



Alberta School Boards Association Supplemental Integrated Pension Plan (SiPP) Employer Manual

2022 / 2023

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Responsible Parties and Contact Names

Your contacts for matters associated with the SiPP are as follows:

Kevin Smiley, FCIA, FSA	Senior Consultant Consulting
Megan Bishop, FCIA, FSA	Consultant Consulting (on leave until 2023)
Karen Obrodovich	Consultant Administration
Sean Mekers	Senior Analyst Consulting / Administration
Sumandeep Kaur	Analyst Administration

Please contact us at asbapension@lifeworks.com.

The mailing address of the LifeWorks Vancouver office is:

Suite 400 – 411 Dunsmuir Street
Vancouver, BC V6B 1X4
Fax: (604) 632-9930

The mailing address of the LifeWorks Calgary office is:

Suite 2810 – Bow Valley Square 3, 255 – 5 Avenue SW
Calgary, AB T2P 3G6

Steps for Requesting Calculations

Pension Estimates

The following procedure should be followed when a plan member requests an estimate of a current or future pension and/or commuted value. Members are entitled to one SiPP estimate per year.

Step 1

Please complete a *Benefit Calculation Data Request Form* and email it to LifeWorks at asbapension@lifeworks.com. If the estimated date of termination or retirement is more than one year away, please also indicate the annual earnings to be used in future years.

Step 2

LifeWorks will provide an estimate of the current or future pension and/or commuted value to which the member may be entitled from the plan. LifeWorks will prepare an email outlining the estimates.

Retirement, Termination, or Death

Cessation of Membership of Active Member

The following procedure for payment of pension benefits is followed if a member retires, terminates employment, or dies. Please note that termination from the ATRF / LAPP will result in termination from the SiPP also.

Step 1

Please advise LifeWorks by email at asbapension@lifeworks.com of the retirement, termination of employment, or death of a plan member. In order for LifeWorks to calculate the plan member's entitlement, please also complete a *Benefit Calculation Data Request Form* and include the completed form in your email.

Step 2

LifeWorks will then review the particular circumstance, request additional information, and calculate the benefit to which the member is entitled from the plan. LifeWorks will prepare a Termination, Retirement, or Death Statement, whichever the case may be, outlining the benefits and the available options for payment. LifeWorks will forward all of these directly to the School Division for distribution to the plan member for completion. The Statement and forms will be sent within ten business days from the date of receipt of all necessary information, unless the member's last day of employment is beyond two months from the date of notice. In that case, the documents will be sent within two months of the member's last day of employment. Please note that the interest rates used in the calculations are not available until the month of termination. An estimate can be requested in advance of the member's termination date if required.

Step 3

The plan member will be directed to return the completed Statement and all necessary forms and documentation directly to LifeWorks. An example of other required documentation would be proof of age, proof of death, etc. Once all of the documents are received, LifeWorks will review them to ensure that all required information has been completed. If the forms have not been completed correctly, LifeWorks will return them to the plan member with advice on which areas need to be reviewed.

Step 4

Once the forms have been completed correctly, and the plan member has returned them to LifeWorks, LifeWorks will then provide the necessary instructions to the Alberta School Boards Association to authorize the payment. The payment process will take approximately 2-3 weeks from the time LifeWorks receives the completed forms from the member to the date of payment.

Death of Retired Member or Beneficiary

The following procedure for payment of benefits, or record updating, is followed if a pensioner or surviving beneficiary dies.

Step 1

Advise LifeWorks by email at asbapension@lifeworks.com of the death of a pensioner or death of a beneficiary who is currently receiving pension payments. A copy of the death certificate should be forwarded to LifeWorks as well.

Step 2

LifeWorks will then review the particular circumstance, request additional information, and determine if there is any further benefit payable to a surviving pension partner or other beneficiary.

Step 3

If there is no further benefit payable, LifeWorks will notify Manulife to stop the monthly pension payment. If there is a remaining benefit payable to either a surviving pension partner or other beneficiary, LifeWorks will determine the amount payable. LifeWorks will then provide the necessary instructions to the Alberta School Boards Association to authorize the payment to the surviving pension partner or other beneficiary, whichever the case may be.

Instructions for Preparing 2022 Pension Adjustment (PA)

For every year in which benefits accrue under a pension plan, each member of the plan must have their personal RRSP room reduced by a prescribed value of their pension plan benefits. In order to determine the reduction of RRSP room, it is the employer's responsibility to report a PA for each member of the plan on their respective T4 slips.

Each school division is responsible for the PA calculations for their LAPP or ATRF members. An additional PA in respect of the SiPP must also be calculated and filed with the Canada Revenue Agency (CRA). The SiPP PA should be calculated using the member's annualized earnings¹ for the year according to the following:

- a) Annualized earnings exceed \$190,470
PA for SiPP = \$0
- b) Annualized earnings less than \$64,900 in 2022
PA for SiPP = .006 x (annualized 2022 earnings¹) x (SiPP service in 2022²) x 9
- c) Annualized earnings in excess of \$64,900 but less than \$171,000 in 2022
PA for SiPP = .006 x \$64,900 x (SiPP service in 2022²) x 9
- d) Annualized earnings in excess of \$171,000 but less than \$190,470 in 2022
PA for SiPP = { \$3,420.00 – [.014 x \$64,900 + .02 x (annualized 2022 earnings - \$64,900)] } x 9 x (SiPP service in 2022²)
(which is equivalent to \$30,180 - LAPP or ATRF PA if the member has a full year of service)

¹ **Annualized earnings** is a calculation of the member's earnings if he/she had worked a full year.
E.g. a member worked 3 months only in 2022 and earned \$30,000. The annualized earnings are calculated as \$30,000 x 12 / 3 = \$120,000.

² **SiPP Service in 2022** means the number of months during which he/she was a SiPP member in a year divided by 12.
E.g. a member was in the plan for 3 months in 2022, the PA calculated based on an annualized earnings should be multiplied by 3 divided by 12, i.e. 0.25 years of service in 2022. Please contact us to assist with the PA calculation for any members whose SiPP service in 2022 is less than one.



Improving lives, improving business.

LifeWorks is a leading provider of technology-enabled HR services that deliver an integrated approach to employee wellbeing through our cloud-based platform. Our focus is providing world-class solutions to our clients to support the mental, physical, social and financial wellbeing of their people. By improving lives, we improve business. Our approach spans services in employee and family assistance, health and wellness, recognition, pension and benefits administration, retirement consulting, actuarial and investment services. LifeWorks employs approximately 6,000 employees who work with some 24,000 client organizations that use our services in 162 countries. LifeWorks is a publicly traded company on the Toronto Stock Exchange (TSX: MSI).

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