

Reference No. 2011-06

Date: December 13, 2011

To: All Pension Administration Contact Persons at Contributing Member Organizations

RE: 2011 Year-End Data Collection Process & Time Line



Time Sensitive
Action Required

Once again, another year is coming to a close and the year-end reporting season begins. In this regard, we are pleased to enclose details of the NSAHO Pension Plan 2011 year-end reporting process. **Please note that the deadline for the submission of your 2011 year-end data is March 31, 2012.** This provides you with a three (3) month window to prepare the 2011 Contribution Report and complete the data validation and approval processes on the Data Processor.

This reporting time line is critical to ensure 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 30th of each year.**

The enclosed CD includes updated material provided during the Pension 101 training sessions held in November 2011. Please refer to the attached Appendices for additional information.

- Appendix A – Table of Contents for 2011 Year-End CD
- Appendix B – Summary of 2011 Year-end Pension Reports
- Appendix C – Summary of 2011 Data Collection Process
- **Appendix D – Highlights of Changes**
- Appendix E – Important Reminders
- Appendix F – Usernames & Passwords
- Appendix G – Year-End Reporting Time Line

The **2011 Contribution Report** for your facility will be forwarded to you by December 15, 2011 **via the Secure Communications Website**, along with the following reports, if applicable:

- *2011 Multi-ER Report* (Due Date: Jan 6/12)
- *2011 NSAHO LTD Report* (Due Date: Feb 1/12)
- *2011 3rd Party LTD Report* (Due Date: Feb 1/12)
- *2011 Address Update Report* (Due Date: May 1/12)

To download these files refer to the *Secure Communications Website – User's Guide* provided on the enclosed CD under the Administration Resource Centre.

If you have any questions on the 2011 year-end reporting process, please contact us.

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

APPENDIX A
Table of Contents for 2011 Year-End CD

FOLDERS:

1) **ADMINISTRATION RESOURCE CENTRE – NSAHO PP - 2011**

- i. Acronyms & Definitions
- ii. Contact Information – NSAHO PP Staff
- iii. Employee Participation Guide
- iv. Non-Participating Employees Report – Reference Guide
- v. Participating Employers & Facility Codes
- vi. Pensionable Earnings – Quick Reference Guide
- vii. Secure Communications Website – User’s Guide
- viii. T4 Reporting Guide

2) **CALCULATORS - NSAHO PP**

- i. **2011 Calculators:**
 - ❖ 2011 Blended Contribution Calculator – Non-ERIP Employers
 - ❖ 2011 Blended Contribution Calculator – ERIP Employers
 - ❖ 2011 LOA Calculator
 - ❖ 2011 Pension Adjustment (PA) Calculator
- ii. **2012 Calculators:**
 - ❖ 2012 Blended Contribution Calculator – ERIP (Jan – Mar)
 - ❖ 2012 Blended Contribution Calculator – ERIP (Apr - Dec)
 - ❖ 2012 Blended Contribution Calculator – Non-ERIP (Jan – Mar)
 - ❖ 2012 Blended Contribution Calculator – Non-ERIP (Apr – Dec)
 - ❖ 2012 LOA Calculator – bi-weekly (Jan – Mar)
 - ❖ 2012 LOA Calculator – bi-weekly (Apr - Dec)
 - ❖ 2012 Pension Adjustment (PA) Calculator

3) **FORMS – Samples & Notes**

4) **MEMOS – 2011**

- i. 2011-04 - 2011 Year-end Prep Memo
- ii. 2011-05 - April 1 2012 Contribution Increase – Member Announcement
- iii. 2011-06 - 2011 Year-end Data Reporting
- iv. 2011-08 - 2012 Plan Maximums

5) **PENSION 101 PRESENTATION MATERIAL – November 2011**

6) **YEAR-END REPORTING GUIDES - 2011**

The following guides have been developed to assist you in completing each of the year-end reports and in your day-to-day administrative responsibilities.

- i. Multi-ER Report – Guide
- ii. NSAHO LTD Report – Guide
- iii. 3rd Party LTD Report – Guide
- iv. 2011 Contribution Report – Guide
- v. Data Processor – Quick Reference Guide
- vi. Address Update Report – Guide
- vii. Data Adjustments – Guide
- viii. Secure Communications Website – User’s Guide
- ix. T4 Reporting Guide

7) **2011 Year-end Reporting Timeline**

APPENDIX B

Summary of 2011 Year-end Pension Reports

I. 2011 Contribution Report

DUE: March 31/12

Use to import pension data to the Data Processor.

II. 2011 Multi-ER Report

DUE: Jan 6/12

Will only be forwarded if there are members at your facility who we expect will also have pension data reported through another Employer. The ***Multi-ER Report*** was developed to reduce the T4 amendments required for members employed at more than one participating Employer. All Employers are required to provide the completed ***Multi-ER Report*** to NSAHO PP by **January 6, 2012**. NSAHO PP staff will identify those who require adjustments to their reported pension data by February 1, 2012 so Employers can report T4 information accurately on the original T4.

III. 2011 NSAHO LTD Report

DUE: Feb 1/12

Will only be forwarded if you had members who were eligible to receive LTD benefits in 2011 through Health Association NS.

IV. 2011 3rd Party LTD Report

DUE: Feb 1/12

Will only be forwarded if your LTD carrier is confirmed as one other than Health Association NS.

V. 2011 Address Update Report

DUE: May 1/12

Optional: Use only if statements are to be mailed directly to members.

The ***2011 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 ***2011 Contribution Report – Guide***. (See the CD folder titled ***Year-end Reporting Guides***.)

As per the ***2011 Year-end Time Line***, the 2011 “validated” data must be forwarded to the NSAHO Pension Plan via the Data Processor by **March 31, 2012**. Please refer to the updated version of the reference guide to the ***Data Processor – Quick Reference Guide***. (See the CD folder titled ***Year-end Reporting Guides***.)

The following is a summary of the steps required to complete this process by March 31, 2012 (see also Appendix C for further details):

- Report all pension related data on the ***2011 Contribution Report***;
- Import the completed ***2011 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.

APPENDIX C
Summary of 2011 Data Collection Process

The 2011 Data Collection Process will work as follows:

- STEP 1:** If you received a *2011 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 6, 2012**. For more details, refer to the reference guide provided - *Multi-ER Report - Guide*.
- STEP 2:** If you received a *2011 NSAHO LTD 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, 2012**. For more details, refer to the reference guide provided – *NSAHO TD Report - Guide*.
- STEP 3:** If you participate in an ER-sponsored LTD plan other than Health Association NS, identify any members who were eligible to receive LTD benefits during the 2011 payroll year. Provide the data requested for these members on the *3rd Party LTD Report* and return this report to NSAHO PP via the Secure Communications Website, no later than **Feb 1, 2012**. The *Deemed Pensionable LTD Hours* and *Earnings* calculated by this report must be included when you are calculating the member's 2011 Pension Adjustment (PA). For more details, refer to the reference guide provided – *3rd Party LTD Report - Guide*.
- STEP 4:** Complete the *2011 Contribution Report*. For more details on each column, refer to the reference guide provided – *2011 Contribution Report – 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 *2011 Contribution Report*, import it directly to the Year-end Data Processor. For assistance, refer to the reference guide provided - *Data Processor – 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 2011 pension data to be imported, validated and approved on the Year-End Data Processor, no later than March 31, 2012.**

APPENDIX C (cont.)
Summary of 2011 Data Collection Process

STEP 7: If you elect to have the pension statements mailed directly to the members' home address, indicate this on the home page of the Data Processor. Then, by **May 1, 2012** complete the *Address Update Report* and send to NSAHO PP via the Secure Communications Website. For further details, refer to the *Address Update Report - Guide*.

STEP 8: **Your cooperation is required in resolving any follow-up data questions before June 1, 2012**, so that Plan staff 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 30th of each year.

STEP 9: Upon completion of your 2011 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 the original pension data, to determine other recalculation or reporting requirements please refer to the guide provided on the year-end CD – see *Data Adjustments - Guide* in the folder titled *Year End Reporting Guides*.

We have received 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).

APPENDIX D
Highlights of Changes

While there are no changes in the 2011 year-end reporting requirements, as you are aware there were two new calculation methods that came into effect with the first payroll for 2011 (reference Memo #2010-05 dated November 23, 2010):

- The blended contribution rate methodology; and
- The new method of calculating required contributions due on retroactive earnings to prior years.

APPENDIX E

IMPORTANT REMINDERS

Formatting of Dates:

Within the Contribution Report and throughout the Data Processor, all dates should be entered as DD/MM/YYYY.

Formatting of SIN#:

When adding members to the Contribution Report enter only the 9 digits of the SIN#; no hyphens or spaces. (The hyphens will be generated by default.)

Payroll Start and Stop Dates:

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

Leaves of Absence (LOA):

- **LOA Start** and **End Dates** must be reported in the applicable fields for **ALL** Employer-approved unpaid LOA's, including periods when **members were eligible to receive LTD** benefits through an Employer-Sponsored LTD carrier.
- When reporting **LOA Start** and **End Dates** report the actual LOA dates (not Jan 1 – Dec 31). The Data Processor will recognize the 2011 LOA period(s) as the portion of the LOA period(s) within the 2011 *Payroll Start* and *End Dates* as entered on the Home page.
- If the member **did not pay** contributions on LOA Deemed Pensionable Earnings **during** their 2011 LOA period report the LOA dates under ***LOAx PCont's WAIVED Start Date & End Date***.
- If the member **continued to pay** contributions on LOA Deemed Pensionable Earnings during their 2011 LOA period, report the LOA dates under ***LOAx PCont's REMITTED Start Date & End Date***.
- If the member was required to pay both the EmployEE and EmployER share of contributions during their 2011 LOA period, report the portion of required ***EmployER Contributions paid by the EmployEE*** in the column designated on the *Contribution Report*.

Addresses:

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

Contribution Remittance Adjustments (2011):

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. These “over” contributions identified are to be refunded to the Employee by the Employer and any “under” contributions identified are to be collected from the Employee by the Employer and remitted to the NSAHO PP when identified. Report any EmployEE and EmployER contribution adjustments separately on your next remittance as a **2011 Adjustment**.

APPENDIX E (cont.)
IMPORTANT REMINDERS

Reconciliations:

When all 2011 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 of regular 2011 contributions 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 2011 year-end adjustments.

To avoid T4 Amendments:

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 2011 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.**

APPENDIX F **USERNAMES & PASSWORDS**

Three (3) sets of usernames and passwords have been assigned:

1. To download files from the **Secure Communications Website**
(Hint: username = abbreviation of your facility name);
2. To upload files to the **Secure Communications Website**
(Hint: username = *upload*); and
3. To log in to the **Year-end Data Processor**
(Hint: username starts with *Fac*).

Usernames and passwords previously assigned continue to be active. If it is necessary to change a password due to a staff change or other security reason, please contact Cheryl Mallett-Skelton at 832-8500 ext. 246.

APPENDIX G



PENSION ADMINISTRATION *YEAR-END REPORTING*

2011 YEAR-END TIMELINE

Nov/11 - Data Processor (DP) open for preliminary data validation testing.

Nov 30/11 – DP closed & cleared. Reasons entered will not be retained. Print Validation Report to refer to during official year-end reporting process.

NOV/11 – Forward outstanding forms & notices to NSAHO PP **before Dec 1/11**.

DEC 15/11 - Data Processor re-opens for official year-end reporting process.

DEC 15/11 – Delivery of 2011 Year-end packages to facilities. **All year-end reports will be forwarded via the Secure Communications website. (LTD, Multi-ER, Contribution Report).**

JAN 6/12 – Deadline for facilities to complete pension data for employees identified on the **Multi-ER Report** and return to NSAHO PP via Secure Communications Website.

FEB 1/12 – Facilities to download the **Final Multi-ER Report** from the Secure Website;

- process the required data adjustments;
- report contribution adjustments on your next remittance form as **Adjustments – 2011**;
- report the revised pension data on the 2011 Contribution Report and Data Processor;
- update the member's 2011 T4, if applicable.

FEB/12 – Deadline for facilities to complete **NSAHO LTD Report AND/OR 3rd Party LTD Report** and return to NSAHO PP via Secure Communications Site.

JAN to FEB/12 – Complete **Contribution Report** and import to the Data Processor;

- resolve all Import Errors;
- “Run validations” to identify potential data errors;
- fix data or validate warnings with a reason;
- to avoid T4 amendments, complete validation process & adjustments before printing 2011 T4's.

MARCH 31/12 – **DATA PROCESSOR APPROVAL DAY** – Deadline for facilities to have validated or fixed all data errors identified by the Data Processor.
Deadline for facilities to complete the “APPROVE” step on the Data Processor.

MAY 1/12 – Deadline for facilities to forward the completed **Address Update Report** via Secure Communications Web Site, if applicable.

JUNE 1/12 – **DEADLINE FOR FACILITIES TO RESOLVE ALL FOLLOW-UP DATA QUESTIONS.**