POLICY

The policy of the Board of Governors is for SAIT to provide its eligible employees with access to retirement savings options, helping to make SAIT a competitive employer.

PROCEDURE

DEFINITIONS

Base unit

The amount of time a full-time employee would need to work in order to earn one year of service (1.0000) within a calendar year.

Casual employee

An employee hired on an hourly basis.

Pensionable salary

Earnings that are defined by SAIT and/or LAPP that are deemed pensionable earnings.

Pensionable service

The amount of time an employee enrolled in the Local Authorities Pension Plan (LAPP) accrues toward the plan during their employment and is determined by the base unit.

Pension Year

January 1 to December 31.

Permanent salaried employee

An employee hired for an indefinite period of time with no end date to their employment.
**Temporary salaried employee**

An employee with a start and end date, and regular scheduled work.

**Variable pay**

As per the Local Authorities Pension Plan, it is paid as part of the employer’s variable pay program, the terms of which are contained in the employer’s pension policy and which forms an ongoing part of the employee’s compensation package. It is payable to all employees in the program on an ongoing basis, but only to the extent that it does not exceed 20% of the employee’s gross basic remuneration, and provided that the employee did not begin participating in the program in the last 12 months of the employment before a termination of their employment.

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**GOVERNING PRINCIPLES**

1. SAIT believes that a pension plan is a key element in attracting and retaining employees.

2. The purpose of this procedure is for SAIT to define eligibility for pension participation for its employees not defined by the Local Authorities Pension Plan (LAPP).

3. SAIT does not require a period of probationary service.

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**PROCEDURE**

**A. Participation in the Local Authorities Pension Plan (LAPP)**

1. An employee is not eligible to participate in the LAPP unless specifically noted in this procedure.

2. Contributions to the LAPP are governed by the LAPP's rules.

3. SAIT does not have class exemptions approved prior to 1994.

4. Compulsory Participation:
   
   a) All permanent salaried employees and temporary salaried employees working 14 hours per week or more in their position must participate in the LAPP as of their
first day of employment, except where the relevant collective agreement allows for choice in participation.

b) An employee’s participation in the LAPP continues unless there is a change in their employment status that would affect eligibility for pension participation (for example, resignation, termination, retirement or moving into an ineligible position).

4. Voluntary Participation:

a) The following groups are eligible for voluntary participation in LAPP:
   i) Temporary salaried employees working 14 hours or more per week, where the relevant collective agreement allows for choice in participation.

b) An employee who chooses to participate in the LAPP must continue to participate unless there is a change in their employment status that would affect eligibility for pension participation (for example, resignation, termination, retirement or moving into an ineligible position).

c) If an employee chooses not to participate in the LAPP, they are ineligible to join the LAPP at any future date unless their participation becomes compulsory due to a change in their employment status (for example, they move to a permanent salaried position).

5. The following groups are not eligible to participate:

a) Employees who work fewer than 14 hours per week (or 728 hours per year).

b) A person in receipt of a LAPP pension in respect of their own pensionable service.

c) Individuals who are past their latest pensionable service date (December 30 of the year in which they turn age 71).

d) Casual employees are excluded from participating in the LAPP. However, a casual employee who moves to a permanent position at SAIT has the opportunity to buy-back the hours/service of the time they were a casual employee.

B. Calculation of Pensionable Service and Salary

1. SAIT will calculate and report the base unit to the LAPP as the number of completed working days per months per year.

   The official controlled version of this document is held in the Board of Governors Office.
2. If an employee’s base unit is not as a full-time employee, the employee’s pensionable service will be pro-rated.

3. Earnings that SAIT considers to be pensionable include:
   a) Base pay: the gross basic pay for the performance of the regular duties of employment.
   b) Acting incumbency pay.
   c) Variable pay.

4. Earnings that SAIT does not consider to be pensionable include:
   a) Shift pay.
   b) Long service allowance.
   c) Educational allowance.
   d) Overtime/overload pay.

C. Impact of Long-Term Disability (LTD) - Filed Qualifying Disability Plan

1. An employee who receives LTD benefits and who at the commencement of absence due to disability or illness is participating in the LAPP continues to be covered under the LAPP throughout the total period that the employee is receiving LTD benefits and the employer and employee contributions, if applicable, shall continue.

2. SAIT shall pay both the employee and employer contributions for the LAPP during this period.

POLICY/PROCEDURE REFERENCE

HR.1.7 Pensions policy

The official controlled version of this document is held in the Board of Governors Office.