ELC PENSION FUND

ESTABLISHED BY UNITED EVANGELICAL LUTHERAN CHURCH IN SOUTHERN AFRICA

STEP BY STEP GUIDE TO COMPLETING THE PAYMENT FORM

This Step-By-Step guide should help to clarify the function of the payment form as well as help you to complete it correctly. These instructions are aimed at those completing the payment form using excel. If you are not using excel, calculations will have to be done manually.

This Payment Form should be completed ***before*** *making payment of your contributions for that month, in order to avoid unnecessary underpayments and resulting interest charges.*

Should you have any further questions, please don't hesitate to contact us.

DEFINITIONS

TOP BLOCK OF THE PAYMENT FORM – FUND DATA:

FOR PENSION FUND ADMINISTRATION ONLY

EMPLOYER NAME	EMPLOYER NAME	EMPLOYER CODE	C444	MONTH DUE	JULY 2018

	Member Salaries	Employee Contribution	Employer Contribution	Employer Cost
		7.5%	7.5%	4%
RECURRING TOTAL (brought forward from previous month)	R 505 000.00	R 37 875.00	R 37 875.00	R 20 200.00
MEMBER ADDITIONAL CONTRIBUTIONS				R 15 000.00
DUE:				R 110 950.00

Member Salaries: The salary total on the Pension Fund admin system, brought forward from the previous month.

Employee Contribution: The Employee Contribution of 7,5% of the ***Member Salaries*** total.

Employer Contribution: The Employer Contribution of 7,5% or 9,5% of the ***Member Salaries*** total.

Employer Cost: The Employer Contribution of 4% of the ***Member Salaries*** total***,*** in respect of death and disability insurance and admin expenses.

Member Additional Contributions: The total of the optional additional contributions as per the Pension Fund admin system, that your employees have elected to make.

Due: The total that has been calculated as payable to the Fund as per the Fund's previous month's admin system salary total.

STEP-BY-STEP INSTRUCTIONS

STEP 1:

Member Salaries
R 505 000.00

Check that the ***Member Salaries*** total is equal to the Salary Total as per your Payroll system for the same month shown on the **Payment Form**. If it is the same, proceed to **STEP 6.** If it is not equal to our total, proceed to **STEP 2.**

STEP 2: In the section directly below the top block (labeled ***ADD)*** insert any additions to your salary total for the relevant month as well as any unprocessed adjustments from prior months , which has resulted in it changing from what is on the Fund's system. This can include: New Entrants, Salary Increases, Return from Maternity Leave, Return from Temporary Break in Service and other adjustments. It may help to check the ***Contribution Report*** that was sent to you along with the Payment Form to see if there are any other additions to the salary total that need to be made that didn't necessarily occur in the current month.

	Code	Member Name	Date	Member Salary	Employee Contribution	Employer Contribution	Employer Cost
ADD							
Admissions as per codes listed below							
		Total of admissions		R -	R -	R -	R -
						Total	R -

Code: Enter a relevant code for the adjustment being made. The possible codes are listed in a box near the bottom of the payment form, as shown below:

CODES
ADDITIONS
NE = New Entrants
TI = Transfers In
SI = Salary Increase
BR = Return from break in service
MR = Return from Maternity Leave
ADDC = Additional Contributions

Date: This should be the date that this addition occurred.

Member Salary: This is the amount that this addition causes the payroll total to increase by. For a New Entrant this would be the entire salary; for a Salary Increase it would be the difference between the old and new salary.

Employee Contribution: 7,5% of the ***Member Salary*** defined above

Employer Contribution: 7,5% or 9,5% of the ***Member Salary*** defined above.

Employer Cost: 4% of the ***Member Salary*** defined above.

Total: This is automatically calculated by the spreadsheet if you are filling it in using excel. It is the total of all the contributions in the ***ADD*** section.

STEP 3: In the next section (labeled ***DEDUCT)*** insert any reductions to the salary total that occurred in the relevant month as well as any unprocessed adjustments from prior months , which has resulted in it changing from what is on the Fund's system **.**

	Code	Member Name	Date	Member Salary	Employee Contribution	Employer Contribution	Employer Cost
DEDUCT							
Withdrawals as per codes listed below							
		Total of withdrawals		R -	R -	R -	R -
						Total	R -

NB: ***Withdrawals from your payroll are those that left at the end of the previous month (or prior months and weren't submitted to the Fund timeously). These can only be taken off the Fund's system in the month after they withdraw in order to get their month-end total for payment, which can only be processed before the member is taken off the system. Even if you have submitted a Withdrawal Form for this person, you still need to show them as an adjustment on the Payment Form.***

Code: Enter a relevant code for the adjustment being made. The possible codes are listed in a box near the bottom of the payment form, as shown below:

DEDUCTIONS			
TO = Transfers out		ML = Maternity Leave	
WDL = Withdrawal		SD = Salary decrease	
RT = Retirement		BS = Break in service	
DE = Death			
DI = Disability			

Date: This should be the date that this withdrawal occurred.

Member Salary: This is the amount that this withdrawal causes the payroll total to decrease by.

Employee Contribution: 7,5% of the ***Member Salary*** defined above

Employer Contribution: 7,5% or 9,5% of the ***Member Salary*** defined above.

Employer Cost: 4% of the ***Member Salary*** defined above.

Total: This is automatically calculated by the spreadsheet if you are filling it in using excel. It is the total of all the contributions in the ***DEDUCT*** section.

STEP 4: Check the total of the ***Member Additional Contributions*** block in the top section. Does this tie up to the amount reflected on your payroll system? If not, then the adjustment for the additional contributions should be entered in the ***ADD/DEDUCT*** sections.

STEP 5: Enter any ***non-recurring*** adjustments in the bottom section, labeled, ***NON-RECURRING ADJUSTMENTS***. These could include over/underpayments from previous months, a once-

off additional contribution from an employee, or interest due on late/under payment of contributions from a prior month.

NON-RECURRING ADJUSTMENTS:	**DETAILS** (including under/over payments, single premium, e.t.c.)	DATE	Employee Contributions 7.5%	Employer Contributions 9.5%	Employer Cost 4%
			R -	R -	R -

STEP 6: Check the total reflected in the bottom box labeled ***TOTAL CONTRIBUTION PAID***. Does this tie up to the physical payment you are about to make? If not, then the ***Contribution Report*** received with the payment form should be checked against your payroll in order to find the discrepancy.

NB: The physical payment should only be made once the Payment Form has been reconciled to your payroll system with the total at the bottom of the Payment Form equal to your physical payment.

STEP 7: Make the physical payment into the Fund's bank account. Ensure that the payment is made in time. It needs to reflect in the Fund's bank account before the 7th of the month following that in which they are in respect of. Failing this, late payment interest has to be charged by the Fund. This is a requirement from our authorities.

STEP 8: Sign and submit the completed form to the Fund via email or fax as soon as payment has been made.

STEP 9: Ensure that the relevant forms have been submitted to the Fund in order to instruct us to process the necessary changes. ***The Fund cannot act on the information submitted on the Payment Form***, this form is merely a tool for checking that the data on the Fund's system and your payroll system are the same.