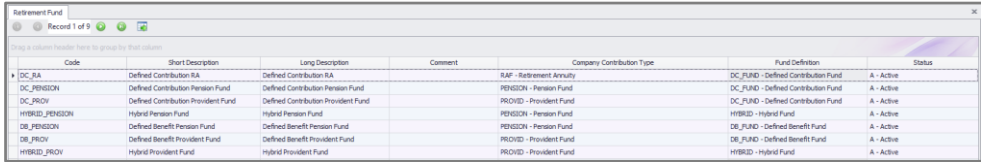
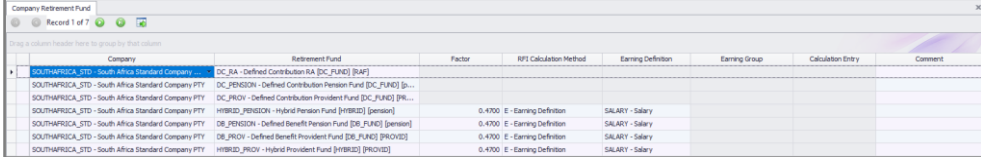


Customer Checklist Retirement Reforms



TAKE NOTE:

- This checklist is only a guideline to Retirement Reforms. You may also book a consultation.

Step	Explanation and change required	Check
1	<p>Retirement Fund</p> <p>Define all the retirement funds in your organisation on the Retirement Fund screen.</p> <p>Expand Parameters Expand Payroll Double click Retirement Fund</p>  <p>Company Retirement Fund</p> <p>Link the applicable retirement funds in your organisation to the applicable companies. This allows you define different fund factors and RFI calculations per company.</p> <p>Expand Parameters Expand Payroll Double click Company Retirement Fund</p>  <ul style="list-style-type: none"> Retirement Fund <p>Select the applicable retirement fund. This is a user-defined list. To edit the retirement fund parameter codes right-click on the drop-down list and click on Edit.</p> <ul style="list-style-type: none"> Factor <p>Enter the factor specified by the retirement fund on the contribution certificate.</p> <ul style="list-style-type: none"> RFI Calculation Method <p>The field will be mandatory for other retirement fund types. Specify the way RFI must be calculated. The options are:</p> <ul style="list-style-type: none"> Earning Definition: select this option when a specific earning on the employee's payslip must be used to calculate the RFI. Earning Group: select this option when an earning group must be used to calculate the RFI. All earnings linked to the earning group on the Earning Definition screen will be added together. Custom Calculation: select this option when a custom calculation must be used to calculate the RFI. 	

Payroll Definitions

For the retirement reform calculations to be handled correctly, the following payroll definitions must exist in the People application.

Note: If your deduction and company contribution definitions for pension or provident are already linked you only need to refer to the fringe benefit definition section.

- **Deduction Definition**

A deduction definition must be created for every pension and/or provident fund to which contributions are made irrespective of whether the employee and employer or only the employer makes these contributions. The deduction definition is used to calculate the tax-deductible amount.

Expand **Company Management**
 Expand **Payroll Definitions**
 Double click **Deductions**

- **Company Contribution Definition**

A company contribution must be created for every pension and/or provident fund deduction. The company contribution must be linked to the relevant deduction definitions.

Expand **Company Management**
 Expand **Payroll Definitions**
 Double click **Company Contribution**

Link the retirement funds defined on the Retirement Fund screen, in step 1, to the applicable Company Contributions Definitions.

Previously the RFI calculation was linked on the employee's Payroll Definition screen. The RFI calculation and the fund factor is now defined on the Company Retirement Fund screen. Therefore the applicable company retirement fund with the relevant RFI calculation and fund factor must be linked to the company contribution on the Company Contribution Definitions screen.

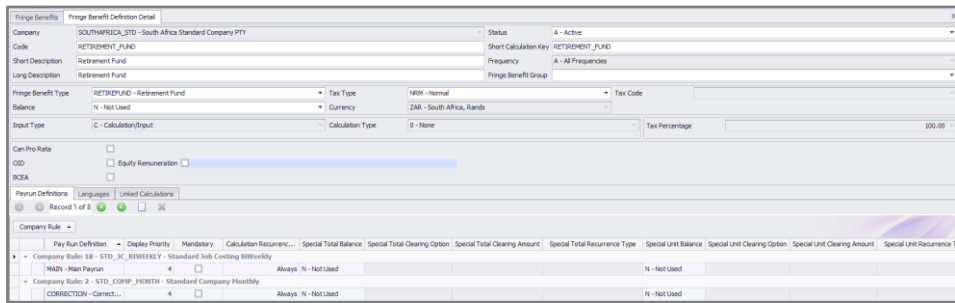
Note: The Company Retirement Fund field is mandatory for a Defined Contribution defined Benefit and a Hybrid fund.

Note: The deduction definition must be linked to a company contribution. A deduction can only be linked to one company contribution at a time. The Deduction Type and the Company Contribution Type of the linked company contribution must be the same. The Pay Run on Company Rule will be in an error state if there are deductions and/or company contributions that are not linked.

- **Fringe Benefit Definition**

You must create a single fringe benefit definition to calculate the fringe benefit values for all retirement funds. You do not have to create a definition for every fringe benefit IRP5 code. The applicable IRP5 code will print correctly on the tax certificate.

Expand **Company Management**
 Expand **Payroll Definitions**
 Double click **Fringe Benefits**



Note: The fringe benefit definition must be created before rolling over into March of the new year.

3

Pay Run Definitions

Ensure that the deduction, company contribution and fringe benefit definitions are linked to the applicable pay run(s). The pay run will be in an error state if there is no retirement fringe benefit or if the company contribution for a retirement fund does not have a linked deduction linked to the pay run.

Expand **Company Management**
 Double click **Company Rule**
 Select the applicable **Company Rule**
 Select **Pay Run Definitions**

- **Deductions:**

Ensure that the retirement fund deduction definitions are added on the applicable pay runs.

- **Company Contribution:**

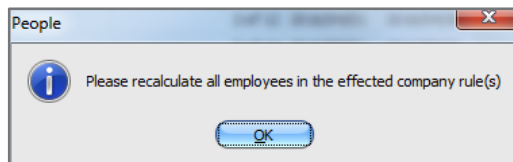
Ensure that the retirement fund company contribution definitions are added on the applicable pay runs

Note: When you add a deduction definition, which is linked to a company contribution, on the pay run the company contribution will automatically be added and vice versa.

	<ul style="list-style-type: none"> • Fringe Benefit: Add the retirement fund fringe benefit to the pay runs. If all employees in the company rule has contributions to a retirement fund, it is advisable to flag the retirement fund fringe benefit as mandatory. 	
4	<p>Recalculate It is advisable to do a recalculation for the company rule once you have made the necessary changes. The recalculation will update the employee's payslips if any of the payroll definitions were flagged as mandatory.</p> <p>Expand Company Management Double click Company Rule Select the applicable Company Rule Select Re Calc All</p>	
5	<p>Remuneration Structures If you make use of remuneration structures, you have to link the deductions and company contributions to ensure that the employees' payslips are updated correctly. If the fringe benefit is not mandatory this will have to be linked on the remuneration structure as well to ensure that the tax is calculated correctly.</p> <p>Expand Company Management Double click Remuneration Structure Select the applicable Remuneration Structure</p> <ul style="list-style-type: none"> • Deductions: Link the retirement fund deductions that will be added on the employees' payslips automatically when they are linked the remuneration structure. • Company Contributions: Link the retirement fund company contributions that will be added to the employees' payslips automatically when they are linked the remuneration structure. • Fringe Benefits: Link the retirement fund fringe benefit that will be added on the employees' payslips automatically when they are linked the remuneration structure. <p>Note: The linked definitions will not be added automatically when you refresh an existing remuneration structure. When you create a new remuneration structure the linked deduction or company contribution will be added automatically when the corresponding company contribution or deduction definition is linked.</p>	
6	<p>General Ledger: Ensure that GL account numbers are updated if new definitions were loaded.</p> <p>Expand Company Management Double click GL Setup Double click the applicable GL setup Double click Account linking Double click Refresh Account linking</p> <p>For a guide on how to link account codes on payroll definitions click here.</p>	

7	<p>Employee Retirement Fund The employee and/or employer contribute to a defined benefit or a hybrid fund you must define the retirement fund information on the Retirement Funds screen.</p> <p>Expand Employee Management Double click Employees Click on Contracts and Benefit Funds Click on Retirement Fund Click on the New button to create a new record</p> <ul style="list-style-type: none"> • Retirement Fund: Select the applicable retirement fund. • Company Contribution Type: This field will default from the Company Retirement Fund setup. • Fund Definition: This field will default from the Company Retirement Fund setup. • Fund Factor: This field will default from the Company Retirement Fund setup. • Override: Check this checkbox if you want to override the fund factor for the employee should it be different from the factor defined on the Company Retirement Fund setup. • Override Factor: This field will be enabled once the Override checkbox is checked. Enter the factor that must be used to calculate the employee's RFI. • Retired: If the employee is retired according to the fund rules no calculations must be done for the employee. Check this checkbox to indicate that an employee is retired according to fund rules. 	
8	<p>RFI and Fringe Benefit Adjustment Batch You can batch the RFI and Fringe Benefit Adjustment fields on the employees' Payslip Detail > Tax Total Retirement Funds screen.</p> <p>Expand Utilities Expand Batches Double click User Defined batches</p> <p>Add the adjustment field(s) for the applicable retirement fund.</p>	
9	<p>Backdated Adjustments Where the retirement fund setup or fund factor was defined incorrectly, and the employees' fringe benefit amounts should be recalculated you can apply the Force YTD option.</p> <p>Recalculate an Employee If you made changes to the employee's retirement fund or fund factor and the changes must be applicable from the start of the tax year you can apply the Force YTD option on the employee's payslip.</p> <p>Expand Employee Management Double click Employees Click on Payslip Details</p> <p>On the ribbon of the employee's Payslip Detail screen click on the Force YTD button. The employee's tax-deductible amount and fringe benefit value will be recalculated.</p> <p>Recalculate a Company Rule To recalculate the changes for all the employees in a company rule select the Force Average YTD option for the Live period.</p> <p>Expand Company Management Double click Company Rule Select the applicable Company Rule</p> <p>Check the Force Average YTD Calculation checkbox for the current (Live) pay period. When you save the changes, the following message will be displayed.</p>	

Company Rule Detail												
Company: SOUTHAFRICA_STD - South Africa Standard Company PTY				Company Rule Code: STD_COMP_MONTH								
Short Description: Standard Company Monthly				Long Description: Standard Company Monthly				Rule Default Indicator: <input type="checkbox"/>				
Comments:				Rule Default Currency: ZAR - South Africa, Rand				Company Rule Currency: ZAR - South Africa, Rand				
Status: A - Active												
Company Rule Details												
Pay Period Management												
Tax: ICSA Take On Periods												
Tax Year: 2020												
Period Status	Processing Status	Capture Status	Calendar Year	Calendar Month	Pay Period Number In Month	Pay Period In Tax Year	Start Date	End Date	Business Days In Pay Period	Work Days In Pay Period	Calendar Days In Period	Force Average YTD Calculation
F - Future	N - Normal	O - Open	2019	08 - August		6 of 12	2019/08/01	2019/08/31	21.00	22.00	31.00	<input type="checkbox"/>
F - Future	N - Normal	O - Open	2019	09 - September		7 of 12	2019/09/01	2019/09/30	20.00	21.00	30.00	<input type="checkbox"/>
F - Future	N - Normal	O - Open	2019	10 - October		8 of 12	2019/10/01	2019/10/31	23.00	23.00	31.00	<input type="checkbox"/>
F - Future	N - Normal	O - Open	2019	11 - November		9 of 12	2019/11/01	2019/11/30	21.00	21.00	30.00	<input type="checkbox"/>
F - Future	N - Normal	O - Open	2019	12 - December		10 of 12	2019/12/01	2019/12/31	19.00	22.00	31.00	<input type="checkbox"/>
F - Future	N - Normal	O - Open	2020	01 - January		11 of 12	2020/01/01	2020/01/31	23.00	23.00	31.00	<input type="checkbox"/>
F - Future	N - Normal	O - Open	2020	02 - February		12 of 12	2020/02/01	2020/02/29	20.00	20.00	29.00	<input type="checkbox"/>
Tax Year: 2020/2021												
F - Future	N - Normal	O - Open	2020	03 - March		1 of 12	2020/03/01	2020/03/31	22.00	22.00	31.00	<input type="checkbox"/>
F - Future	N - Normal	O - Open	2020	04 - April		2 of 12	2020/04/01	2020/04/30	21.00	22.00	30.00	<input type="checkbox"/>
F - Future	N - Normal	O - Open	2020	05 - May		3 of 12	2020/05/01	2020/05/31	20.00	21.00	31.00	<input type="checkbox"/>
F - Future	N - Normal	O - Open	2020	06 - June		4 of 12	2020/06/01	2020/06/30	21.00	22.00	30.00	<input type="checkbox"/>
F - Future	N - Normal	O - Open	2020	07 - July		5 of 12	2020/07/01	2020/07/31	23.00	23.00	31.00	<input type="checkbox"/>
F - Future	N - Normal	O - Open	2020	08 - August		6 of 12	2020/08/01	2020/08/31	20.00	21.00	31.00	<input type="checkbox"/>
F - Future	N - Normal	O - Open	2020	09 - September		7 of 12	2020/09/01	2020/09/30	21.00	22.00	30.00	<input type="checkbox"/>
F - Future	N - Normal	O - Open	2020	10 - October		8 of 12	2020/10/01	2020/10/31	22.00	22.00	31.00	<input type="checkbox"/>
F - Future	N - Normal	O - Open	2020	11 - November		9 of 12	2020/11/01	2020/11/30	21.00	21.00	30.00	<input type="checkbox"/>



Click on OK.

To complete the recalculation, click on the **Re Calc All** button on the ribbon.