

	Local Authorities Pension Plan (LAPP)	DOMAIN People and Teams
		Policy No. II-60
		Date Approved December 24, 2021
Policy Sponsor: Chief Human Resources Officer Policy Lead: Manager, Benefits		Date Effective January 1, 2022
		Next Review (3 years from Effective Date) February 2022

NOTE: The first appearance of terms in bold in the body of this document (except titles) are defined terms – please refer to the *Definitions* section.

Purpose	This policy provides information regarding pension benefits for eligible employees as per <i>Local Authorities Pension Plan Act</i> and regulations, LAPP Pension e-guide, and collective agreement requirements.	
Policy Statement	Covenant Health is committed to ensure employees who participate in the LAPP are enrolled in the plan and the plan is administered in accordance with the relevant Acts and Regulations.	
Applicability	All eligible employees must participate in the LAPP, unless their participation has been identified as optional or excluded.	
Responsibility	Eligible employees should seek information regarding Pension Plan options to prepare for their retirement future.	
Principles	Covenant Health, in keeping with our values of social justice and stewardship, provides eligible employees the opportunity during their employment to ensure sustainable retirement income.	
Procedure	1.0	Membership Mandatory Membership Permanent full-time employees and permanent part-time employees who are regularly scheduled to work an average of thirty (30) hours or more per week <u>must</u> participate in the Pension Plan. Participation will commence immediately upon attaining the mandatory position. Multiple Positions – permanent part-time positions when added together that equate to an average of thirty (30) hours per week or more, must participate in the Pension Plan. Participation will commence immediately upon addition of the position or increase in FTE.

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Optional Membership

- a) Regular part-time employees who are regularly scheduled to work an average of fourteen (14) to twenty-nine (29) hours per week may elect to participate in the Pension Plan.
- b) Temporary full-time employees and temporary part-time employees who are regularly scheduled to work an average of thirty (30) hours or more per week, with a predetermined termination date greater than one year, may elect to participate in the Pension Plan.

If the initial specified temporary employment period is less than one year and is subsequently extended to greater than one year, the employee may be offered optional participation in LAPP. The extension does not have to be in the initial position as long as the entire employment is for one (1) year or greater and thirty (30) or more hours per week.

Multiple Positions: Permanent part-time and temporary part-time positions are to be combined to determine optional membership eligibility (14 to 29 hours per week). If the employee has met the eligibility requirement as an optional participant and subsequently adds a temporary position, regardless of the length of the position or the hours, the temporary position will be added to the permanent position for participation.

Employees wishing to participate will commence membership in the Pension Plan once they have completed and returned the "optional enrollment" form HR Shared Services, Covenant.

2.0 Change in Employment Status

Participating employees who transfer, on a temporary basis, to a new position and will be returning to their previous LAPP eligible position will continue to participate in the Pension Plan for the term of the temporary position. The temporary position must be scheduled for 14 hours average per week or more in order to continue participating in the plan.

Non-participating permanent employees who transfer to a mandatory position (30 hours per week or greater) on a temporary basis must participate in the Pension Plan.

Employees who increase or decrease their hours of work / FTE on a temporary or permanent basis will have their pensionable service and salary based on the hours they are actually working as long as they meet the eligibility requirements.

3.0 Ceasing Active Membership

Once an employee is participating in the Pension Plan under either a mandatory or optional position, the employee must continue participating until termination/retirement, the end of the year in which they turn 71, or they transfer to a position that is ineligible for membership (casual status or less than 14 hours per week).

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4.0 Pensionable Service

Members and employers are required to pay contributions for all mandatory service defined in the LAPP Pension e-guide.

Employees may request to purchase pensionable service for periods of unpaid leaves of absence.

Periods of service prior to LAPP enrollment may be purchased by the employee subject to the normal terms and conditions of "optional service".

Pensionable service shall be based on an hourly accrual. One year full-time equivalent for pensionable service is considered as follows:

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| a. | for employees normally working 36.81 hours per week - | 1914.12 hours; |
| b. | for employees normally working 37.50 hours per week - | 1950.00 hours; |
| c. | for employees normally working 38.75 hours per week - | 2015.00 hours; |
| d. | for employees normally working 39.225 hours per week - | 2039.70 hours; |
| e. | for employees normally working 40.00 hours per week - | 2080.00 hours. |

Due to various rotation schedules in healthcare, the employer has a 77.50 hour (plus or minus) tolerance for short or excess service to the annual allowable service of 1.00.

5.0 Pensionable Salary

Members and employers are required to pay contributions for the following types of pay:

	Pay Type	Treatment
a)	Basic Pay (Including retroactive basic pay.)	• Pensionable
b)	Paid Leave of Absence (Including sick leave.)	• Pensionable
c)	SUB Plan valid health related period	• Pensionable
d)	Workers' Compensation Benefits	• Pensionable at 100% basic rate of pay
e)	Vacation:	
	i) pay while on vacation	• Pensionable
	ii) vacation pay paid prior to time off (part-time employee)	• Pensionable in which case the regular hours the part-time employee would have worked

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had he/she not been on vacation should be reported as pensionable hours.

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| f) | Statutory Holiday: | |
| i) | paid day off | <ul style="list-style-type: none"> • Pensionable |
| ii) | pay for regularly scheduled hours worked on a statutory holiday | <ul style="list-style-type: none"> • Pensionable at basic rate of pay (i.e. no contributions on premium pay) |
| iii) | payout for statutory holiday | <ul style="list-style-type: none"> • Not pensionable |
| iv) | Statutory holiday pay received on each cheque (part-time employee) | <ul style="list-style-type: none"> • Not pensionable |
| g) | Overtime/Relief: | |
| i) | full-time employees - pay for hours worked over regularly scheduled hours (any reason) | <ul style="list-style-type: none"> • Not pensionable |
| ii) | part-time employees - pay for hours worked over regularly scheduled hours (any reason) | <ul style="list-style-type: none"> • Pensionable, if paid at basic rate of pay |
| iii) | paid day off in lieu of overtime pay | <ul style="list-style-type: none"> • Pensionable |
| iv) | overtime bank payout. | <ul style="list-style-type: none"> • Not pensionable. |
| h) | Premium pay for regular scheduled hours (any reasons) | <ul style="list-style-type: none"> • Pensionable at basic rate of pay (i.e. no contributions on premium pay) |
| i) | Shift Differential | <ul style="list-style-type: none"> • Not pensionable |
| j) | Weekend Premium | <ul style="list-style-type: none"> • Not pensionable |
| k) | Pay for being "on call" during meal break or pay for work during meal break | <ul style="list-style-type: none"> • Not pensionable |
| l) | "On Call" pay | <ul style="list-style-type: none"> • Not pensionable |
| m) | Call Back Pay or Reporting Pay | <ul style="list-style-type: none"> • Not pensionable |

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| n) | Transportation Allowance | • Not pensionable |
| o) | Responsibility/Charge Pay | • Not pensionable |
| p) | Acting Assignment Pay | • Pensionable at employee's basic rate of pay for his/her regular position (i.e. acting pay is not pensionable) |
| q) | Pay during Orientation Period | • Pensionable |
| r) | Educational Allowance | • Pensionable |
| s) | Ambulance Duty Pay | • Not pensionable |
| t) | Transitional Allowance | • Not pensionable |
| u) | Forensic Premium | • Not pensionable |
| v) | Pay in lieu of notice of lay-off or termination | • Not pensionable |
| w) | Any other special remuneration over and above basic pay | • Generally not pensionable. |
| x) | Lump Sum Settlement in lieu of salary increases | • Pensionable |

6.0 Retirement Pension Eligibility

To be eligible for LAPP Retirement Pension, the employee must:

- have participated in the pension plan; and
- be fifty-five (55) years of age or older; and
- have terminated employment; or transferred to a position which has been identified as LAPP excluded (i.e. casual status or less than 14 hours per week).

7.0 Working Retiree

Employees cannot transfer directly from the position they are retiring from to another pension-eligible position. The employee must transfer to a LAPP excluded position first (i.e. casual status or less than 14 hours per week).

After the LAPP retirement pension is started, in order to work in a pension-eligible position, the retired employee must:

- successfully apply for and move from the LAPP excluded position to a pension eligible position; or

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- as a terminated employee, successfully apply for a pension-eligible position with Covenant Health.

Employees who receive a monthly pension from LAPP cannot re-join the Pension Plan.

Revisions

August 17, 2018
June 20, 2017
November 8, 2013
July 1, 2012
February 21, 2012
September 1, 2011
June 1, 2011
April 1, 2010