognizes the *Payroll Start* and *End Dates* reported on the Data Processor Home page. Therefore it is critical to report these two dates accurately when you first log in to the Data Processor.

 When reporting **LOA Start** and **End Dates**, report the actual LOA dates. As per above, the Data Processor will recognize the 2007 LOA period as the portion of the LOA period within the 2007 *Payroll Start* and *End Dates* as entered on the Home page.

REMINDER: When completing the *Address Update Report*, only include addresses for employees who are currently Active members of the NSAHO Pension Plan through your facility.



PENSION ADMINISTRATION
YEAR-END TIME LINE

2007 YEAR-END TIME LINE

JUL – NOV/07 – Data Processor (DP) open for preliminary testing - run preliminary data validation tests to identify potential data errors earlier.

- Review monthly reports for outstanding forms & notices. Send before Dec 1/07.

NOV 2007 – Attend NSAHO PP Year-end training session.

DEC 1/07 – Data Processor closed & cleared. Reasons entered will not be retained. Print Validation Report before Dec 1st to refer to during the official year-end reporting process.

DEC 11/07 – Data Processor opens for official year-end reporting process.

DEC 14/07 – Delivery of 2007 Year-end packages to facilities.

JAN 4/08 – Facilities to complete pension data for EE's identified on the *Multi-ER Report* and return to NSAHO PP via Secure Communications site.

FEB 1/08 – For accurate T4 reporting, NSAHO PP will identify members who require changes to the original data provided on the *Multi-ER Report*. Facility to process required adjustments & report the revised data during the year-end reporting process.

FEB 1/08 – Facilities to complete *NSAHO LTD Rehab Hours Report* and return to NSAHO PP via Secure Communications site.

JAN to FEB/08 – Complete *2007 Contribution Report*. Import this report to the DP to identify and validate all data errors. To avoid T4 amendments, complete validation process before printing 2007 T4's.

MARCH 31/08 - DATA PROCESSOR APPROVAL DAY – *all data errors must be fixed or validated with a reason by this date. Complete the "APPROVE" step on the DP.*

- If applicable, forward *Non-NSAHO LTD Report* via Secure Communications Website.

JUNE 1/08 – If applicable, send *Address Update Report* via NSAHO PP Secure website.

RESOLVE FOLLOW UP DATA QUESTIONS BY JUN 1/08.