



SERVING TEACHERS
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A publication for partners of the Teachers' Retirement Allowances Fund

CONNECTION

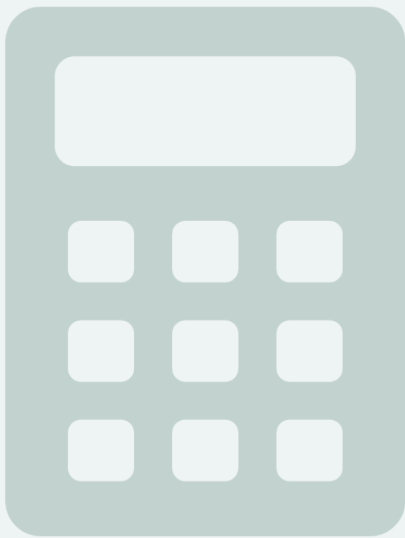
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Upcoming Online Services security enhancements

The Teachers' Retirement Allowances Fund (TRAF) will be implementing enhanced security features, including multi-factor authentication (MFA), to Online Services.

Access to your email address, or group email address, will be required to log in to Online Services. More details will be provided in the next few months.



Upcoming changes to CPP

The CRA has announced the year's additional maximum pensionable earnings (YAMPE), which will be used to determine Canada Pension Plan (CPP) contributions. The YAMPE does not affect TRAF contributions, which will continue to be 8.8% up to the YMPE and 10.4% for earnings above the YMPE.

Bringing attention to TRAF's pension

TRAF relies on school divisions and other employers for accurate pensionable salary and pensionable service information, which is used to calculate pensions and other benefits for TRAF's defined benefit plan.

Currently representing over 16,000 active members, TRAF collects contributions and receives data from 38 school divisions and 10 other employers. We aim to collect accurate, timely data with remittances balancing to contributions reported.

Pensions are calculated using a formula based on average pensionable salary and years of pensionable service. Contributions made to TRAF and the related investment earnings help to fund a member's pension, but they do not determine the entitlement.

Pensionable salary: The annual salary from the collective agreement (less annual pre-tax dental/extended health), plus allowances, plus pre-tax rebates. Must be reported to TRAF as a full-time salary.

Pensionable service: Pensionable day(s) worked and/or paid with full or partial pay.

For these reasons, it's important that the data we receive from all employers be accurate in order to best serve our members. Thank you for assisting us to achieve this objective.

Contract settlements/retro payments

When your school division settles a contract, please email us to let us know, and include the following details:

- Percentage/dollar increase for each year of the settlement.
- Month that the retroactive payments will be made, i.e., when the retroactive salary entitlements (retro earnings) will be paid to the member, and the related TRAF contributions (retro contributions) will be deducted and remitted to TRAF.
- Month that you will begin to report new salaries.

TRAF contributions must be deducted from all retro earnings associated with service that is pensionable. The TRAF contribution percentage for retro earnings is currently 10.4% for members with a salary rate above the YMPE, which applies to most members on a regular contract. The following retro earnings should not have TRAF contributions deducted:

- Retro earnings paid on maternity/parental/adoptive top-up.
- Retro earnings paid for service after a member's retirement date where the member is not accruing pensionable service.
- Any interest paid.

Note: For colleges and universities with very few TRAF members, you may choose to upload a retro report, or just advise TRAF of the correct salaries.

When advising TRAF of the settlement details for a new contract, it is important to let us know if any group received anything different, such as a higher percentage increase paid to administrators or a flat dollar amount. You will need to identify these members, if there are any.

For more information about reporting retroactive salary increases, please review the [Retroactive Salary Increases](#) document, which outlines the reporting requirements and process.

Review all current-year variances

Before you approve your batch each month, remember to check and resolve any variances over \$20. If any information that was reported is incorrect, make the correction (if the change is to the current month's information) or put a memo in the batch to advise of corrections to prior months.

When TRAF has finalized the batch, you will receive an automated email with a link to the variance edit report. In the finalized batch, review the detailed year-to-date information for any members who required a change to a prior month.

If all the information reported is 100% correct, make any required contribution adjustments on your next payroll. Large collections can be spread over pay periods up to the end of the school year, or longer if required.

As a guideline, there should be no variances over \$20 at the end of the school year.

Note: If you are adjusting contributions for the prior school year, they must be split from the regular contributions and the month must be changed to Month 6 (June).

For example: In October, you are collecting \$100 from a member for a shortage in the prior school year. The \$100 contribution should be in a record by itself, dated Month 6. This will fix the prior year variance and won't create a variance in the current year.

Contribution eligibility

TRAF administers the plan according to the guidelines set out in *The Teachers' Pensions Act* (TPA). Therefore, every member whose data you submit to TRAF must fall under the TPA's definition of "teacher."

According to the TPA, a "teacher" is someone who holds a valid Manitoba teaching certificate (or limited teaching permit/letter of authority) and who is employed by:

- A school division under a written contract in a form authorized by *The Public Schools Act*,
- A school division as a superintendent, assistant superintendent, deputy superintendent or deputy assistant superintendent, or designated as an "eligible employee" as outlined in the TPA,
- The government under the Minister of Education (i.e., Department of Education), the minister responsible for universities or the government in teaching (for these members, the ability to maintain membership is at the election of the member),
- The Manitoba Teachers' Society or the Manitoba School Boards Association and meets the criteria required for an "eligible employee" as outlined in the TPA,
- The Faculty of Education in a Manitoba university and has at least 10 years of qualifying service in TRAF (for these members, the ability to maintain membership is at the election of the member).

In particular, for each member in a senior administrative position who is not a superintendent, assistant superintendent, deputy superintendent or deputy assistant superintendent, please be clear in the comments regarding the basis for membership when communicating to TRAF (e.g., "They have a different title [such as Director], but are classified in one of the above categories," or "They have been designated as an eligible employee under the TPA").

If someone does not meet these requirements, they cannot be a member of TRAF.

Lastly, we require a Professional School Personnel (PSP) number for each member. It is acknowledged that not all new members have a PSP number; however, the PSP number must be submitted with the data once available.

For individuals who hold a limited teaching permit or letter of authority from the Minister of Education, please report service and remit contributions for the authorized period only, and upload copies of these documents through Online Services once available.

This information can also be found in your [Employer Guide](#).

Service types

The following is a summary of the service types, as well as a brief guide on deducting TRAF contributions for Service Type 222:

03 Regular contribution	123 Non-compliance substitute
43 Additional voluntary contribution	130 Retroactive contribution
74 Excess time	140 Variance contribution adjustment
77 Compliance substitute (under the YMPE)	222 Compliance substitute (over the YMPE)

222: Compliance substitute (over the YMPE)

TRAF contributions deducted from substitute earnings in excess of the YMPE and reported as service type 222 should be calculated at 8.8% up to the YMPE and at 10.4% above the YMPE. (For 2024, calculate $\$68,500/194 = \353.09 per day at 8.8%. Calculate earnings above $\$353.09$ per day at 10.4%.)

Important reminders

Update contact information

Log in to TRAF's Online Services and ensure your contact information is up to date.

Fall 2023 school division reports

Ensure your fall 2023 school division reports are uploaded, edited and approved by January 31, 2024.

Capping contributions for 2024

Members with a pensionable salary of **\$201,050** or greater in the 2024 calendar year must have their TRAF contributions capped each pay period.

Pay periods per year	Salary rate per pay period	Maximum contributions per pay period
10	\$20,150.00 and higher	\$1,981.32
12	\$16,754.17 and higher	\$1,651.10
24	\$8,377.08 and higher	\$825.55
26	\$7,732.69 and higher	\$762.05

Continue to report the full pensionable salary and number of days paid to TRAF in the usual manner. If your high earners are deducted based on pensionable days per month, their daily maximum contributions are **\$19,813.20 divided by days in the working year**.

In certain situations, members with long service will reach the 70% of salary maximum benefit permitted under *The Teachers' Pensions Act* (TPA). In this case, contributions are limited and the pension adjustment (PA) is reduced. TRAF will notify you if such a situation occurs. It is important to continue to report service and salary in the usual manner.

When members turn 71

Members who turn 71 must start collecting their pension by December of that year.

TRAF contributions should stop at the end of November and you must upload a retirement list by November 15.

Termination date

Add the termination date to your batch upload when a member terminates their contract. It is required to determine their benefit entitlement. If it is not included, we will have to request it from you later.

Over a year of service in a school year

Occasionally, members will have more than one year of service in a single school year. This happens for various reasons. The most common are:

- Working September to June full time as a teacher and then starting in July in a superintendent position,
- Substitute teaching while on full-time disability, and
- Working part of the year and then going on maternity/parental leave. The start date of the leave changes after a service purchase cost is calculated and TRAF is not notified.

Canada Revenue Agency (CRA) does not allow members to have over a year of service in a year (for TRAF, a year is the school year from August to July). Therefore, service is required to be adjusted and contributions refunded to the member. This could also result in an amended pension adjustment (PA) and T4. If a member in your school division has had over a year of service in a year, TRAF will adjust the service and refund the corresponding contributions to the member.

If applicable, TRAF will advise you of the amount by which you will have to reduce the member's PA for the year(s) indicated. You will have to notify CRA of this change with an amended T4 (if it is for a year within the past four years) or by letter advising of old and new PA amounts (if it is for a year more than four years ago).

Pension adjustment (PA)

For 2023, the maximum pension adjustment is **\$30,960** (plus an amount for additional voluntary contributions, if applicable).

Year's maximum pensionable earnings (YMPE)

The YMPE changes to **\$68,500** on January 1, 2024.

Return-to-teach rules

You must notify TRAF if a retired member returns to work within 90 days, or if a retired member is approaching 120 working days in the school year.

For more information about the impacts of the 90-day and 120-day rules, including exemptions that may apply to certain members age 65 or older, visit "[Teaching After Retirement](#)" on TRAF's website.

Quick reference guide

Active member deaths: Report date of death, days paid, pensionable salary and TRAF contributions for the current term. Provide next of kin information, if available.

Additional voluntary contributions: Report as Service Type 43 rather than Service Type 03 (regular contributions). Additional voluntary contributions should be added to the pension adjustment each year. Send TRAF a copy of the application form, which must also be re-submitted each January.

Maternity/parental/adoption leaves: These can be completed online. If the date of either leave changes from the date reported on the member's application, you must notify TRAF of the correct date as soon as possible.

Members leaving teaching: Members who plan to terminate their position for reasons other than retirement can find the [Leaving Teaching Notice and Leaving Teaching Facts](#) on TRAF's website.

Monthly batch editing: Wait until TRAF has finalized the prior month(s) before editing and approving the current month.

NSPE (non-serviceable pensionable earnings): Key in NSPE (such as acting head teacher pay) if the earnings are not uploaded with the batch.

Personal business days: Missed time with full or partial pay is pensionable. Report the full salary and day(s), and remit the required deduction on the full salary.

PSP numbers: All members of TRAF must hold a valid Manitoba teaching certificate, permit or letter signed by the Minister of Education that certifies them as Professional School Personnel (PSP). Report the PSP number or alternate acceptable documentation to TRAF for each new hire. We may contact you periodically if we identify a missing PSP number or acceptable alternate documentation.

Retirement lists: Complete when a member age 55 or older terminates their contract. Retirement lists must be submitted online by the 15th day of the month in which the member terminates. Exception: For members who are terminating their contract in June, a retirement list should be submitted by June 1.

TRAF Employer Guide: Review the [TRAF Employer Guide](#), found on the School Division section of TRAF's website, to assist you in your responsibilities as they relate to TRAF.

Contact TRAF – we're here to help!

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See TRAF's website for office hours and the full holiday schedule.



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