

Pension, AVC & PRSA Contributions

Quickpay allows you to setup deductions for Pension, AVC (Additional Voluntary Contribution) and PRSA (Personal Retirement Savings Account). Extra functionality specific to these types of deductions include: displaying **Employer Contributions** on the payslip, a **Remittance Statement** on the payslip, a **Pension Deduction Report** and a facility to create a **Pension Contributions file** for sending to pension providers. You should be on version 3.00 or higher of Quickpay to avail of these features.

Both the Pension Deduction report and Pension Contribution file are found within the **Reports** section. In order to show employer contributions, generate a Pension/PRSA report and display a remittance message on the payslips, you must have the following items set up:

- **Pension Link**
- **Pension / PRSA Deduction with the option of an Employer Contribution**

Pension Link

A new feature of Quickpay allows you to link one or more pension deductions to pre-defined pension schemes. This link is a requirement for displaying the employer contribution to pension on the payslip. Quickpay already has a built-in Default Pension as the first link. The Pension Link is shared among all companies that you operate, so that you can have pension / PRSA contributions from different companies all going into the one pension scheme.

- Log into a company.
- Click on **Company Setup** and select **Pension Link**.
 - If you are creating a dummy link that is not going to be used for any particular pension provider then it is only necessary to fill in a description. Please note that Quickpay will already have a “**Default Pension**” as link number 1.
 - If this link is going to be used as a valid pension scheme then fill in all details. Your pension provider will supply you with this information if you will be submitting electronic pension files.

The fields marked with * are mandatory for the purpose of creating a Pension Contribution file.

The screenshot shows a 'Pension Scheme' dialog box with the following fields and options:

- Link:** 3 (dropdown)
- Description:** PRSA (text box)
- Save** (button)
- Ignore** (button)
- Delete** (button)
- Exit** (button)
- Scheme Details:**
 - Reference Code:** IPL0242329 (text box)
 - Type:** PRSA (dropdown)
- Provider:**
 - Name:** Irish Pension (text box)
 - Address:** Main Street, Carlow, Co. Carlow (text box)
 - Email:** John.Jones@Jones.com (text box)
- Electronic Reporting:**
 - File Overdue Warning:**
 - File Name:** c:\irlpens (text box)
 - Issue frequency:** Monthly (dropdown)
 - Last Issue:** ___/___/___ (date picker)
- For electronic reporting it is important to have a different Pension Link and file name for each employer.** (note)

Fig 1: Example setup of Pension Link.

Link *: A unique number assigned to every pension link. You may have a maximum of 200.

Description *: Used to identify a pension link. This appears when you are assigning a PRSA deduction to this scheme in the Company Deductions setup menu later on.

Reference Code *: Assigned by the scheme providers to identify Pension Files that are submitted electronically.

Type: Select either Pension or PRSA as appropriate for this scheme.

Name *, Address, Email: Contact information for the scheme provider.

File Overdue Warning: Select this if you would like Quickpay to remind you that a pension file is due when setting a new period. This works in conjunction with **Issue Frequency**.

File Name: The location and name of the electronic pension file, e.g. A:\pension1.pen.

Issue Frequency: The period of time over which the Pension Report balances are accumulated. This also determines how often you are reminded to create a pension file.

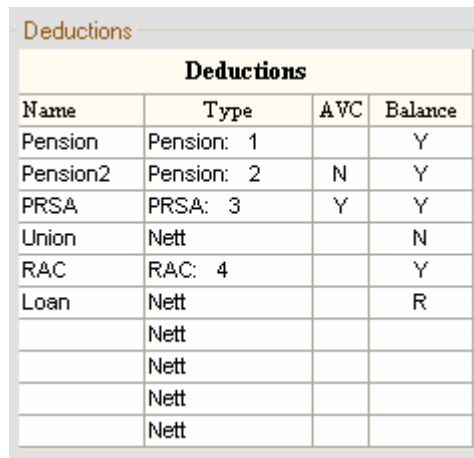
Last Issue: The date on which you last created a pension file. This is automatically inserted when you create the file.

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- Click on **Save** when you have completed the details for the pension link.

Pension / PRSA Deduction: Company Setup

- Log into the company that has the pension deduction.
- Click on **Company** and select **Payments / Deductions**.



The screenshot shows a table titled "Deductions" with the following data:

Deductions			
Name	Type	AVC	Balance
Pension	Pension: 1		Y
Pension2	Pension: 2	N	Y
PRSA	PRSA: 3	Y	Y
Union	Nett		N
RAC	RAC: 4		Y
Loan	Nett		R
	Nett		
	Nett		
	Nett		
	Nett		

Fig 2: Example setup of Pension, PRSA and AVC.

- If you are using an existing pension deduction then all you need to do is select the appropriate scheme under the **Pension** column and say whether it is an **AVC** or not.
- If you are setting up a new PRSA/pension then the following are mandatory:
 - Enter an appropriate **Name**.
 - From the **Type** drop-down menu select an appropriate scheme that was previously setup under **Pension Link**.
 - Say whether it is an **AVC** or not ('Y' or 'N').
 - Enter 'Y' for **Balance**.

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If you are setting up a PRSA/pension deduction which will calculate as a percentage of the employee's earnings, then you will also need to specify which payments should be considered for this calculation, i.e. you need to specify which payments are **Pensionable**. For example payments such as Expenses and Overtime would not usually be considered pensionable but Salary and Basic would.

- For each of the hourly payments and allowances enter a 'Y' for Yes or 'N' for No under **Pensionable** column as appropriate.
- Click **OK** when the details are complete.

Pension / PRSA Deduction: Employee Setup

- Go into **Employee Details** and call up an employee that you wish to setup a PRSA/pension for.
- Select **Payments / Deductions**.

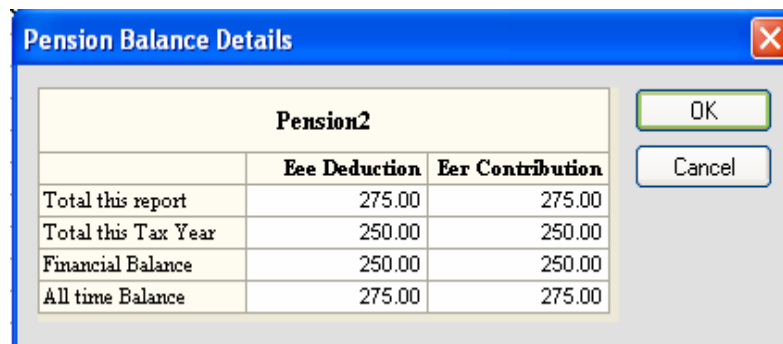
Voluntary Deductions				
Name	Amount	Balance	Er Contribution	Totals
Pension*				view...
Pension2*	25.00	250.00	25.00	view...
PRSA*				view...
Union				view...
RAC*				view...
Loan				view...

Fig 3: Example setup of Pension, PRSA and AVC in employee details.

- For each PRSA/pension deduction setup in the company you can view / amend the:
 - **Amount** – the periodic amount deducted from the employee's gross pay. Can be a set amount or a percentage.
 - **Balance** – the total deducted to date from the employee's pay.

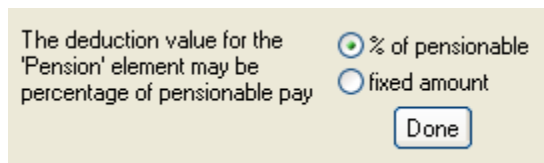
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- **Er Contribution** – the periodic amount contributed by the employer. Can be a set amount or a percentage.
- **Totals** – click the **view** button to see PRSA/pension totals over different periods of time:
 - **This Report** – the running total for the current PRSA/pension report period, i.e. the total since the last time you generated a Pension Contribution File
 - **Tax Year** – the total since January 1st, i.e. since the last Tax Year End clear down
 - **Balance** – the total amount deducted since you last used the **Clear Balances** facility in Company Payments / Deductions
 - **All Time Balance** – the total since the deduction was first setup for the employee



Pension2		
	Eee Deduction	Eer Contribution
Total this report	275.00	275.00
Total this Tax Year	250.00	250.00
Financial Balance	250.00	250.00
All time Balance	275.00	275.00

As you enter a value in either the **Amount** or **Er Contribution** fields, a pop-up dialog appears (below) giving you the option to select whether the contribution it is a fixed amount or percentage of pensionable pay.



The deduction value for the 'Pension' element may be percentage of pensionable pay

% of pensionable
 fixed amount

Done

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Select the required option and click **Done** when you have the value entered. Alternatively, you can enter a percentage simply by keying in the value followed by a percentage sign, e.g. 5%. If you want to turn off the percentage pop-up option, go to the **Miscellaneous** menu and select **User Preferences**.

Once these are in place the PRSA/pension deductions will be calculated on the payslip. These can be seen in **Timesheet Entry**. Enter the employee's pay and click on **Payslip** to see the contributions.

Pension Deduction Report

On the **Reports** menu select **Pension Deduction**. When you print or preview this report you will see employee and employer contributions for every employee. The values displayed will have the following headings:

Amount: The standard fixed amount deducted each period.

Rep. Per.: "Report Period". The running total for the current PRSA/pension report period. This value accumulates until cleared down by creating a PRSA/pension contribution output file. This should be done in accordance with the Issue Frequency of the Pension Link.

Tax Year: The total since January 1st of the current tax year.

Fin Year: Stands for "Financial Year", the running total of the PRSA/pension since the **Clear Balances** option was last run. Clearing this balance is the responsibility of the payroll operator since a Financial Year may begin at any point in the year. The Clear Balances option can be found under **Company Setup – Payments / Deductions**.

All Time Bal: The total balance since the employee first began contributing to this PRSA/pension.

Pension Contribution File Output

This feature is used for generating PRSA/pension files for sending electronically to your PRSA/pension providers and for clearing the Report Period balances of PRSA/pension deductions. Please check with your provider to see if they accept electronic contribution files.

On the **Reports** menu click on the **Pension Contrib.** button. You will be presented with a list of all available PRSA & pension schemes that are set up on Quickpay.

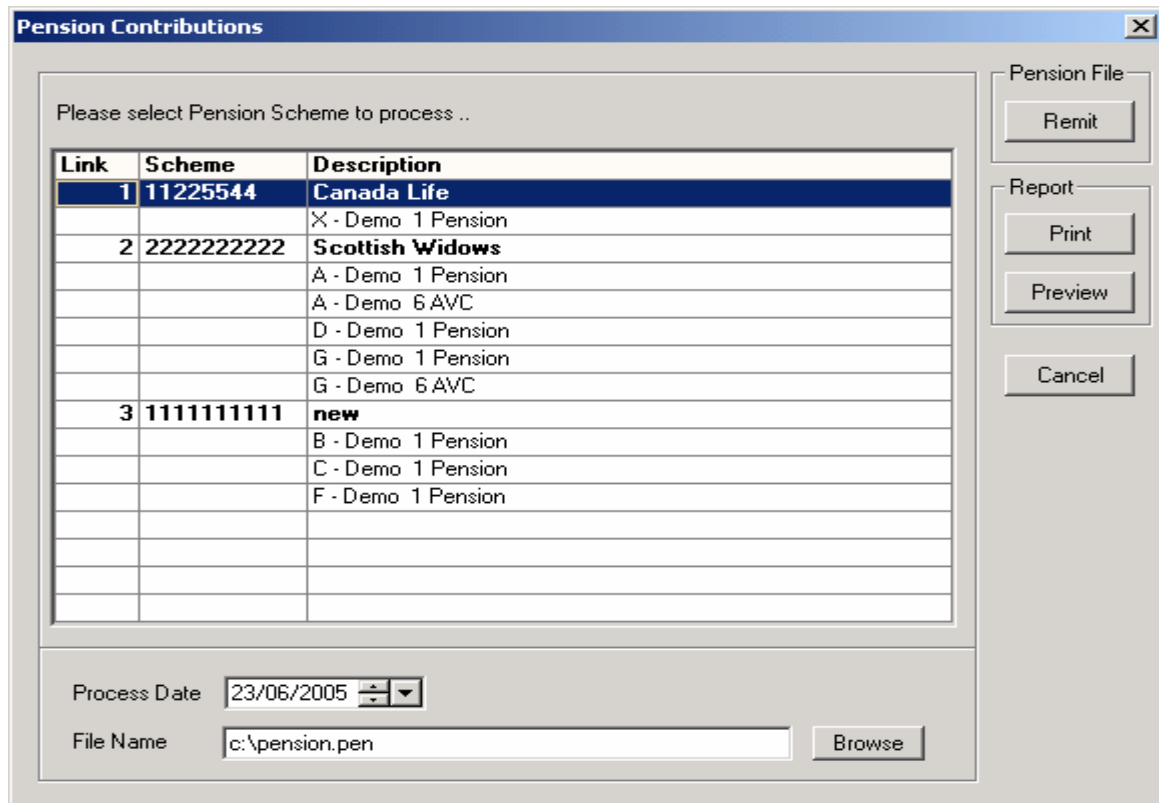


Fig 4: Example of Pension Contribution Report and Remittance menu

Under each scheme will be a list of the companies that subscribe to that scheme and the various PRSA, pension or AVC deductions that are linked to it. Select the scheme for which you want to create a contribution file.

Remit : Creates the PRSA/pension contribution file.

Print : Prints out the Pension Provider Contribution File Report. This is a summary report of the employee and employer PRSA/pension contributions and any AVC contributions to be included in the current file output. It also shows information about the scheme provider and about the companies linked to that scheme.

Preview : Displays a preview of the Pension Provider Contribution File Report.

Cancel : Closes the Pension Contributions menu without creating the output file.

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Process Date: The date on which the contributions file is due to be processed by the scheme provider.

File Name: Shows where the pension file is going to be saved and what it will be called. For example A:\PRSA1.PEN will create the file on a floppy disk (the A: drive) and it will be called PRSA1.PEN.

Once you have generated the contributions file using the **Remit** button, the Report Period balances will be cleared down **after** you set the next period and it will begin accumulating again for the next PRSA/pension report period.

For example, a weekly payroll may have a PRSA deduction that is submitted once a month. This will require the Pension Link to have an Issue Frequency that is monthly. This will mean that the Report Period balance will accumulate the PRSA and AVC deductions over each week in the month, and when the contributions file is generated the report period balances will be cleared for the next month.

If you do not generate the contributions file the Report Balances will continue to accumulate.

A reminder that the file is due will appear when setting a new period if you have activated the '**File Overdue Warning**' option on the Pension Link screen. You will also be warned of any other outstanding Pension Transfer

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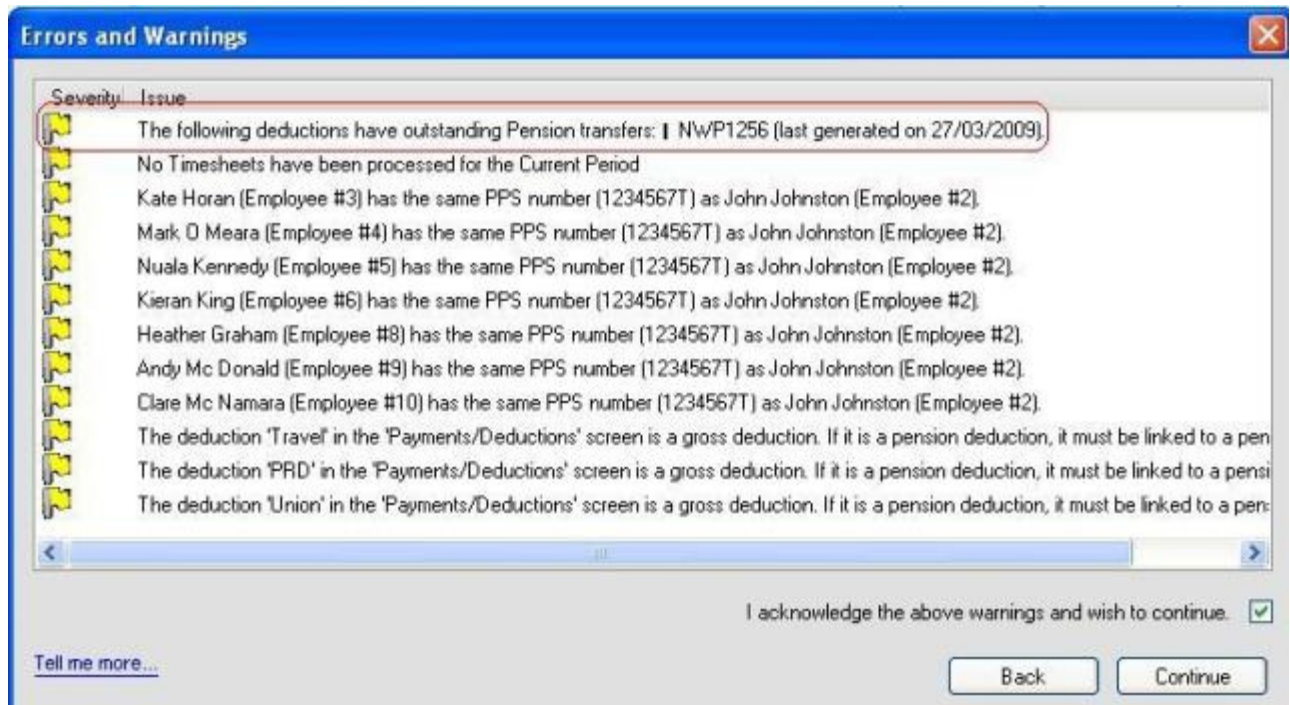


Fig 5: Example of Overdue Warning when setting a new period.

Pension Remittance Payslip Notification

Quickpay can display a **Pension Remittance Notification** on payslips to inform employees that their PRSA/pension contributions have been sent to their scheme providers. The message will display if all of the following criteria are met:

- The **Pension Remittance Notification option** is switched on.
- A **Pension Link** is set up and a PRSA/pension deduction is assigned to it.
- The **Remit** routine is run for the PRSA/pension scheme.

Note: The remittance message will *only* appear on payslips *in the period after the remittance takes place*.

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For example: a weekly payroll that remits the contributions every month. During periods 1, 2, 3 and 4 the employees pay into a pension scheme. At the end of the month (i.e. after the 4th week is run), the Pension Contribution Report is generated and the payroll operator runs the **Remit** routine. There will be no remittance message until the payslips for period 5 are printed. The payslips for period 6 will not contain the message.

- To turn on this feature open the **Company Setup** menu and select **Company Details**. Click on the **Current Period** tab and you will see a tick-box for the **Pension Remittance Notification** option.
- The **Pension Link** setup is explained earlier in this guide.
- The steps needed to **Remit** a contribution are outlined in the section titled **Pension Contribution File Output**.

Note: If you do not run the Remit routine for a scheme on time the accumulated balances for that report/remittance may have a higher or lower value than expected. If you are starting to use the Pension Contribution Report for the first time it is recommended that you run the Remit option **beforehand** so that any unwanted balances are cleared.