

The OCFA Update

Okanagan College Faculty Association Newsletter

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“The Doug Issue”

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LETTERS TO THE EDITOR

The *Update* encourages members to write letters to the editor, either in response to what you read in the newsletter or about other Faculty Association concerns. Letters to the *Update* do not represent the opinions of the editor nor the OCFA Executive or Council.

Please e-mail letters to *Update* editor Ross Tyner at rhtyner@okanagan.bc.ca. Acceptable formats are MS Word (.doc), .rtf, and plain text.

COMMUNICATING WITH THE EXECUTIVE

The OCFA Executive, comprising the President, the 1st and 2nd Vice-Presidents, the Secretary-Treasurer, and the Member-at-Large, meets frequently as part of its role in carrying out the business of the Association. If you would like to bring forward a particular item for consideration please contact President John Pugsley at local 4392 or cell 250-718-6384 or e-mail jpugsley@okanagan.bc.ca.

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OCFA

Quoting the “*Purchase of Service*” Overview section found on the College Pension Plan website, “purchase of service means paying for periods of employment that have not been counted as service with the College Pension Plan.” An employee might want to purchase such service with the intention of increasing his or her future pension benefit.

What types of past, previously unclaimed, service are you entitled to purchase?

1. *Arrears.* Arrears are unpaid amounts that occur when you and your employer do not make contributions to the pension plan when required to do so. In other words, the employer made a mistake. Either the employer did not start deducting pension contributions on the date that you were first eligible to contribute to the plan (such a mistake is called “*enrolment arrears*”) or the employer did not resume making pension deductions after deductions were stopped, perhaps due to a leave of absence (such a mistake is called “*payroll arrears*”). In either case, you may be entitled to make retroactive contributions to the pension plan for the arrears period, thus receiving credit for both pensionable service and contributory service.
2. *Leaves of Absence.* If you were approved for a leave of absence with full pay or partial pay, and you did not contribute to the pension plan during that leave, you may be eligible to purchase service. Maternity leaves, parental leaves, adoption leaves or general (any other type of) leaves may qualify. There are some restrictions on purchasing service for the different types of leaves. These restrictions are listed in the “*Purchasing Leaves of Absence*” fact sheet found on the College Pension Plan website. As noted below, the cost of purchasing service due to a maternity, paternal or adoption leave is generally half that of the cost of purchasing service due to a general leave.
3. *Non-contributory Service.* Non-contributory service is a period of time when you worked for a College Pension plan employer but did not make pension contributions. Unlike arrears, the employer did not make a mistake. The employee was not required to contribute to the plan or chose not to contribute. For example, if you did not contribute to the pension plan during probationary periods or “casual” employment, you may be eligible to purchase such service. There are some cases for which an employee cannot purchase non-contributory service. Such cases are listed in the “*Purchasing Non-contributory Service*” fact sheet found on the College Pension Plan website.
4. *Reinstating a Refund.* If, at some time in the past, you withdrew your pension contributions from the College, Municipal, Public Service or Teachers’ pension plans, you may be eligible to reinstate or (in the case of the Municipal, Public Service or Teachers’ pension plans) transfer that service to the College Pension Plan. I was laid off by School District #57 in 1984, and withdrew my pension contributions, thinking I would likely not teach again. I now have the option of reinstating that service. As noted below, the calculation of the cost of reinstating a refund is much different than the calculation of the cost of purchasing the other three types of service.

The deadline to apply to purchase service that occurred before March 01, 2002 is March 31, 2007. For periods of service after March 01, 2002, a five-year “rolling window of opportunity” to purchase service applies. The one major exception to this rule is for the reinstatement of a refund. The deadline to reinstate a refund from the Municipal, Public Service or Teachers’ pension plans of B.C. is March 31, 2007. After that date, an employee’s option to reinstate in those plans will be gone forever. You may or may not be able to reinstate a refund from the College Pension after March 31, 2007.

Let's say that the "statement of cost" quotes a payment of