



## Payroll Service Update

### Service Fee for Separate Invoicing Starts April 2012

The General Council authorized the pastoral charge payroll service in 2006, motivated by treasurers concerned about the increasingly burdensome obligations of payroll and also by ministry personnel often disadvantaged by varying administration of payroll across the denomination.

Now less than 10 percent of pastoral charges are not yet enrolled in the payroll service. With such a small number outside the payroll service, the cost per invoice has become considerable for issuing, processing payment, accounting, auditing, following up on outstanding balances, communicating, and calculating pension assessments manually. Through the payroll service provider, these processes are automated and electronically facilitated. Costs associated with the administration of the pension and benefits plans come out of premiums and contributions. The Executive of the General Council determined that it is no longer a legitimate common administrative cost to maintain this separate manual system and that administrative costs must therefore be borne by those few who have chosen to not enrol employees. **The fee for pastoral charges or ministry sites to be invoiced for Pensions and Benefits Plans remittances from the United Church will be \$55 per month, starting in April 2012.**

### How did you get that number?

The calculations for the \$55-per-month fee took into consideration the costs of the following:

- Two full-time equivalent staff positions in Ministry & Employment to support the invoice process, including troubleshooting and escalation process

- A half-time equivalent position in Finance to manage cash and related reporting requirements, auditing, and so forth
- Postage and handling to issue invoice
- Printing and paper
- Separate pension assessment processing
- Follow-up letters and handling for outstanding balances
- All communications are doubled since there is a need to produce one version for payroll service users and another for those getting an invoice

### Isn't there a cheaper way?

Yes! Enrolling in the pastoral charge payroll service is the cheaper way. The payroll service cost can be as low as \$25 per month, including year-end documentation, depending on payroll frequency. This low amount is possible because of the professional service provision, economies of scale, and electronic billing and fund transfers. You may initiate enrolment by contacting the implementation team at ADP at 1-866-383-7747, ext 7032950.

Authorized in 2006 and implemented in 2007, the payroll service is now used to pay the ministry and lay employees of more than 90 percent of the church's pastoral charges and ministry sites. Recognizing that the church's organizational structure and language are markedly different from other organizations, ADP has worked closely with Ministry and Employment on numerous fronts to make payroll services as easy as possible for treasurers across Canada, including providing

- extensive customization of forms for United Church treasurers, and
- a service centre trained for and dedicated to United Church treasurer or payroll administrator questions, which may be contacted at 1-877-377-4784.

(con't)

# Calculating Taxable Benefits: Important Notice for Treasurers Using the Payroll Service

When treasurers are calculating taxable benefits, adding benefits to income in the prescribed manner to calculated statutory deductions is mandatory. Treasurers must ensure that the payroll service provider, ADP, has the correct per-pay amount. The amount will require adjustment when there is a change to salary or family status, or when an employee approaches age 65.

At this time, our pension and benefits administrator is not yet ready to perform this calculation. When providing ADP with salary changes for 2012 on the New/Change Employee sheet, please also provide the taxable benefit amounts. Tools for Treasurers 2012, a spreadsheet developed to assist with this calculation, can be downloaded and saved on your computer. Use the Search function on either the United Church website ([www.united-church.ca](http://www.united-church.ca)) or the Church Leadership Network (<http://churchleadership.united-church.ca>):

- Search for and select “Budgeting Tools for Treasurers 2012”; next, select “Tools for Treasurers (ministry/lay)”
- To have the spreadsheet e-mailed to you, contact [MinistryandEmployment@united-church.ca](mailto:MinistryandEmployment@united-church.ca)

## Directions for Calculating and Submitting Taxable Benefits Amounts

1. Open the Tools for Treasurers 2012 spreadsheet at the Monthly Taxable Benefit for Group Insurance tab.
2. Enter the employee’s annual pensionable earnings (PE) in the yellow cell below “Excel Calculator.” (For ministry personnel, PE = annual salary x 1.4; for lay employees, PE = annual salary)
3. Convert the monthly amount to the per-pay period amount if ADP processes your pastoral charge/ministry site payroll biweekly or semi-monthly.
4. Provide the **per-pay** amount(s) required to ADP
  - using the fax cover sheet posted with the New/Change Employee sheet,\* detailing the applicable descriptor and earning code:
    - Federal Taxable Benefit for Group Insurance (TB LIF F - earning code 33)
    - Quebec only—Provincial Taxable Benefit for Group Insurance (TB LIF P - earning code 34)
    - Quebec only—Provincial Taxable Benefit for Medical Plan (TB MED P - earning code 35)
  - during the regularly scheduled input call
  - by calling ADP Client Services at 1-877-377-4784

Ministry and Employment can answer questions about this process at 1-800-268-3781, ext 3417.

\*The current New/Change Employee sheet does not have a dedicated space for these amounts; please clearly note the relevant amounts on the fax cover sheet.

## Payroll Service Update (Con’t)

### What would it cost if we enrolled three employees with ADP?

The basic fee structure depends on options such as frequency of pay, number of people paid, and the reporting options chosen by the pastoral charge or ministry site. Based on a monthly payroll frequency, using the Reports on Internet option, the annual cost (until July 2012\*) for three employees could be as low as \$253.71, plus GST/HST and, where applicable, PST/QST. The sample annual cost of \$253.71 is shown in the chart below.

Monthly Payroll Fee		Year-end Fee	
Base Processing	\$15.80	Base Processing	\$15.80
Per Employee	(\$1.05 x 3) \$3.15	Per Employee	(T4 \$2.10 x 3) \$6.30
Monthly Total	\$18.95	Postage	\$4.21
Monthly Fee x 12	\$227.40	Total Year-End Fee	\$26.31
Total Monthly Payroll Fee		+	Total Year-end Fee = \$253.71**

\*\*or less than \$22/month, plus GST/HST and, where applicable PST/QST

\*The United Church’s service agreement with ADP states that fee increases can be applied once per year, by an amount based on the increase in the Consumer Price Index as published by Statistics Canada. The fee increase is communicated directly to treasurers by ADP, well in advance of the effective date, July 1. (Refer to: <http://www.statcan.gc.ca/subjects-sujets/cpi-ipc/cpi-ipc-eng.htm>)

# Keep in Touch Reference Sheet

**Church Leadership Network** is a moderated website for all leaders in the United Church: ministry, lay, or volunteer. Join the almost 2,000 members (membership is required, but not hard to get!) by going to <http://churchleadership.united-church.ca>



## Address Updates: Benefits Plans

*(Note: The process to update your address information may be different from that for your e-mail information. See the instructions in Email Notification below.)*

**Active Members:** Contact your treasurer or payroll administrator, who will do one of the following:

- Complete the New/Change Employee sheet and fax it the payroll service provider (ADP).
- Contact the Benefits Centre directly to update the address (if not using the payroll service).

**Pensioner Members:** Contact the Benefits Centre directly at 1-866-859-5025

**“In Search of a Call”?** Contact the Benefits Centre by phone or through YBR at <http://ybrcanada.hewitt.com/ucc>. Ministry personnel in search of a call must work with the Benefit Centre directly to update addresses, or maintain benefits during a leave period.

**Other Address Lists to Update (for Treasurers or Members)**

- **Philanthropy** (United Church Foundation; Planned Giving): 1-800-268-3781, ext 3410
- **Church Records** (Ministry and Personnel): 1-800-268-3781, ext 3026

## Email Notification

*(Note: The process to update your e-mail information may be different from that for the rest of your address information. See the options in Address Updates: Benefits Plans above.)*

**Active Members or Pensioners with Benefits:** Go online at <http://ybrcanada.hewitt.com/ucc> and update the field directly, or call the Benefits Centre at 1-866-859-5025.

**Active Members or Pensioners without Benefits:** Call the Benefits Centre at 1-866-859-5025.

## On Twitter: Ministry and Employment and the United Church

Twitter ([www.twitter.com](http://www.twitter.com)) is a social networking site that features 140 character posts or “tweets,” generally a short comment along with a link, or photo (like a news ticker). The Ministry and Employment unit tweets under the ID @UCCan\_MandE about the following:

- Sharing website links to new information posted on the United Church’s website and the Church Leadership Network
- Re-tweeting information from thought leaders and respected sources on topics related to compensation, benefits, retirement, pensions, and pastoral relations
- Highlighting benefits that members may not be aware of, such as smoking cessation aids, nutrition counselling, stress management

You may also follow General Council Office under the ID @UnitedChurchCda.

Search for or associate United Church of Canada–related items on Twitter by using the hashtag #UCCan.