



PENSION ADMINISTRATION
BULLETIN

Reference No. 2005-11

Date: November 15, 2005

To: All Pension Administration Contact Persons at Contributing Member Organizations

RE: 2005 Year-End Data Collection Process & Time Line



Once again we are approaching the NSAHO Pension Plan year-end of December 31. Our thoughts turn to the *Year-End Data Collection* process where Employers are required to report individual employee information to NSAHO Pension Plan staff at the end of each Plan year for the purposes of:

- Updating our pension records.
- Providing an annual pension statement, by June 30, 2006, for each active plan member participating in the Pension Plan.

The year-end data must be sent to the NSAHO Pension Plan via the following steps:



1. Provide details of LTD Rehab hours, paid by the Employer, on the Excel file provided on the year-end diskette (or CD). Send this file to the NSAHO PP, via the Secure Communications Website, no later than **January 31, 2006**.
2. Update the Contribution Report – This is an Excel spreadsheet provided on the year-end diskette (or CD).
3. Import/Upload the Contribution Report to the *Year-End Data Processor*
4. Run Validations on the *Year-End Data Processor* to obtain preliminary warnings/errors.
5. Validate any warnings/errors using the *Year-End Data Processor* to edit the data or provide a reason to satisfy the warning.
6. Approve the data on the *Year-End Data Processor* once all warnings/errors have been validated. This must be completed by **March 31, 2006**.

The *Year-End Data Processor* was developed to enhance the efficiency of the year-end process for all concerned via a secure website. We have received very positive feedback from users and are continuing to make improvements based on your feedback. We 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 security reasons, please contact Cheryl.

Facilities have made requests to receive the Contribution Report diskettes as early as possible, to allow time to identify and resolve pensionable data errors prior to the February T4 run. This will reduce the potential for required T4 amendments due to revised Pension Adjustments. To satisfy this request, we will be forwarding the year-end package to each facility no later than December 16, 2005. As per the attached *Year-End Time Line*, the NSAHO Pension Plan **deadline of**

March 31, 2006, allows a **three (3) month window to complete the data validation and approval process on the Data Processor.**

NOTE: Pension Adjustment calculations are tied to pensionable earnings and pensionable hours. Therefore, any changes to pensionable earnings and/or pensionable hours data, necessitates a recalculation of the Pension Adjustment. Canada Revenue Agency allows for a \$50 variance before an amendment must be submitted. Any changes must be reported to the NSAHO Pension Plan.

Nova Scotia pension law (The Pension Benefits Act) requires that pension statements be provided to Plan members within six (6) months of the end of the Plan year – this is by June 30, 2006 for the NSAHO Pension Plan. In order to meet this deadline, plan staff **require that your data be loaded, validated and approved on the Year-End Data Processor, no later than March 31, 2006.** Once validated and approved, NSAHO Pension Plan staff must:

1. Process the data.
2. Address any further data questions.
3. Produce and deliver the annual member statements within the time frames required under pension law.

A common follow up data question to facilities is a request for the number of “rehab” hours worked during an LTD approval period. Rehab hours are defined as hours paid by the Employer and worked between the LTD approval start date and the LTD cease date. This information is required to calculate the correct LTD Pension Adjustment that must be reported to Canada Revenue Agency in February of each year. Therefore, we must ask for your assistance in **submitting this data to the NSAHO PP no later than January 31, 2006.** Submitting this information in a mass report will eliminate the individual requests for this information at a later date and avoid the need to process amended Pension Adjustments to CRA. Please refer to the attached *Year-End Time Line* for more details on this new reporting process.

To provide support through the year-end process there are three types of training sessions you may attend. For new administrators, we recommend Pension 101 and Data Processor 101. For those new to the Data Processor, Data Processor 101 is recommended. For seasoned administrators we are offering Data Processor 201 to provide a Data Processor refresher and review 2005 enhancements to the year-end process. If you have any questions on the 2005 year-end reporting process, or if you are interested in attending one of the training sessions, please contact Cheryl Mallett-Skelton at 902-832-8500 x246.

NSAHO PENSION PLAN

Year-End Time Line *2005 Data Collection Process*

Complete by December 1, 2005 – Ensure all outstanding Enrollment Forms, Notices of Transfer, Retirement and Death have been forwarded to NSAHO Pension Plan staff *before December 1, 2005*. It is important that the correct Employee status is on file at the NSAHO PP as at Dec 1, 2005 as the Data Processor runs various audit tests based on the Employee status code.

NOTE: Any enrollment cards received after December 1, 2005 will not be reflected on the Contribution Report or the Year-End Data Processor. If an employee made contributions in 2005 and the member does not appear on the Contribution Report, he/she will need to be added manually to both the Contribution Report and the Year-End Data Processor. Be sure to select the appropriate status code when adding the member to the Data Processor.

December 12, 2005 – The Data Processor will be open for facilities to access.

December 16, 2005 - NSAHO PP will send out the Year-End Package to facilities, via courier, which will include:

1. **Explanation of Information on Contribution Report**

This will include details of data to be provided in each column of the contribution report spreadsheet with sample calculations.

2. **Quick Reference Guides:**

Enrollment Eligibility

Pensionable Earnings

Year-end Data Processor (revised November 2005)

Accessing the Secure Communications Website

3. **Diskette (or CD) with the following files:**

i. **Excel Spreadsheet to Report LTD Rehab hours Worked in 2005**

This report must be completed and submitted to the NSAHO PP, via the secure communications website, no later than January 31, 2006. Please contact Cheryl for a Username and Password, to access the Secure Communications website, if one has not been assigned.

This report will list names of those members who were approved for NSAHO LTD benefits at some time in 2005. Input the number of Employer-paid hours worked during the LTD approval period only. (OPTIONAL: If the LTD start and stop dates are helpful, they can be provided by NSAHO PP on January 20, 2006, allowing only a one (1) week timeframe to return the completed file to the NSAHO PP. To choose this option, please contact Cheryl at cskelton@nsaho.ns.ca by January 13, 2006.)

ii. **Excel Spreadsheet to assist with Pension Adjustment calculations**

Note: 2005 YMPE = \$41,100

iii. 2005 Contribution Report

This report is in Excel format and lists all employees that were active at your facility in 2005, as on file at the NSAH0 PP by December 1, 2005. Input the 2005 year-end data for each member before loading this spreadsheet to the Data Processor.

Exclusions:

- a) Employees *working at multiple facilities may be missing* and will need to be added manually to both the Contribution Report and the Data Processor (*opens Dec 12/05*). As an alternative to repeating the Import process, data for the missing member(s) can be input manually directly into the Year-End Data Processor.
- b) Employees who *retired prior to January 1, 2005* and received retroactive earnings in 2005 will not be listed on the original 2005 Contribution Report or the Data Processor. Two reporting options are available:

OPTION 1: Add these members manually to the Contribution Report and the Data Processor (*can begin December 12/05*). Be sure to select the appropriate Status Code when adding the member to the Data Processor.

OPTION 2: Complete the *Blank Contribution Report* provided on the diskette (or CD) by inputting year-end data for members retired prior to January 1, 2005 and received pensionable retroactive payments in 2005. Submit this Excel file to the NSAH0 Pension Plan via the Secure Communications website. Please contact Cheryl for a Username and Password if one has not been assigned.

NEW

NEW

iv. Blank Contribution Report

To be used if OPTION 2 above is selected to report 2005 year-end data for members retired prior to January 1, 2005 and received pensionable retroactive payments in 2005.

v. Address Import Report

To be used if you choose to have the statements mailed directly to members. Please complete this Excel spreadsheet with the current addresses and send to the NSAH0 PP via the Secure Communication site.

NEW

Complete by January 31, 2006 – Send in report of Employer-paid rehab hours worked during the LTD approval period. (Refer to Item 3(i))

Complete by March 31, 2006 - Three (3) months to complete 5(6)-Step process:

1. Enter and/or transfer data to the *Contribution Report* – Excel spreadsheet provided.
2. *Import* Data to Year-End Data Processor
3. *Run Validations* Report
4. *Edit Data* to resolve any errors. Indicate *reasons* to satisfy warnings.
5. When all warnings/errors have been *validated* proceed to *approve* the data.
6. OPTIONAL: Employees with retroactive earnings only who *Retired prior to the 2005 payroll start date*. As an alternative to adding these members manually to the Data Processor, you can submit a separate Contribution Report for these members only, bypassing the Data Processor (refer to *OPTION 2* above). Submit this Excel file to the NSAH0 Pension Plan via the Secure Communications website. (If not previously assigned, please contact Cheryl for a Username and Password)

NEW

Complete by June 1, 2006 – If you choose to have the statements mailed directly to the employees, send in the completed *Address Import Report* provided, by June 1, 2006.

Complete by June 15, 2006 – March 31, 2006 is the deadline to have data *APPROVED* on the Data Processor. This is the completion of the *preliminary validation checks*. The data will be released to the NSAHO Pension Plan where more refined tests will be run and additional questions may be necessary. After validating and approving your data on the Data Processor, continue to work with the NSAHO PP Year-end Pension Team to resolve any further data questions as quickly as possible. **No later than June 15, 2006.**

Employers are responsible to process refunds to employees who over-contributed and collect the shortfall from those who were under-contributed. Submit/report the necessary EmployEE and EmployER contribution adjustments on your next remittance.

2005 YEAR END TIME LINE SUMMARY

December 1, 2005 cutoff

- Facilities to send in all Notices and Enrollment forms to the NSAHO PP.

December 12, 2005

- Data Processor opens

December 16, 2005

- NSAHO PP to deliver Year-end packages to facilities via courier

January 31, 2006 cutoff

- Facilities to send in report of LTD rehab hours to NSAHO PP via Secure Communications website.

March 31, 2006

- Facilities must have final data APPROVED on the Data Processor

June 1, 2006 cutoff

- Facilities who opt to have the statements mailed directly to members must send in the completed Address Import Report with up to date addresses.

June 15, 2006

- All outstanding Data Questions are to be answered and resolved so that all Pension Statements can be printed and mailed by June 30, 2006.