



Human Resources

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To: University of Windsor Employees' Retirement Plan Members - Active Employees

From: UWinsite People and Pension Administration Teams

Cc: Rachel McRae, UWinsite People Project Lead
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Subject: UWinsite People – Pension Calculation Update

In an effort to support all employees navigate changes as we start the new year with [UWinsite People \(UWP\)](#), the University's HRIS and Payroll system, we are writing to communicate how the pension calculations are processed in UWP.

Implications for Employees:

In the former HRIS system, pension contributions were calculated as required by the Pension Plans and an averaged rate was applied across all pay periods. In UWP, the system is more sophisticated and will apply the precise tiered rates based on actual earning thresholds. Contributions will be calculated using the defined rates specified in the pension plan. This structure—9% on earnings up to the Year's Basic Exemption (YBE), 6.3% on earnings up to the Year's Maximum Pensionable Earnings (YMPE), and 9% on earnings above the YMPE—ensures employees only pay the appropriate rates at each income level. The impact of this change varies based on several factors:

Over \$100,000 Income Employees: Higher-income employees, who reach the YMPE sooner in the year, will notice less difference between VIP and UWP since their contributions would “max out” relatively early.

Under \$100,000 Income Employees: Employees earning below or around \$100,000 contributions may change if there are any variations due to payment of overtime and will better reflect the actual rate tiers.

Employment Duration: Employees who join or leave mid-year will benefit from UWP's more accurate, prorated calculation, ensuring that contributions align with their actual earnings and time worked rather than applying an averaged rate over a shorter employment period.

Overall, the UWP approach provides a more precise calculation method that aligns with the pension plan and ensures compliance with the tiered contribution model in the pension plan.

Employees Impacted:

This change affects all employees in the Employees' Retirement Plan, with specific impacts depending on their earnings levels, whether they reach the YMPE, and their employment duration within the calendar year.

For details about the Pension Plan rates, please review the [ERP plan text here](#). If you have any additional questions, reach out to pensions@uwindsor.ca.