

Retirement Funding income

What is Retirement Funding Income



Incident:

When setting up your Pension or Provident fund(s) a lot of the documentation refers to RFI (Retirement Funding Income). What is this and where do I set this up in Payroll.

What is it:

Retirement Funding Income is the total amount of taxable earnings (this could include income codes and benefits) used to calculate the amount to be paid to the respective fund.

If your fund expects you to pay them a percentage of the employee's earnings, then the fund will need to tell you what forms part of the employee's earnings. The transactions that they advise you to include as "employee's earnings" is Retirement Funding Income. To make sure that you process the correct amounts, always find out from your Fund Advisor what incomes/benefits need to be included. Pastel Payroll Support cannot provide you with what transactions need to be included as RFI and cannot take responsibility if the wrong transactions were set up as RFI.

Solution:

1. Obtain the transactions that need to form part of your RFI from the Fund.
2. Once you know what transactions need to be included as RFI you need to go and specify these transactions in the Payroll System.
 - a. Navigate to Setup, Transactions.
 - b. Click on the Magnifying glass and select the transaction that needs to be part of your RFI and click on Ok.
 - c. Click on Calculation totals
 - d. Scroll down until you see 'Retirement Funding Income' and check the Tick box next to it.
 - i. If you get a pop up message that "Calculation total 11 for retirement funding income and calculation total 12 for non retirement income cannot both be checked", then you need to uncheck Non Retirement funding income and then tick Retirement Funding income.
 - ii. If the Check boxes are greyed out, you will need to do a [clear run flags](#)

Note: Certain transactions like 7043, 7003, 9003 and 9006 won't calculate any values if no transactions have been setup as RFI