

<b>Administrative Procedures Manual</b>	<b>Administrative Procedure 413</b>	
	<b>Pension Plans</b>	
	APPROVED: September 2013	
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LEGAL REFERENCE:	Section 52, 53, 68, 222 Education Act Employment Standards Code Labour Relations Act Canada Income Tax Act Canada Income Tax Regulation Employment Pension Plans Act	Local Authorities Pension Plan Regulation Employees Association Collective Agreement Staff Under Individual Contract

## Background

Eligible Division employees shall have the opportunity to participate in Pension Plans.

## Procedures

### 1. Alberta Teachers Retirement Fund (ATRF)

- 1.1 All teachers under contract to the Division must, as a condition of employment, participate in the ATRF.

### 2. Local Authorities Pension Plan (LAPP)

Considering the definition of employment status categories as specified in the Local Authorities Pension Plan Employer Manual, eligibility to participate for the Division approved occupational classes will be as follows:

#### 2.1 Full-time Permanent Contract

- 2.1.1 Participation in the Local Authorities Pension Plan is mandatory and a condition of employment for employees in this category.

#### 2.2 Temporary Contract

- 2.2.1 Participation in the Local Authorities Pension Plan will not be offered to employees in this category.
- 2.2.2 In the event that an employee in this category becomes permanent, the employer will not be liable for employer contributions for this prior service in the event the employee chooses to purchase it.

#### 2.3 Part-time, Permanent Contract

- 2.3.1 Participation in the Local Authorities Pension Plan is mandatory and a condition of employment for employees in this category. Part-time employees must work an average of 14 hours or more per week.

#### 2.4 Participation in the Plan stops after 35 years of service has been accumulated.

- 2.5 If an employee moves from an eligible to ineligible employment category, or vice versa, they must terminate from the plan or participate respectively, as per pension guidelines.

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## 2.6 Probationary Period

- 2.6.1 The probationary or waiting period to be served is six (6) months when it pertains to eligibility for participation in the plan. This may vary depending on the occupational group/class that an employee belongs to. The length of the waiting period will be referenced in the offer of employment or applicable collective agreement.
- 2.6.2 Proven service with another local authority will count towards completion of the waiting/probationary period if any break in employment between the former and the current employer is less than one working day as per LAPP. If the employee has no previous service, then registration will occur upon completion of a probationary period as follows:
- 2.6.2.1 Employees' Association Members – six (6) months.
- 2.6.2.2 Professional Staff Under Individual Contract – one hundred and thirty (130) working days.
- 2.6.2.3 Executive Team – as negotiated upon hire.
- 2.6.3 Employees may buy back this waiting/probation period of six months of service once enrolling in the plan. The cost and process for this will be discussed with the employee by payroll staff upon enrollment.

## 2.7 Pension Contributions on Leave of Absence

- 2.7.1 Employees on paid leave of absence will continue contributions to the pension plan.
- 2.7.2 Employees on unpaid leave of absence such as personal unpaid leave of absence, maternity/paternity leave of absence, long-term disability have the option of contributing. Employees may contribute during the leave, or buy back the service upon return to work or once the year end costing has been generated.
- 2.7.3 Employee and employer contributions continue while an employee is in receipt of WCB payments, but not in the case of a Lifetime WCB Pensioner.
- 2.7.4 Employer contributions for all combined leaves are limited to a lifetime maximum of one year. In excess of one year, the employee may buy back the service by paying both the employee and the employer contributions

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until the maximum leave period buybacks have occurred based on LAPP policy.

3. Participants cease accruing pension credit upon reaching thirty-five (35) years of service in ATRF or LAPP.

4. Supplementary Integrated Pension Plan (SiPP)

The registered Alberta School Boards Association (ASBA) SiPP supplements existing pension plans by providing a two percent (2%) benefit per year of service. It is a defined benefit plan.

- 4.1 Executive officers of the Board (Superintendent, Secretary-Treasurer and Deputy Superintendent) may be eligible to participate in SiPP as part of their total compensation.

5. Supplementary Executive Retirement Program (SERP)

The portion of the annual salary of the executive officers of the Board (Secretary-Treasurer, and Deputy Superintendent) that exceeds the capped yearly maximum pensionable earnings of the registered pension plans may be eligible for pension benefit and will be subject to contributions by the Division to the costs of providing the Supplementary Executive Retirement Program (SERP).

- 5.1 The Division will set aside “ear marked” assets to recognize the costs of future SERP benefits.
  - 5.1.1 An expense and liability will be recorded each year based on actuarial calculations in accordance with Public Sector Accounting Standards.
- 5.2 The SERP ceases accruing at thirty-five (35) years of service under the ATRF or LAPP.
- 5.3 The liability of the Division for the pension benefit to participating executive members of the SERP will be limited to the calculated present value of the pension benefit at retirement/termination.
- 5.4 The pension benefits are only payable to the retiree or surviving spouse.
- 5.5 In the event a participating executive member dies prior to retirement, the surviving spouse will receive a lump sum payout for the participating member.

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- 5.6 The normal period for payment of actuarial benefits under the SERP is five (5) years.
- 5.7 The participant may select one of the following payout options:
- 5.7.1 Lump sum payout determined at the time of retirement/termination.
- 5.7.2 Payout of the calculated present value in equal monthly instalments over a five (5) year period (i.e. an annuity certain).
- 5.8 Payments under this plan are subject to the regulated withholding tax.