

Employer Update

This Update is important to Employers – it confirms Datacom's requirements for the collection and forwarding of Government Superannuation Fund (GSF) contributions and associated data.

GSF Members Approaching Retirement

As soon as a GSF member's retirement or cessation date is known, both the employer and the GSF member should contact Datacom immediately. Where we receive notification of a GSF member's cessation date more than 3 months after their last day of pay, payment of their retiring allowance will not be backdated to their cessation date but will be calculated to allow for the later start date.

Please communicate this to all GSF members and encourage them to contact Datacom as soon as their retirement or cessation date is known.

Leave Without Pay (LWOP)

Employers need to remind GSF members to advise Datacom of any LWOP taken as they may incur interest in the future on outstanding LWOP arrears. Members need to have continuous service and are therefore obligated to pay both member contributions and employer subsidy for LWOP periods.

GSF members should also inform Datacom of any LWOP taken in the past where GSF has not been previously advised.

Please communicate this to all GSF members.

GS1000 Form for Retiring GSF Members

When a GSF member has notified Datacom of their intention to retire we request that the employer completes a GS1000 form showing the date of retirement and salary information for the last five years. The salaries must be the superable salaries on which GSF contributions have been paid. Effective dates must take into account any backdated salary increases. It is important that this information is accurate and clearly displayed as it directly affects the calculation of members' entitlements.

Example of the salary section in GS1000 and the preferred format:

Effective Date	Salary (Fulltime equivalent)	Part time % (# applicable)
01/07/2008	\$70,000	70%
01/07/2007	\$65,000	80%
01/07/2006	\$60,000	80%
01/07/2005	\$52,000	80%
01/07/2004	\$45,000	
01/07/2003	\$45,000	

Superable Salary

Casual Employees

Employees cannot contribute to GSF if they are working casual hours. Salary must be paid regularly according to the GSF Act and casual hours are not regular.

Higher Duties Allowances

Higher duties allowances are not considered superable for GSF purposes.

Salary, for GSF purposes, means “*salary or wages paid regularly in return for services*”. It does not include bonus payments, overtime, allowances paid for special work performed, reimbursement of expenses, lump sums paid in lieu of notice, retiring or redundancy gratuities, or contributions paid for, or in respect of, employer subsidy.

Unlike KiwiSaver, most allowances are **NOT** superable for GSF purposes.

Transferring Employees

When a GSF member starts employment with you, please ensure Datacom is contacted immediately. If the member has transferred between two employers, there is often an overlap in contributions or a gap in contributions and this must be addressed.

GSF contributions must start immediately for new employees - employers cannot withhold payment and wait for KiwiSaver to be cancelled.

Employers are not obliged to make contributions to both GSF and to KiwiSaver for GSF members (refer to the July 2008 GSF newsletter).

Former Higher Salary (FHS)

Reduction in Hours not Salary

Due to a recent clarification of policy FHS elections cannot be made due to a reduction in hours.

The calculation of a Government Superannuation Fund (GSF) retiring allowance is based on three factors:

- Length of contributory service
- Average of last five years annual salary
- Age at retirement

The provisions in the GSF Act relating to contributing at a former higher salary are in place so that members who have a reduction in salary can choose not to be disadvantaged when it comes to the calculation of their last five years average salary.

For a contributor who works part time hours, the salary used in the calculation of their retiring allowance is their full time salary while the length of contributory service is adjusted accordingly to account for reduced working hours.

The Government Superannuation Fund Authority (GSFA) has determined that there is no provision in the GSF Act to allow a contributor to purchase additional service for any period during which they did not work, such as when a member works part time.

FHS Deductions

The GSF payroll file includes details of the *employee* (GSF member) contribution only. When a GSF member has a FHS election in place, the member's contributions on actual salary and on the FHS portion are included in the file.

Employer subsidy relating to the FHS portion paid by the employee should **not** appear on the GSF contribution file. Details of these payments should be sent on a separate schedule.

Payments to GSF Bank Accounts

There are two bank accounts established to receive GSF payments:

National Bank account: 06 – 0501 – 0652170 – 001

Westpac account: 03 – 0049 – 0004475 – 026

The payment type and employer classification determine which of the above two bank accounts you should credit funds to – see table below.

Payment Type	Public Money (Non-funding employers)	Non public money (Funding employers)
Employee Contributions	National Bank	National Bank
Debt Payments	National Bank	National Bank
Employer Subsidy	Westpac	National Bank
Employer Subsidy (where paid by employee)	National Bank	National Bank

Please ensure payments are made to the correct account.

Employer Subsidy Schedules

To assist with the reconciliation of payments received, Datacom require a schedule detailing employer subsidy paid on an individual employee basis.

An example of the details required is as follows:

GSF #	Name	Employee Contributions	Employer Subsidy	Less ESCT	Net Subsidy
123456	John Smith	108.33	100.00	33.00	77.00

Any employer subsidy paid by the employee (e.g. FHS subsidy) should be detailed separately.

If you are not doing so already, can you please contact your payroll provider to request and start submitting schedules to us each pay period. These schedules are to be emailed to gsfmedia@datacom.co.nz.

GSF Booklets for the New General Scheme

These booklets are available on the Government Superannuation Fund Authority (GSFA) website – www.gsfa.govt.nz.

FAQs

Questions and answers about matters of general interest with respect to GSF are provided on the GSFA website – www.gsfa.govt.nz.

Employer Newsletter & Manual

Previous copies of our newsletter can be found on Datacom's website www.datacomgsf.co.nz. A comprehensive employer manual is also available. The manual contains a wealth of information for all payroll personnel on the payment of contributions and subsidy, as well as copies of all relevant forms. If you are not sure if you have the latest version of the employer manual please visit the website.

Contact Details – for employer related information

Employer subsidy queries

Davey Ead (04) 470 6368 daveye@datacom.co.nz

Receipt of GSF contributions

Mary Uy (04) 470 6369 maryu@datacom.co.nz

Payroll media queries

Jean Mathews (04) 470 6334 jeanm@datacom.co.nz

Refund of overpaid contributions

Alicja Bialoruski (04) 470 6365 alicjab@datacom.co.nz

General information relating to employer queries

Lan Liu (04) 470 6364 lanl@datacom.co.nz

Send - payroll files, remittance advice & contribution schedules to

gsfmedia@datacom.co.nz

Contact Details – for individual member information

Datacom GSF Schemes Administration

Phone: (04) 470 6348

Freephone:

0800 654 731

Fax: (04) 470 6366

Address:

PO Box 3614 Wellington

Email: gsf@datacom.co.nz

Website:

www.datacomgsf.co.nz

Manager

Peter Lethbridge

(04) 470 6349

peterle@datacom.co.nz