

Government Superannuation Fund

Schemes Administration Newsletter

September 2014

Employer Requirements

To minimise the workload upon employers and Datacom in resolving outstanding employee and employer reconciliation issues, it is important that employers take initial responsibility by providing information and GSF payments accurately and on time.

Key points to remember:

- ✓ Provide accurate information in the payroll file immediately after the pay run. The information should include:
 - member (employee) contribution amount, - GSF member number and the full-time equivalent superable salary (p.a.)
 - effective date of the superable salary
 - part-time rate (if applicable), i.e. percentage of the full-time rate
- ✓ Ensure employee contributions are deducted from members' pay and paid to the correct GSF bank account weekly, fortnightly or monthly, depending on the employer payroll cycle.
- ✓ Apply the correct employer subsidy rate.
- ✓ Make payment of employer subsidy (which should match the totals indicated in the employer schedules) to the correct GSF bank account in a timely manner.

Employer Update

This update is important to employers – it confirms Datacom's requirements for the collection and forwarding of contributions and associated data to the Government Superannuation Fund (GSF). Further information is available on the following websites: www.datacomgsf.co.nz and www.gsfa.govt.nz

Employer Reconciliation

We would like to thank all employers who made a special effort to ensure that the information provided to GSF was accurate and timely. Your cooperation has helped us to make the process efficient and we were able to reconcile most of the accounts soon after each pay run cycle. This is a clear step towards a smooth transition to the up-coming GSF Employer Portal. Once the GSF Employer Portal is launched, it will be your responsibility as the employer to ensure that the contribution and subsidy amounts calculated by your payroll system and paid to GSF are correct. The Employer Portal will keep track of any discrepancies, which will need to be resolved. Identifying and resolving calculation discrepancies between the amounts expected by GSF and what your payroll system is calculating **now** will make transition to the Employer Portal easier.

GSF Employer Portal Update

As previously communicated, the GSF Authority commissioned an upgrade of the GSF business system for the administration of the GSF schemes, which includes development of an Employer Portal.

We last advised that we expected the new system to launch in late 2014. To allow ample time to test all features of the system and ensure all aspects are functioning accurately prior to going live, we now aim to launch the new system in late 2015.

Employers will be advised once the launch date of the Employer Portal is confirmed and will be provided with further information and training documentation in the lead up to the release date.

Definition of last day of paid service and last day of duty

GSF entitlements are payable from the day after an employee's last day of paid service (LDOPS) and we will ask for this date when any GSF member ceases employment. In recent months, we have had a number of questions in relation to the definition of LDOPS.

Last day of paid service (LDOPS)

The LDOPS is the day the employment relationship (contract) between the employer and the employee ceases. GSF contributions and subsidy must be paid up to this date. The LDOPS may include a period of leave provided this is agreed between employer and employee.

Last day of duty (LDOD)

The LDOD is the day an employee stops working on site for an employer. If the employee has agreed that they will take annual leave, then although the employee is not attending work, the employee continues to be employed under contract until the end of the period of leave.

Please ensure that you use the LDOPS for the purpose of calculating contributions and subsidy.

GSF Information Booklets

Booklets can be obtained from the GSF Authority's website: www.gsfa.govt.nz. These booklets contain information on GSF and the forms for member requests.

GSF Employer Updates

During the last 12 months we have issued several Employer Updates, which outline changes and clarifications to our requirements. Reading these updates will ensure you are complying with GSF policy. The following topics have been covered. If you are not familiar with these, please click the link to open the GSF Employer Update or visit datacomgsf.co.nz to view all updates.

Annual leave paid at a higher rate

During periods of annual leave, unless your payroll system is calculating GSF deduction amounts on the employee's regular superable salary, GSF contributions will be deducted incorrectly if the holiday average earnings rate is used. This will result in an overpayment of both member contributions and employer subsidy to GSF. [Click here for details](#)

Leave Without Pay (LWOP)

GSF members are responsible for advising GSF in advance of any periods of LWOP so that arrears of contributions and subsidy can be charged in a timely manner. Employers are not required to deduct member contributions or pay employer subsidy for the LWOP period. [Click here for details](#)

Change of employment for GSF members

The employer must ensure that new employees who are GSF members have completed a Rejoining form and had it approved by GSF if the member wishes to continue their contributions to GSF. Employers should not assume an employee is eligible to continue to contribute and should not deduct GSF contributions until advised by us. [Click here for details](#)

Contact details

As part of our service commitment to GSF employers, we ask that any queries you have in relation to GSF are referred to our finance team. If possible, please quote your GSF employer number when contacting us.

Datacom GSF Schemes Administration

Phone: (04) 470 6348 Free phone: 0800 654 731
Address: PO Box 3614, Wellington 6140

Fax: (04) 470 6366 Email: gsf@datacom.co.nz
Website: www.datacomgsf.co.nz

Disclaimer

This newsletter is a summary of some of the provisions of the GSF Act, regulations made pursuant to the GSF Act and policy decisions including those set out in the statement of policies. While every effort is made to ensure the information contained in this newsletter is accurate, it is intended as a guide only and is in no way binding on any person, and does not prevail over any applicable law or policy decision. To the fullest extent permitted by law, neither the Authority, Datacom, nor any person accepts any liability for any loss, damage, cost or expense that may arise from any reliance on any information contained in this newsletter. This newsletter does not create any legal or equitable rights exercisable by any person.