



TEACHERS' RETIREMENT ALLOWANCES FUND

EMPLOYER GUIDE

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Introduction

The Teachers' Retirement Allowances Fund (TRAF), established in 1925, is the pension plan for public school teachers and other eligible employees in the Province of Manitoba. TRAF collects contributions and receives data from 38 school divisions, plus other participating organizations, currently representing over 16,000 active members. From there, we manage the investments of the pension plan and provide retirement, termination and death benefits to members and their beneficiaries.

As one of our partners, we rely on you and your organization to provide accurate and timely data, such as pensionable salary and pensionable service, which we use to calculate pensions and other benefits under TRAF's defined benefit plan. It is important that all data is accurate and complete, remittances are consistent with the contributions reported, service purchase information is comprehensive and, where applicable, data for members subject to the teaching after retirement rules is reported.

This guide will provide you with information and guidelines to assist you with your responsibilities related to TRAF. Quiz questions appear throughout the Employer Guide to help you test your understanding. (The answer key can be found on page 31.)

Our Member Records staff will provide one-on-one training to new payroll administrators and periodically schedule ongoing training with your team. If you'd like to arrange a training session, contact us.



Legislative Requirements

Data reporting and contribution remittances, as well as their associated timelines, are governed by legislation, including *The Teachers' Pensions Act (TPA)* and *The Pension Benefits Act*.

Two specific subsections of the TPA set out the reporting obligations of employers:

SUBSECTION 52(6)

Each school district shall in each month make the deductions from salary mentioned in subsection (1) in respect of each teacher employed by it on the basis of the relative proportion of his salary and his Canada pensionable earnings for that month and shall remit the amount so deducted to the board before the end of the month immediately following the month in which the deduction is made.

SUBSECTION 52(7)

Each school district must provide the board with a report relating to the deductions remitted by the school district under subsection (6) and the salary and pensionable service for each teacher from whom the deductions have been made, together with any other information reasonably requested by the board. The report must be provided at such times as are specified by the board and be in an approved form.

School divisions and other employers are also responsible for providing accurate, timely and complete information to permit TRAF to calculate service purchase costs for members.



General Information

IMPORTANT DEADLINES

Monthly reporting

A data batch must be uploaded, edited and approved by the end of the following month.

Term reporting

A data batch must be uploaded, edited and approved by **January 31** for the fall term (August to December) and **August 31** for the spring term (January to July).

Retirement reporting

Information on each retiring member must be submitted through the “Retirement List” link in Online Services by the **15th of the month** in which the employment contract will be terminated. However, for any member terminating their contract in June, a retirement list must be submitted by **June 1**.

DEFINITIONS

COMPLIANCE SUBSTITUTE EARNINGS — Earnings associated with substitute service where contributions are deducted and are pensionable (contributions are either voluntary or mandatory in accordance with legislation). See page 22 for more details.

DATA BATCH — A data batch (or a “batch”) is created in the 5250 Session once a salary file is uploaded to Online Services. See definition of “salary file” below. A data batch needs to be reviewed and approved in the 5250 Session.

DAYS (OR PARTIAL DAYS) MISSED WITH PARTIAL PAY — If a member receives any pay for time missed, they must have contributions deducted as if they received full pay for the time missed and the day or partial day must be reported as pensionable service. Please also refer to “How to determine whether a day (or partial day) is pensionable” on page 10.

EXCESS TIME — For part-time members, any extra service with pay (above the expected service at the contract FTE) should be reported using Service Type 74 (“Excess time”).

NON-COMPLIANCE SUBSTITUTE EARNINGS — Earnings associated with substitute service that is not pensionable (substitute service where contributions are not mandatory and member has not voluntarily elected to contribute). See page 22 for more details.

NON-SERVICEABLE PENSIONABLE EARNINGS (NSPE) — Generally, these are earnings that are paid on a non-regular basis at a rate outlined in the collective agreement and do not form part of the annual pensionable salary (e.g., Acting Head Teacher pay or Acting Principal pay). If your payroll system does not pick up these earnings, you will need to enter them manually.

PENSIONABLE SALARY — The annual salary from the collective agreement (reduced by annual pre-tax dental/extended health premiums), plus allowances, plus pre-tax insurance premium rebates. Must be reported to TRAF as a full-time salary.

PENSIONABLE SERVICE — Pensionable day(s) worked and/or paid with full or partial pay, plus service while in receipt of disability benefits.

PERCENT OF SERVICE (POS) — This is the part-time percentage, or the full-time equivalent (FTE), if a member is employed on a part-time basis. Our system uses POS, but this document uses FTE. These terms can be used interchangeably.

SALARY FILE — A salary file is the data file uploaded for data reporting. The salary file contains information such as pensionable salary, substitute earnings and pensionable service information on each member.

YEAR'S MAXIMUM PENSIONABLE EARNINGS (YMPE) — The year's maximum pensionable earnings under the Canada Pension Plan.

5250 SESSION — The 5250 Session is the interface in which you can edit and review the data uploaded. The data needs to be approved monthly (for school divisions) or once every school term (for other employers) in the 5250 Session. This session is available through Online Services and is the option below "Salary Files Upload."



SERVICE TYPES

<p>SERVICE TYPE 3 This is the most common service type. Use this service type to report regular service.</p>	<p>SERVICE TYPE 43 Ensure any additional voluntary contributions are reported using this service type.</p>	<p>SERVICE TYPE 74 Ensure excess time for a part-time employee is reported at 100% (POS/FTE should be blank).</p>	<p>SERVICE TYPE 77 Ensure earnings and service associated with compliance substitute service is reported using this service type if the annualized pay rate is below the YMPE. Ensure the annualized amounts are reasonable.</p>
<p>SERVICE TYPE 123 Ensure non-compliance substitute earnings are reported using this service type. Ensure annualized amounts are reasonable.</p>	<p>SERVICE TYPE 130 Retro contributions due to a retroactive contract settlement should be reported using this service type (no days paid, days in the working year, salary or POS/FTE should be reported).</p>	<p>SERVICE TYPE 140 Contribution adjustments for previous years should be reported using this service type (no days paid, days in the working year, salary or POS/FTE should be reported).</p>	<p>SERVICE TYPE 222 Ensure earnings and service associated with compliance substitute service is reported using this service type if the annualized pay rate is above the YMPE. Ensure the annualized amounts are reasonable.</p>

CONTRIBUTION ELIGIBILITY

TRAF must administer the plan in accordance with the TPA, which requires every member whose data you submit to TRAF to fall under the TPA's definition of "teacher." According to the TPA, a "teacher" is someone who holds a valid Manitoba teaching certificate (or limited teaching permit/letter of authority) and who is employed by:

- A school division under a written contract in a form authorized by *The Public Schools Act*.
- A school division as a superintendent, assistant superintendent, deputy superintendent or deputy assistant superintendent, or designated as an "eligible employee" as outlined in the TPA.
- The government under the Minister of Education (i.e., Department of Education), the minister responsible for universities or the government in teaching (for these members, maintaining membership is at the election of the member).
- The Manitoba Teachers' Society, the Manitoba School Boards Association or a school division and designated as an "eligible employee" as outlined in the TPA.
- The Faculty of Education at a Manitoba university and has at least 10 years of qualifying service in TRAF (for these members, maintaining membership is at the election of the member).

For each member in a senior administrative position who is not a superintendent, assistant superintendent, deputy superintendent or deputy assistant superintendent, please be clear in the comments regarding the basis for membership when communicating to TRAF.

EXAMPLE

"They have a different title [such as Director], but are classified in one of the above categories" or
"They have been designated as an eligible employee under the TPA."

If someone does not meet these requirements, they cannot be a member of TRAF.

In addition, someone who is a member of a religious group that has as one of its articles of faith the belief that members of the group are precluded from being members of a pension plan may elect to not contribute to the plan.

It is acknowledged that not all new teachers have a Professional School Personnel (PSP) number at the time they commence employment. For these teachers, if the school division knows they will obtain a PSP number retroactive to the employment start date, data can be reported as usual, and the PSP number must be submitted with the data once available.

The employer is responsible to ensure data is submitted and contributions are remitted only for individuals who meet these eligibility requirements.

REQUIRED TRAF CONTRIBUTIONS

<p>TRAF contributions must be deducted from pensionable earnings such as:</p> <ul style="list-style-type: none"> • Regular pensionable earnings • Substitute earnings when a teacher is also under a full-time, part-time or term contract • Substitute earnings in the third and subsequent calendar years when earnings are over 25% of the YMPE for two consecutive calendar years • Substitute earnings prior to meeting the above requirement if the member elects to make contributions • Allowances (except car and cellphone allowances) • Non-serviceable pensionable earnings (NSPE) • Pensionable retro earnings (including amounts paid to retired members) if they have contributed on the service in the retro time period • Earnings for any retired member under age 65, or over age 65 with less than 15 years of qualifying service, who has worked over 120 days in the school year 	<p>TRAF contributions should not be deducted from non-pensionable earnings such as:</p> <ul style="list-style-type: none"> • Earnings received during a paid leave of absence including (but not limited to): <ul style="list-style-type: none"> - Maternity/parental/adoption leave “top-up” pay - Sabbatical leave • Car and cellphone allowances • Retiring allowances • Earnings for retired members unless: <ul style="list-style-type: none"> - Their pension is cancelled or suspended (i.e., 90-day or 120-day rules), or - Retro pay applies to service prior to retirement. • Interest on retro pay • Lump sum vacation pay for superintendents • Lump sum vacation pay for individuals employed at a college, university or the Department of Education, unless: <ul style="list-style-type: none"> - The member was employed at the Department of Education prior to July 1989. • Any other lump sum payment (e.g., bonus), unless it is part of the regular remuneration
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Calculate and remit TRAF contributions based on pensionable salary and number of pensionable days paid in each month when service is earned (with the possible exception of superintendents and members not employed at a school division).

TRAF contributions should be deducted at 8.8% for annualized salary up to the YMPE, and 10.4% for annualized salary above the YMPE.

Contributions are not required on salary above the maximum salary for which a benefit can be accrued under the *Income Tax Act*. However, the salary without limit must be reported.

Members receiving disability benefits are also not required to contribute on their disability benefits. However, if a member receiving disability benefits is partially working, contributions are required on the regular pensionable earnings.

Contributions are limited to \$1,000 per year when a member reaches the 70% maximum pension formula limit under the TPA. Service and salary must continue to be reported. Please see the “70% Maximum” section on page 23.

HOW TO DETERMINE WHETHER A DAY (OR PARTIAL DAY) IS PENSIONABLE

The following examples illustrate two different scenarios: one in which a member receives pay for missed time and one in which a member doesn't receive pay for missed time.

If a member receives any pay for time missed, the time is pensionable.

SCENARIO 1

If a teacher misses a day of work and is deducted the cost of a substitute for that day, the full day is pensionable. If the teacher's daily rate is \$400, and the substitute cost is \$150, the teacher will be paid \$250. In this situation, the full day is pensionable and should be reported to TRAF. TRAF contributions must be deducted on their regular daily rate of \$400, not on the reduced earnings of \$250.

If a member receives no pay for time missed, the time is not pensionable.

SCENARIO 2

If a teacher misses a day of work and is deducted their daily rate/per diem rate for the full day, the day is not pensionable. If the teacher's daily rate is \$400, and they are deducted \$400, the day is not pensionable. The day should not be reported, and TRAF contributions should not be deducted. If a teacher misses a half day of work and is deducted their daily rate/per diem rate x .50, the half day is not pensionable.

For example, if the teacher's daily rate is \$400 and they are deducted \$200 for the half day missed, that half day is not pensionable. Only half of the day would be reported as pensionable service, and TRAF contributions should be deducted on the earnings for half of the day.

ADDITIONAL VOLUNTARY CONTRIBUTIONS

Members can make additional voluntary contributions (as a deduction from pay) over and above their required contributions, up to the lesser of:

- 18% of their current annual salary, and
- the money purchase limit under the *Income Tax Act*,

less the current year's pension adjustment (PA) for their TRAF pension.

Direct members to the [additional voluntary contribution calculator](#) on our website (under "Active Members > Maximize My Pension"). They may start or stop additional voluntary contributions at any time.

Members must re-apply each calendar year. The application form must be completed electronically before printing. Handwritten changes to the form are not acceptable. TRAF requires a copy of the completed form.

Members cannot contribute more than the maximum amount determined by the additional voluntary contribution calculator even if they have RRSP room from prior years.

? QUIZ:

Do members still need to submit a form if they made additional voluntary contributions in 2024 and salary, FTE and contribution amounts aren't changing in 2025?



ONLINE SERVICES

Log in to [Online Services](#) with your user ID and password. Online Services includes access to:

- The 5250 Session for editing monthly/term batch details
- File uploads
- File downloads

UPLOADING A SALARY FILE

- Salary files must be in a CSV (comma separated value) format or a TXT file.
- Click “Salary Files Upload.” A dialogue box will appear allowing you to browse for the file you wish to transmit.
- Once you have selected the file, the file name will appear beside the “Browse” button. You may enter a description of the file (example: January 2025).
- Click “Upload File.”
- Once completed, the status field will show “Processed” or “Error.”
 - If the status field shows that the file has been “Processed,” proceed to editing your file (see instructions starting on the next page).
 - If there is an error, click on “Error Log” to determine where the error occurred. Go to your file, fix the error, re-save the file and then re-upload it.

UPLOADING OTHER FILES

Any file, other than a salary file, can be uploaded following these instructions:

- Log in to Online Services.
- Click “File Management.” A dialogue box will appear allowing you to browse for the file you wish to transmit.
- Once you have selected the file, the file name will appear beside the “Browse” button. You may enter a description of the file (example: Completed Maternity Leave form for J. Smith).
- Click “Send.”
- TRAF will receive an email advising that a miscellaneous file has been uploaded by the employer.

EDITING A BATCH

Once your salary file has been uploaded successfully, you can begin editing the batch.

- Click on the “5250 Session,” which will open a new tab in your web browser with a web-based 5250 Session.
- Log in with your 5250 Session user ID and password. This password changes periodically so it may be different than your Online Services password.
- Choose “Option 1.”
- You will see information on the most recent batch uploaded. Type “X” and press enter to proceed.
- Select the batch you wish to edit. (Press F9 to view a list of previously finalized batches.)
- Edit your batch using the [Edit Program Checklist](#) on our website.

In instances where you are adjusting a salary (not as a result of a regular contract settlement) or FTE back to a prior date, TRAF contributions must be adjusted as well.

It is extremely important that you notify TRAF of any retroactive salary or FTE changes so that we may update the member’s file accordingly.

EXAMPLE

In December, you are advised that a teacher should have received an increment effective September of that year. When you are making the salary adjustment, calculate the TRAF contributions (you may use the TRAF contribution calculator) that should have been paid from September to November based on the corrected salary, calculate the difference between what was deducted and what should have been deducted, then make the appropriate adjustment to the TRAF contributions. You could also wait until TRAF has finalized the December batch and sent you the Variance Edit Report. The adjustment can be made on their January pay.

RETIREMENT REPORTING

If a member is 55 years of age or older, or will be turning age 55 and is terminating their contract, you must submit a retirement list through Online Services by the 15th of the month in which their employment contract will be terminated (remember to include members who are substitute teaching, or who have been on a leave of absence or disability).

However, for members who are terminating their contract in June, you must submit a retirement list by June 1.

Remember to include any excess time, substitute time, variance adjustments or retro contributions that were also paid in the term. They must be reported as separate records. Do not make any adjustments to contributions (i.e., any variance adjustments after the retirement list has been sent), unless you advise TRAF.

CONTRACT SETTLEMENTS AND RETROACTIVE CONTRIBUTIONS

Once a contract has been settled, please advise us by email and include the following details:

- Percent/dollar increase for each year of the settlement
- Month that the retroactive salary amounts will be paid
- Month that the contributions associated with retroactive salary amounts will be remitted to TRAF
- Month that you will begin to report new salaries

When advising TRAF of the settlement details for a new contract, it is important to let us know if any individuals or service types are treated differently (i.e., Service Types 123, 77 and 222; NSPE; and superintendents and other senior administrative positions). You will need to identify these members, if there are any.

Earnings subject to TRAF contributions

All regular retro pensionable earnings (unless noted under “Exceptions” below) and retro earnings associated with Service Type 222 substitute earnings are subject to TRAF contributions at the current contribution rate of 10.4%. All retro earnings associated with Service Type 77 substitute earnings are subject to TRAF contributions at the current contribution rate of 8.8%.

Exceptions:

1. Members whose contributions have been limited to \$1,000 per year (i.e., members affected by the 70% maximum).
2. Salary that exceeds the maximum salary (please refer to the TRAF contribution calculator available on our website) prior to retroactive salary adjustments.

Earnings not subject to TRAF contributions

- Retro earnings paid on maternity/parental/adoption “top-up” pay
- Retro earnings paid for service after a teacher’s retirement date (unless pension is cancelled or suspended due to the 90-day or 120-day rule)
- Retro earnings paid for periods of employment after pension commencement for a member age 65 with 15 years of service
- Retro earnings paid for periods of employment after December 1 of the year when a member turned age 71
- Interest on retro earnings

Retro contributions must be reported as Service Type 130.



QUIZ:

Are retroactive TRAF contributions required to be collected from all substitute teachers after contract settlement?

REMINDERS

- If a member has a salary or FTE change during the current month, the record must be “split” into two or more records. While editing a batch in the 5250 Session, excess time can also be added using the “split” function (which is easier than adding a separate record).
- If a member has a salary or FTE change prior to the current month, details of the change and the effective date must be provided by entering a miscellaneous comment on the record. Keep comments clear and concise, keeping in mind that anything entered as a miscellaneous comment will go into the member’s file.
- When a substitute teacher gets a retroactive teaching contract, you should adjust substitute earnings and days paid if those substitute records are in the current batch.
- If the member’s coverage in the pre-tax benefit plan(s) is changing, we do not need a specific reason. Indicate that they have a change in benefit coverage and the effective date of the resulting salary change.
- Monthly batches should be kept up to date to take full advantage of the Variance Edit Program.
- Update your contact information through Online Services whenever there is a change.
- Each year, you are required to confirm the school days on the default calendar are correct or edit if your division has different days.



Service Purchases

GENERAL INFORMATION

TRAF members have the option to purchase service to increase their pensions. TRAF requires specific information to perform the necessary calculations. The information is gathered through the appropriate service purchase application.

SERVICE PURCHASE TYPE	APPLICABLE FORM
Service purchase during maternity or parental/adoption leave	Online Services
Service purchase after maternity or parental/adoption leave (within 18 months)	Online Services
Five-year conversion	Service Purchase Application
Educational leave	Service Purchase Application
Refunded service	Service Purchase Application
Service purchase after maternity or parental/adoption leave (after 18 months)	Maternity/Parental/Adoption Leave Application
Other past service*	Past Service Purchase Application
Substitute service	Substitute Service Purchase Application

*Other past service:

- Service while employed under the Minister of Education or the minister responsible for universities (with a valid teaching certificate during such time)
- Service while employed with the Faculty of Education at a Manitoba university, including an eligible sabbatical leave (with a valid teaching certificate during such time)
- Service as a clinician while employed by a school division before 1981 (with a valid clinician certificate during such time)

The sections below highlight a few service types that may be purchased in accordance with the TPA and provide guidance on completing a Service Purchase Application. The application must be completed entirely. The information provided by you is crucial to ensure the calculations are performed in accordance with the TPA. Where all requested information cannot be provided, TRAF is unable to calculate a cost to purchase service.

MATERNITY, PARENTAL AND ADOPTION LEAVES

It is important that you confirm which part of the leave is maternity leave and which part is parental/adoption leave, because the cost to purchase maternity and parental/adoption leaves is different. This will be based on the collective agreement and how you grant the period of leave as the employer.

Whether or not a member is currently employed with your organization, we will need the following information from you regarding the leave:

- Confirmation that a leave of absence was granted
- Confirmation that the member did not terminate their contract
- Current annual salary rate
- Beginning and end dates of the maternity and/or parental/adoption leaves

Currently, members have three options to purchase their maternity or parental/adoption leave directly with TRAF. The formula used to determine the cost to the member is different under each option.

OPTION 1: SERVICE PURCHASE DURING THE LEAVE

- The member must initiate this process at least two months prior to the expected start date of the leave by using Online Services.
- The employer must confirm information such as the dates of the leave and the member's salary directly prior to their leave start date.
- If the dates of the leave change, the employer should notify Member Services immediately and amend the date information through Online Services.

OPTION 2: SERVICE PURCHASE AFTER THE LEAVE (within 18 months)

- A member has up to 18 months after the end of the leave to apply to purchase service under this option.
- The member must initiate this process by using Online Services.
- The employer must confirm information such as the dates of the leave and the member's salary at the date of application, or the first day after the leave, whichever is later.

OPTION 3: SERVICE PURCHASE AFTER THE LEAVE (after 18 months)

- After 18 months, Online Services is not used to apply for service purchase.
- The member must submit the Maternity/Parental/Adoption Leave Application to the employer.
- The employer must complete the form, confirming information such as dates of the leave and the member's current salary rate.

Before you can process maternity and parental/adoption leaves through Online Services, you will have to set up the parameters your organization uses for these leaves based on the collective agreement. Once they are set up, you only have to update them if there is a change in the collective agreement, although we encourage you to review them periodically.



QUIZ:

If a member would like to purchase service for an upcoming maternity leave and make payment during the leave, which form should I ask the member to use?

How does TRAF determine the split between maternity and parental leave?

SUBSTITUTE SERVICE

To initiate a request to purchase substitute service, the member must submit a Substitute Service Purchase Application to each applicable school division. Divisions must return the completed form to Member Services and provide a copy to the member for their records.

The following information is required:

- Number of days broken down by term
- Earnings for these days
- Current annual salary rate

If you have been reporting Non-Compliance Substitute Service (Service Type 123), you will only need to look up information that has not been reported to TRAF. We strongly encourage Non-Compliance Substitute Service information to be reported.

Here are a few important notes to keep in mind when completing a Substitute Service Purchase Application:

- In order for a calculation to be performed, we require a breakdown of the days worked by term (spring term or fall term) and the earnings associated with the specific term. Be sure to fill out the year, term, earnings and number of days substituted.
- If the member is no longer employed, a full-time contractual salary rate for the current year (if they were to be still employed) is required for us to complete a calculation.
- Members can only purchase days that they have not yet made contributions on. Therefore, days or earnings listed on the application cannot include days on which they have already made contributions.
- Forward the completed form directly to us and provide a copy to the member for their records.
- We are unable to accept partially completed forms. Please fill it out thoroughly.
- If you require more space to provide salary and service information, use the [Substitute Service and Earnings Information form](#).

EDUCATIONAL LEAVE

To initiate a request to purchase educational leave, the member must submit a Service Purchase Application to the employer. The employer must return the completed form to us and provide a copy to the member for their records.

A member can purchase service for a period of educational leave if they attend a recognized educational institution during the leave. The leave should be designated as an educational leave, and the leave cannot be purchased until the member returns to teach on a regular recurring basis.

For a member to purchase an educational leave, we require you to confirm:

- The period of the leave.
- The date the member returned to teach after the leave.
- Annual salary rate when the member returned to teach.
- The current annual salary rate, FTE and the contract year.

FIVE-YEAR CONVERSION

Members can increase their pension for service earned prior to July 1, 1980 by opting to convert the service to be based on a five-year average formula. If a member is interested in a five-year conversion, the Service Purchase Application needs to be completed and submitted to TRAF by the member. No further information is required from you as the employer.

REFUNDED SERVICE

Members can increase their pension by purchasing previously refunded service. If a member is interested in reinstating service, the Service Purchase Application needs to be completed.

PAST SERVICE

Members can increase their pension by purchasing past service. If a member is interested in purchasing the following past service, the Past Service Purchase Application needs to be completed.

- Service while employed under the Minister of Education or the minister responsible for universities
- Service while employed with the Faculty of Education at a Manitoba university
- Service as a clinician while employed by a school division before 1981

For a member to purchase past service, we require you to confirm:

- Period(s) of service eligible to be purchased
- Beginning and end dates of the leave
- Service and earnings during the leave
- Whether pension contributions (other than CPP) were made on those earnings
- If pension contributions were made, whether any pension contributions have been refunded to the member
- Current salary rate, FTE and the contract year

Please note that we are not able to accept partially completed forms.

TAX REPORTING

When a member purchases a period of leave (maternity, parental/adoption or educational) relating to the current tax year, the employer is responsible for reporting a pension adjustment (PA) that includes this purchased service.

To facilitate the reporting of total PAs, TRAF sends a letter to employers each January that lists members who have made current service purchases during the prior year, and the additional PAs generated from these current service purchases. Employers should add this additional PA to the PA that their system has generated and report this as the total PA amount.

Service purchase applications made by April 30 of the year after the leave ends will impact a member's PA for the prior year. TRAF sends another letter to employers each May that lists members who have made current service purchases from January through April, and the additional PAs generated from these current service purchases. Employers should add this additional PA to the PA reported to the prior year and report an amended PA.

If service for prior years is purchased after April 30, TRAF will calculate and report any past service pension adjustment (PSPA). In these cases, there is no action required from the employer.

? QUIZ:

When providing information on the period of substitute service to be purchased, can an employer provide service information for a period of time when TRAF contributions have been remitted?

Member Life Events

DISABILITY

Service while in receipt of disability benefits may count as pensionable service. Short-term and long-term disability coverage is generally provided by The Manitoba Teachers' Society Disability Benefits Plan (MTS DBP), who provides TRAF with monthly service and salary information.

When you receive confirmation of the disability claim, please ensure that the benefit start date and salary are correct. If not, please advise us and MTS DBP. We will calculate a PA and issue a T4A to members who are on disability.

Disability coverage for superintendents and other senior administrative positions (or for employees of colleges or universities) may be under a different plan, so please inform us if a member goes on disability.

DEATH

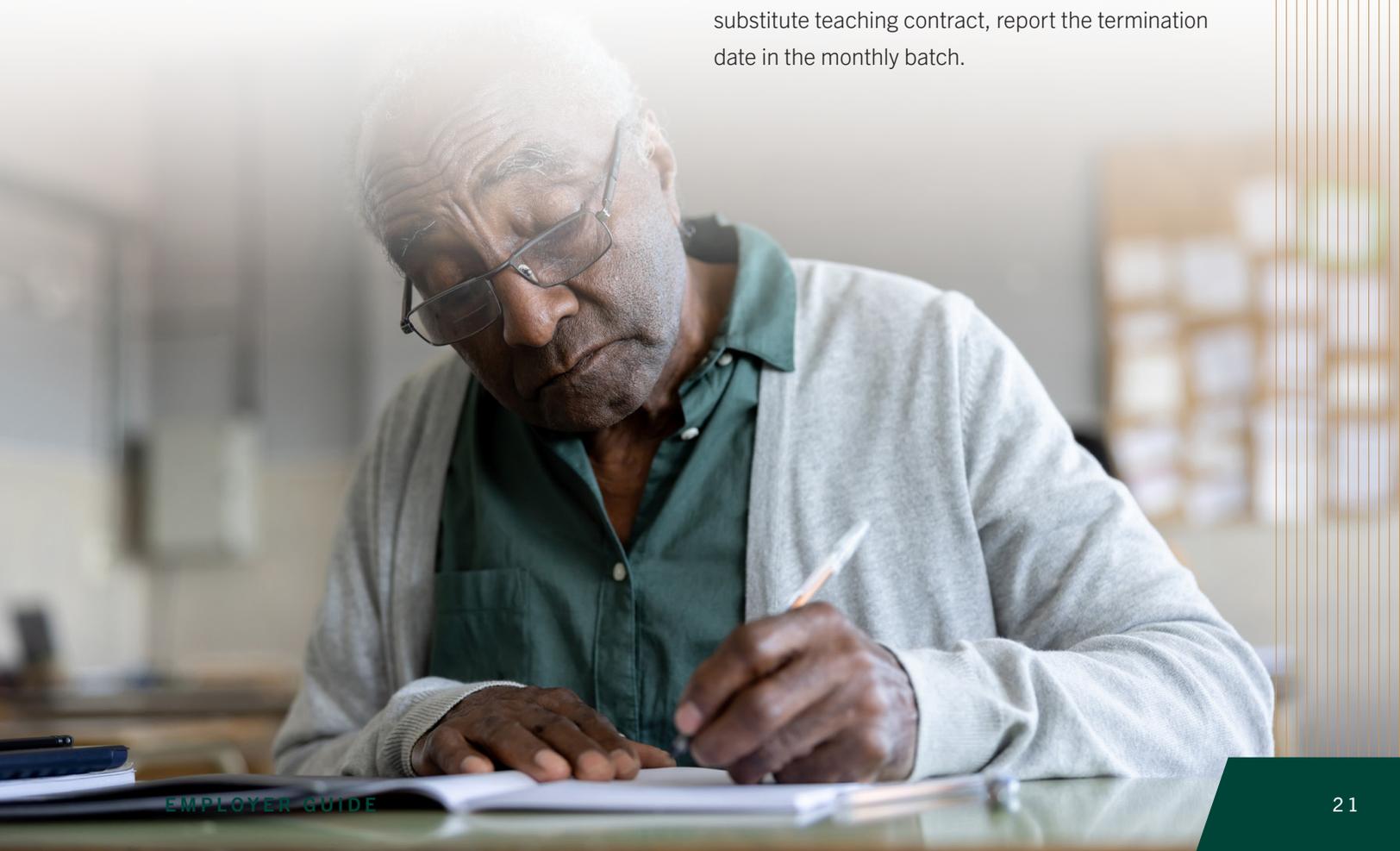
If an active member passes away, please complete the [Active Teacher Death](#) form located on our website. TRAF will require the following information:

- Name
- SIN or PSP number
- Date of death
- Current term information including days paid, FTE, annual salary and TRAF contributions
- Next of kin information, if available

Upload the completed form through Online Services under the File Management link.

TERMINATION

If an active member terminates their regular or substitute teaching contract, report the termination date in the monthly batch.





Special Rules

SUBSTITUTE SERVICE

For substitute teachers, the following rules apply:

- If the individual is employed under a full-time, part-time or term contract and is also concurrently employed as a substitute teacher within the same school division, contributions are required for this substitute service. Therefore, service is recognized under the plan.
- An individual who was employed under a full-time, part-time or term contract who is subsequently employed as a substitute teacher with no concurrent full-time, part-time or term teaching service may continue to be a member of TRAF by contributing for substitute service, but this is not mandatory unless the teacher has earned at least 25% of the YMPE for two consecutive years (inclusive of employment prior to becoming a substitute teacher).
- Once the substitute teacher has earned at least 25% of the YMPE for two consecutive calendar years, contributions are required in all subsequent calendar years from that school division. In order to determine whether a teacher has earned at least 25% of the YMPE, earnings from any teaching employment (i.e., full-time, part-time, term or substitute) from that school division is included.
- If the teacher has earnings in relation to a previous contract, such earnings would be included for determining when mandatory contributions are required.
- You are encouraged to report all substitute days in the non-compliance report.

PART-TIME MEMBERS WITH AN ALLOWANCE AT A DIFFERENT FTE THAN THEIR CONTRACT

If a member's contract is less than 100% and their allowance is at a different percentage, the allowance must be broken out of the pensionable salary and reported as NSPE.

If a member was at 100% FTE and went on partial disability (e.g., 50% disability, 50% regular employment service), the above does not apply.

EXAMPLE

80% contract with 50% of an allowance

Full-time pensionable salary	\$75,000
Annual full-time allowance: \$7,500 but paid at 50% =	\$3,750
Pensionable salary to be reported	\$75,000
NSPE to be reported each month: $\$3,750 / 10 \text{ months} =$	\$375 each month

If the allowance is not being paid for the full year, calculate the daily rate.

For example, if there are 193 days in the school year, report $\$3,750 / 193 = \19.43 per day.

70% MAXIMUM

The TPA indicates that the maximum pension benefit a member may receive is 70% of the average salary used in the pension formula. Under the *Income Tax Act*, when a member reaches the maximum benefit under the plan formula, the resulting PA for that year is reduced or eliminated because the member is no longer accruing a benefit for additional service.

As the employer, you are required to send an amended T4 to the member and a copy to Canada Revenue Agency. Note that adjusted PAs are required for previous years in certain cases. TRAF will assist you by providing amended PA amounts for any affected members.

The contribution amounts for these members are also limited to \$1,000 for the years where the PA is zero.

Please note that it is important that you continue to report service and salary for these members.

Returning to Teach After Retirement

Reporting under the 90-day rule and 120-day rule is time sensitive. Prompt reporting allows TRAF to cancel or suspend pension payments in a timely manner and avoid overpayments.

Note that both the 90-day and 120-day rules do not apply to members who are age 65 and older with at least 15 years of qualifying service, or after November 30 of the calendar year in which the member turns age 71 regardless of service.

90-DAY RULE

Members who retire and return to work under a regular teaching contract within 90 calendar days of retirement cannot receive a TRAF pension because they are not considered to be retired, according to the TPA. As a result, their pension will be cancelled, they must repay any pension payments already received and they must resume contributing to TRAF.

Please advise Member Services if a retired member works under a regular contract within 90 days after retirement. Note that this rule does not include substitute teaching contracts. A member may substitute teach within the first 90 days after retirement.

If a member returns to work at a college, university or the Department of Education, they are exempt from the 90-day rule unless an “Election to Continue TRAF Membership” was previously completed and is in effect.

? QUIZ:

A member retired on June 30 after turning age 60. Can they sign a regular teaching contract effective September 15 of the same year?

120-DAY RULE

Retired members can receive monthly pension payments and work for a maximum of 120 days within a school year (July 1 to June 30), at which time legislation requires that the member's pension be suspended.

How to count days to determine when the member will reach 120 days:

- Teaching 50% of a day or less counts as a half day
- Teaching more than 50% of a day counts as a full day
- Substitute service and excess time, including service in the first 90 days, must be included in determining when 120 days is reached

You are encouraged to report all days worked in the non-compliance report, to assist TRAF with identifying members working in substitute positions at multiple school divisions after retirement.

If a member returns to work at a college, university or Department of Education, they are exempt from the 120-day rule unless an "Election to Continue TRAF Membership" was previously completed and is in effect.

Contact Member Services as soon as you determine that a retired member may reach 120 days. TRAF requires the following information:

- Start date of contract
- Percentage of contract
- Details of working schedule if known (working a morning or afternoon may be considered more than a half day)
- Missed days without full pay
- Expected date the member will "retire" again
- Substitute teaching days or excess time worked

We will send a letter to the member advising that their pension will be suspended effective the 121st day. We will also confirm the 121st day by letter to the employer.

If a member (with 15 years of qualifying service) turns age 65 before the 121st day, their pension is not suspended. If a member turns age 65 after the 120th day, they will have their pension suspended until the month following their 65th birthday. At that time, the initial pension will be reactivated and the second benefit will be paid unless the member elects to continue to contribute.

If a member reaches the 120th day (including substitute and excess time), you must start deducting contributions on the 121st day. TRAF will suspend the member's pension.

When the member subsequently terminates their contract, you will need to complete a retirement list and report the days worked beyond the 120 days. The member is again subject to the 90-day rule and the 120-day rule.

If the member's contract is not terminated in June, they must continue to contribute in the next school year.



QUIZ:

Are TRAF contributions required on the 120th or 121st day?



SPECIAL RULES FOR MEMBERS OVER AGE 65

If a member works past age 65 and has at least 15 years of qualifying service with TRAF, they can start receiving their pension without having to terminate their contract and contributions are no longer required. They may also elect to continue to contribute.

TRAF will advise you to submit a retirement list for members who commence their pension. The final term pensionable information is required even though they are continuing to work. Contributions should stop on the last pay period in the month in which they turn age 65.

If a member works past age 65 and does not have at least 15 years of qualifying service with TRAF, they must contribute to TRAF until they attain 15 years. At that time, they can start receiving their pension and stop contributions without terminating their contract, or elect to continue to contribute.

SPECIAL RULES FOR MEMBERS TURNING AGE 71

A member must commence their pension no later than the end of the calendar year in which they turn age 71 (Canada Revenue Agency rule). You will be required to stop deducting contributions by the end of November in that year and submit a retirement list.

SPECIAL RULES FOR UNIVERSITIES, COLLEGES AND THE DEPARTMENT OF EDUCATION

The “qualifying teacher” rules are special rules that apply to teachers who become employed by the government or by a faculty of education at a Manitoba university.

Qualifying teacher conditions

A “qualifying teacher” is a teacher or former teacher who:

- with no minimum service requirement, becomes employed by the government under the Minister of Education (i.e., Department of Education), the minister responsible for universities or the government in teaching. This category would also include employment with Red River College Polytechnic and Assiniboine Community College; or
- with at least 10 years of qualifying service under TRAF, becomes employed by the Faculty of Education of the University of Manitoba, The University of Winnipeg, Brandon University, Université de Saint-Boniface or University College of the North.

Note that the employee must also have had a valid teaching certificate (or permit/letter of authority) and been employed in a position covered by TRAF (e.g., a teacher with a school division) prior to employment with the government or Faculty of Education, as applicable. A qualifying teacher may be employed on a full-time or part-time basis.

Available options

If you employ a teacher or former teacher who meets the qualifying teacher conditions, they may elect to join their new employer’s pension plan or continue as member of TRAF. The employee can join one plan or the other, but not both. The decision is the employee’s and, once made, cannot be altered unless employment circumstances change.

Employee considerations

The decision of which plan to join is personal and will depend on the individual’s circumstances. The employee may wish to consult a professional advisor. At a minimum, we recommend that the employee be aware of the differences in various plan provisions such as, but not limited to, contribution rates, benefit formula, early retirement provisions, cost of living adjustments and benefits payable on termination and death.

Two areas in which we have received questions by our membership are the treatment of sabbatical leaves and the application of returning to work after retirement provisions. Sabbatical leaves are not pensionable under TRAF, but may be under the government or university pension plan. And, the rules on working after retirement continue to apply to qualifying teachers who elect to continue as a member of TRAF.

While we cannot provide advice, Member Services is available to answer any questions on the TRAF pension plan.

Employer obligations

As the employer, you are responsible for submitting member data such as service, salary and contributions for qualifying teachers who elect to continue under TRAF. In addition, we will ask for the PSP number for each member (which represents their teaching certificate number) as continued evidence the member has a teaching certificate.

The employee will be eligible for continued TRAF membership if they meet the qualifying teacher conditions. Data must continue to be submitted for any employees who elect to continue under TRAF, and the employer is responsible for notifying TRAF of any changes in employment circumstances for these members.

Employee responsibilities

If the employee decides to continue contributing to TRAF, the employer should provide notification to the employee that they are required to complete and submit an *Election Form to Continue TRAF Membership* to our office.

It is important that the employee be aware that if this election is not made at the time employment commences, they will be responsible for the full actuarial cost for the period from the date of hire to the date of election to continue with TRAF (known as the “pre-election period”). The full actuarial cost may be higher than required member contributions.



Records Retention

Section 3.38 (Subsections 1, 2 and 3) of the *Pension Benefits Regulation* states that records must be retained for the later of:

- Seven years after the date of the last transaction **or**
- Seven years after the record ceases to be effective

This means you must retain any information at least for seven years after it has been sent electronically to TRAF. Any Non-Compliance Substitute information that has not been sent to TRAF must be kept for seven years after the member retires.

Communications for New and Leaving Members

Provide new members with the *Your TRAF Pension* digital publication.

Provide members who are terminating with the “Leaving Teaching” fact sheet and the “Leaving Teaching Notice” form.

Additional resources include:

- Publications
- Fact sheets
- Member Services

Contact Information

We are here to help you with any questions you have.



Chelsea Stokes

Member Records Representative

cstokes@traf.mb.ca

204-975-3669

When you have a question, you can contact Member Records or Member Services.

CONTACT MEMBER RECORDS FOR:

- Monthly/term reporting
- Variances
- Retirement reporting
- Retro reporting
- Service purchase tax reporting
- Deaths

CONTACT MEMBER SERVICES FOR:

- Age exceptions (e.g. post-age 71)
- Service purchases
- Teaching after retirement

Direct members with inquiries to phone Member Services at 204-949-0048 or toll-free at 1-800-782-0714, or to visit the TRAF website at traf.mb.ca.

To report technical issues, email info@traf.mb.ca.

ANSWER KEY:

Page 11 — Do members still need to submit a form if they made additional voluntary contributions in 2024 and salary, FTE and contribution amounts aren't changing in 2025?

Yes. Members must re-apply each tax year.

Page 14 — Are retroactive TRAF contributions required to be collected from all substitute teachers after contract settlement?

Retroactive TRAF contributions are not always required, as retroactive earnings might not be granted to substitute teachers. Furthermore, if a substitute teacher was not a TRAF member during the period for which the retroactive salary increase applies, retroactive TRAF contributions are not required. It is also worth noting that the contribution rate for Service Type 222 substitute retro earnings is 10.4% while that for Service Type 77 is 8.8%.

Page 18 — If a member would like to purchase service for an upcoming maternity leave and make payment during the leave, which form should I ask the member to use?

The member must initiate this process by using Online Services.

Page 18 — How does TRAF determine the split between maternity and parental leave?

TRAF relies on information from the employer as the matter is between the member and employer.

Page 20 — When providing information on the period of substitute service to be purchased, can an employer provide service information for a period of time when TRAF contributions have been remitted?

The legislation does not allow for the purchase of service that is already pensionable. Therefore, it is important for employers to exclude service that is already pensionable, in order to satisfy legislative requirements.

Page 24 — A member retired on June 30 after turning age 60. Can they sign a regular teaching contract effective September 15 of the same year?

Yes, but their pension would be cancelled. They must repay any pension payments already received and resume contributing to TRAF.

Page 25 — Are TRAF contributions required on the 120th or 121st day?

The 121st day, which could be a full or half day.



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