

A: 3/2/189

COMPTROLLER OF ACCOUNTS CIRCULAR NO. 3 DATED 2006 JUNE, 5

**To: Permanent Secretaries, Heads of Department, Chief Administrator,
Tobago House of Assembly, Heads of Statutory Authorities subject
to the Statutory Authorities Act, Chapter 24:01**

**SUBJECT:
Increase in the contributions to the UNIMED
Group Health Plan (Monthly Paid)**

Your attention is drawn to Personnel Department Circular Memorandum PD: 8/7/1 Vol. IV (Temp) dated 2006 May 23, wherein you were informed that an agreement has been reached between the Chief Personnel Officer (CPO), Public Service Association (PSA) and Trinidad and Tobago Unified Teachers Association (TTUTA) for an increase in the rate of contribution to the UNIMED Group Health Plan (monthly-paid) from the existing monthly rate of \$52.00 to \$90.00 with effect from 2006 June 01. The Circular Memorandum also identifies the employees who are eligible for membership of the Plan and in respect of whom the increase is applicable.

2. The purpose of this Circular is to set out revised accounting procedures to be followed by the respective Agencies.

Contribution to the Plan

3. Both employer and employee will continue to contribute equally to the plan (i.e. the employer will match all contributions made by the employee) with deductions being made as detailed below.

	Monthly	
Employer	-	\$45.00
Employee	-	\$45.00
Total	-	<u>\$90.00</u>

The above contribution covers the month or any part thereof. It must not be prorated and the full contribution of \$45.00 must be deducted from the salary of the employee in the relevant month.

Deductions for 2006 June and July

4. As indicated in Paragraph 1, the revised rate is effective from 2006 June 01. As monthly contributions are made in advance, the sum of \$64.00 must be deducted from the 2006 June salary of members of the Plan. This sum represents:-

\$19.00 - Arrears of deduction for 2006 May

\$45.00 - The full revised deduction for 2006 June

The Integrated Global Payroll (IGP) system has been configured to deduct automatically the sum of \$64.00 for the month of 2006 June and \$45.00 with effect from 2006 July from employees' salaries.

5. The accounting procedures outlined in Comptroller of Accounts Circulars No. 4 dated 2004 March 31 have been amended as follows: -

a) **Statement of Contributions**

The IGP system generates the Deduction Listing in respect of contributions for the month. You are required to print three (3) copies of this listing for distribution as follows:-

- (i) to be attached to the paysheet
- (ii) to be used as the supporting document to generate the voucher for the employer's contribution and
- (iii) to be forwarded to the Plan Administrator

b) **List of Changes Statement**

A monthly list of changes should be prepared in accordance with Comptroller of Accounts Circular No. 4 dated 2004 March 31. You are reminded that an explanation for each change should be included in the "Remarks" column.

c) **Payment of Employer's Contribution**

The employer's contribution will be \$64.00 for the month of 2006 June only and \$45.00 with effect from 2006 July. Previous instructions for the preparation of the payment voucher will continue to apply.

d) **Preparation of a Single cheque**

Agencies are reminded that a single cheque should be prepared in favour of M&M Insurance Services Limited for the full contribution (i.e. employer and employees). In addition, details of the relevant Head/Sub Head/Item and Accounting Unit Number should be inserted on the cheque stub.

e) **Payment to the Plan Administrator**

All payments to the Plan Administrator must be made using the precoded deposit slips. Failure to use these slips has resulted in contributions being deposited to the wrong Plan and has also affected the ability of the Administrator to identify the source of funds. This has impacted on the timely processing of claims for employees attached to the delinquent

agencies. In an effort to improve the efficiency of the system, agencies are required to: -

- (i) Deposit all cheques issued for the month, using the precoded deposit slips completed in triplicate, at any branch of the RBTT by ~~the~~ **the last working day of the month** to which the payments relate.
- (ii) Submit to the Plan Administrator, the covering letter together with the List of Changes Statement, copy of the Deduction Listing and the duplicate copy of the bank deposit slip **by the third working day of the month** following that for which the deductions relate.

Payment by Employees on Extended Sick Leave without Pay

6. The procedures remain the same except that the monthly contribution to be paid by the employee is now \$90.00 instead of \$52.00. Additionally, the Statement of Contribution in respect of Deposits made by employees must be completed in duplicate. The original to be sent to the Plan Administrator and the duplicate to be kept on file in the Accounting Unit.

Estimates for Additional Funding

7. Agencies are to submit estimates for the period 2006 June to September, to the Budget Division to facilitate the provision of supplementary funding to meet the additional expenditure for the Government contribution.

8. All Permanent Secretaries, Heads of Departments, Chief Administrator of the Tobago House of Assembly, and Heads of the Statutory Authorities subject to the Statutory Authorities Act, Chapter 24:01 should ensure that the contents of this circular are brought to the attention of all relevant personnel.

Roland Shepherd
Comptroller of Accounts (Ag).