



QUESTIONS & ANSWERS (“Q&A”)

ISSUED TO ALL PROPONENTS

Q&A No.:	3
RFP #:	14150041
RFP Title:	Payroll and Leave Management Services
Issue Date:	May 8, 2014
Issue by:	Teisha Youden
No. of Pages:	4

DETAILS OF Q&A DOCUMENT

This Q&A document is being issued to respond to questions submitted by Proponents seeking further clarification.

QUESTION 1:

Please provide a definition for ‘Third Country Nationals’ and ‘Nationals at Post’.

ANSWER:

A third country national is a non-Canadian IDRC employee in an Ottawa-hired position working in a country that is not their country of citizenship. For example, an Italian citizenship occupying an Ottawa hired position working in our Nairobi, Kenya office.

A national at post is a non-Canadian IDRC employee in an Ottawa-hired position working in their country of citizenship. For example, an Egyptian citizen occupying an Ottawa hired position working in our Cairo, Egypt office.

QUESTION 2:

What is your expectation of payment to out of country Employees? In what currency?

ANSWER:

All employees occupying an Ottawa-hired position, regardless of their citizenship and work location, are paid in Canadian dollars into a Canadian bank account.

QUESTION 3:

How will hourly Employees communicate their hours worked?

ANSWER:

Currently, IDRC hourly paid employees (casual and students) complete a bi-weekly timesheet. The timesheet is printed, signed by both employee and manager and the hard copy is submitted to payroll for processing. The payroll team manually keys in hours noted on the timesheet into the payroll system.

QUESTION 4:

How will Over time, Shift Premiums and on call information be captured?

ANSWER:

Currently and similar to timesheets, employees requesting overtime, shift premium and on call complete a report noting the request. The report is printed, signed by both employee and manager and the hard copy is submitted to payroll for processing. The payroll team manually keys in the request noted on the report into the payroll system.

QUESTION 5:

Do you require the ability to schedule employees?

ANSWER:

IDRC does not currently schedule employees, however, all salaried employees have a pre-established work schedule. The standard for full-time employees is Monday to Friday, 7.5 hours per day. The part-time employees' schedules are also currently set up to generate their time (i.e. Tuesday and Thursday – 7.5 hours per day).

Note: our Cairo, Egypt office has a standard work week of Sunday to Thursday, 7.5 hours per day.

QUESTION 6:

What are the tax and pension rules "unique" to IDRC?

ANSWER:

- a.** Currently, our Canadian non-resident employees (i.e. Ottawa-hired Canadians working in one of our four (4) regional offices who have received non-resident status from Canada Revenue Agency) do not pay federal or provincial income tax or Employment Insurance on all earnings, including overseas allowances.
- b.** We are required to withhold income tax for Indian nationals at post (Indian citizens based in Ottawa-hired position in our New Delhi, India office). IDRC withholds a percentage of their income and the amount is reported in a GL file, instead of being directly remitted to the appropriate tax authorities. The amount is communicated to our India office who then remits the correct amount to the India tax authorities. This is referred to as Hypothetical Tax Deduction.
- c.** We are required to withhold 12% pension contributions from our Indian nationals at post. This amount, as well as a matching 12% employer contribution, is remitted by our India office

to the India Employee Provident Fund. Note, Indian nationals at post are exempt from the IDRC overseas pension plan (Generali).

d. All overseas allowance (overseas premium, salary equalization factor, rental, utility and transportation allowances) are tax exempt for all Ottawa-hired employees, regardless of citizenship or Regional Office work location. EXCEPTION: the India Hypothetical Tax is calculated on the full gross earnings, including all allowances, for Indian nationals at post.

QUESTION 7:

A22 : What specific data apart from employee tombstone data will IDRC expect to be migrated to the new system? How many years history?

ANSWER:

Other than tombstone/demographic data referenced in Rated Requirements B20, IDRC would like the Proponent to migrate employee status, position and salary history. IDRC would like the Proponent to migrate all data, including pay history, from the year 2000 that now exists in our HR/payroll system.

QUESTION 8:

A30: How frequently are the Board of Governors paid? e.g. monthly with occasional off cycle reimbursements.

ANSWER:

IDRC Board of Governors are paid approximately on a quarterly basis. A member of the Office of the Secretary and General Counsel advises the Payroll Administrator when they are to be paid, usually immediately after a Board meeting has taken place.

QUESTION 9:

A37: Overseas pension and benefit plans:

- a. What currency are they based on?
- b. Please provide further details explaining:
 - i. *Personal Foreign Currency*
 - ii. *Hypothetical Tax Deduction*
 - iii. *Employee Accounts Receivable*

ANSWER:

a. *What currency are they based on?*

Overseas pension (Generali) and benefit (XN Financial) employee deductions are in Canadian dollars. The overseas pension deductions are converted to and remitted in US dollars, while benefit premiums are remitted in Canadian dollars. The Indian Employee Provident Fund is deducted in Canadian dollars then converted to and remitted in Indian rupees.

b. Please provide further details explaining:

- i. *Personal Foreign Currency*

The Personal Foreign Currency Service (PFCS) allows overseas employees to request a fixed amount of money be deducted from their bi weekly pay. At the end of each month, a report is sent to each regional office advising them how much money each employee has had deducted from their pay. The regional office then converts this amount to local currency and provides it to the employees. Note, the Payroll team is only required to set up and make the deduction, the report and currency conversion is handled outside of Human Resources.

ii. Hypothetical Tax Deduction

Please see answer b) to question 6 above.

iii. Employee Accounts Receivable

When IDRC employees are on leave without pay (LWOP), they are eligible to maintain some benefits (medical, dental). IDRC continues to calculate the benefit deduction and remit the required insurance contribution on behalf of the employee. As benefit deductions occur, they are offset by an employee accounts receivable. The employees provide post-dated cheques, payable to IDRC, to cover the benefit costs. As the cheques are cashed, it reduces the accounts receivable accordingly.

QUESTION 10:

A47: Does IDRC only require a direct deposit file and not disbursements of the EFTs to Canadian financial institutions for Employees' payments?

ANSWER:

Yes, that is correct. IDRC will be responsible for the EFT disbursement to Canadian financial institutions for employee payroll.

QUESTION 11:

How many EHT numbers does IDRC remit under?

ANSWER:

IDRC remits under one (1) EHT number.

END OF Q&A # 3
