Employer Guide

Choose the right super fund and you’ll only have to do it once

APRIL 2019
While you’ve more to think about than super, we don’t.

Let us do the heavy lifting when it comes to your workplace super.

At CareSuper, we’ve been working with businesses for over 30 years. We know you face challenges every day. And you have big wins. Superannuation should feel like a win. The right super fund can help you integrate super into your workplace successfully, so your employees benefit financially — and you have a built-in support network.

In this guide, we’ll take you through your obligations, your opportunities, and how to get set up as a CareSuper employer.

Ready? Let’s go.
## Contents

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Choosing the best default super for your employees</td>
<td>2</td>
</tr>
<tr>
<td>The benefits of being a CareSuper employer</td>
<td>4</td>
</tr>
<tr>
<td>Choice of fund at your workplace</td>
<td>6</td>
</tr>
<tr>
<td>Let’s tick off your obligations as an employer</td>
<td>8</td>
</tr>
<tr>
<td>Making super payments</td>
<td>11</td>
</tr>
<tr>
<td>Understanding superannuation contributions</td>
<td>12</td>
</tr>
<tr>
<td>Sign up with CareSuper</td>
<td>15</td>
</tr>
<tr>
<td>We’re ready to listen if you have an enquiry or complaint</td>
<td>16</td>
</tr>
<tr>
<td>Getting in touch</td>
<td>17</td>
</tr>
</tbody>
</table>
Choosing the best default super for your employees

Every business must choose a workplace superannuation provider, commonly called a ‘default fund’. This ensures all employees have an account that can receive super.

While some employees may exercise ‘choice of fund’ and choose their own provider (see more on page 6), most will use your default. So they’re relying on you to select a high-performer.

Sound a bit daunting? Think of it this way: it’s your opportunity to show your employees you’re invested in them now, and into the future. And we can help you. Get in touch for a comparison.

WHAT TO LOOK FOR IN A DEFAULT PROVIDER

Carefully compare super funds and choose one that:

• Meets the minimum requirements of a default fund by having a ‘MySuper option’
• Has a strong long-term performance record
• Offers competitive, tailorable insurance
• Supports members with access to quality financial advice
• Provides ongoing help with customer service and education tools.

And what about you? Your employees’ needs are paramount, but it’s important your super provider fits into your business too. Look for simple payment methods and hands-on guidance, when you want it.
DEFAULTS WORK DIFFERENTLY UNDER INDUSTRIAL AWARDS AND EBAs

If your business is covered by an industrial award, you’ll usually have to choose your default provider from the list of funds named in that award. If your business has an enterprise bargaining agreement (EBA), use the EBA as your guide.

CareSuper is listed in over 50 industrial awards. Use the ‘Default Fund Finder’ at industrysuper.com to see which super funds are included in your award.

HERE’S HOW CARESUPER STACKS UP AS A DEFAULT FUND

THE LEGAL STUFF
We’re a complying super fund with a MySuper option called the ‘Balanced option’. So you can check that box.

A MEMBERS-FIRST FOCUS
As an industry super fund, we put members first. And for over 30 years we’ve been helping them achieve their personal goals now and into the future with high-performing super.

A BIGGER NET BENEFIT
We don’t wait for opportunities to come to us. We make active investment choices, hunting for the best investments locally and overseas to add that bit extra to our members’ returns. Compare the results of our approach using our net benefit tool. You’ll see our investment performance after fees is market-leading. Go to caresuper.com.au/compare.

SUPER THAT’S BUILT FOR CHOICE
We know that while super’s for everyone, not everyone wants the same super. So we give our members plenty of choice for their investments, insurance and other products.

Better yet, to help our members improve their financial prospects at every stage of life, they have access to financial advice over the phone, online and in person. Limited advice is covered by membership, so there’s no extra cost.

STAYING ACCOUNTABLE
We’re serious about good governance and transparency. We have rigorous policies and procedures in place to make sure everything’s managed openly and honestly. The way it should be.
The benefits of being a CareSuper employer

We live and breathe super, so you don’t have to. Here’s how we can help you:

A PERSONAL SUPPORT TEAM

Our team can visit you to guide you through your obligations, help you over the phone, keep you up to date with super changes and even contribute to your workplace wellness programs, employee inductions and events. There will be a dedicated Employer Relationship Manager assigned to you for any queries or support you might need.

And if you’re undertaking a major change, such as switching your default provider, we can offer strategic support with a Transition Manager who will assist you during the changeover.

And you can always call our contact centre, which is staffed with employer specialists five days a week.
EDUCATION SESSIONS FOR YOUR EMPLOYEE BENEFIT PROGRAM

We’re happy to conduct tailored workplace seminars at your workplace or via webinar. Our client partnership team and financial planners will help your employees make the most of their super, and even conduct one-on-one sessions. All employees are welcome. This can be a good way to provide your employees with answers to tricky super questions that may arise. While you have your employees’ interests at heart, it’s easy to overstep the mark when it comes to giving financial advice — especially around super. Don’t take the risk. Let our qualified staff tackle the hard questions.

NO FEES FOR EMPLOYERS

We don’t charge any fees for QuickSuper (our clearing house solution) or for ongoing administration and client support. All you’ll pay are your employer contributions.

CORPORATE INSURANCE ARRANGEMENTS

If you’re a large employer and your workforce meets certain criteria, we can negotiate tailored insurance offerings for you, helping you position your business as an employer of choice. Call your closest Employer Relationship Manager to find out how it works. Get their details at caresuper.com.au/aboutus.

CLOSING A CORPORATE FUND

We can manage the transition for you if you move your corporate fund to CareSuper, including arranging the handover and audit of data, and advising on the most appropriate transfer of existing investments and insurance. And we’ll keep your staff informed the whole way. All with minimal disruption to your business.

KEEPING YOU INFORMED

We stay in touch, so you stay informed.

We’ll reach out at least quarterly with In.form, our employer e-newsletter, and advise you about any news or changes that could affect you and your employees.
Under ‘Choice of fund’ legislation, most employers must let their employees choose their own super fund, even if it’s different to the one you’ve picked for your workplace.

To work out whether your employees are eligible to choose their own super, check the terms and conditions of their employment. Depending on your business, this could be different for certain groups of employees or even for individuals.

**GENERALLY, ‘CHOICE OF FUND’ APPLIES TO:**

- Employment under federal awards
- Employment under former state awards (known as ‘notional agreement preserving state awards’ or ‘NAPSA’)
- Employment covered by awards or agreements where superannuation support isn’t required
- Employment without a state award or industrial agreement in place (this includes contractors paid principally for their labour).

You’re not obliged to offer choice to staff on temporary working visas, but you can still choose to.
PROVIDING YOUR EMPLOYEES WITH A CHOICE FORM

Are your employees eligible to choose their own super? Then you’re required to provide them with a Choice form within 28 days of any of the following:

- They start working for you
- They request a Choice form from you
- You become aware their chosen fund is no longer eligible to receive contributions (e.g. it is no longer MySuper compliant)
- Your employee is a member of your current default fund and you change default provider.

If your employee lets you know they’ve chosen another super fund or a regulated self-managed fund instead of your provider, you must start paying contributions to that account within two months.

Your employees can change their choice of fund as often as they want, but you only have to accept a Choice form once every 12 months.

YOU'RE REQUIRED TO KEEP A RECORD OF YOUR EMPLOYEES’ CHOICE

This should include:

- Which employees are eligible (or not) for choice of fund, and which fund they belong to
- The dates you issued and had any Choice forms returned, and how you issued the form (e.g. hard copy)
- Confirmation you’ve checked your employee’s chosen fund is complying and, if it’s not, the date you advised your employee of this
- The date you made your first contribution to your employee’s fund of choice.

Let’s tick off your obligations as an employer

Do these things to look after your employees and business.

PAY THE LEGAL MINIMUM AMOUNT OF SUPER
You’re required to pay eligible employees a minimum amount of superannuation. This is called the Superannuation Guarantee (SG). Currently, the SG amount is 9.5% of your employees’ Ordinary Time Earnings (OTE). So you’ll pay their base salary, plus super and any other benefits.

If you’re unsure how to define Ordinary Time Earnings (OTE) for super purposes, you’re best to check the ATO website for the most recent information.

If you have any employees covered by an award or agreement that specifies more SG, then that’s what you must pay.

PAY SUPER TO THESE EMPLOYEES
You’re generally required to contribute super if your employee is:

• Earning more than $450 (before tax) in any calendar month
• Employed on a full-time, part-time or casual basis (including those working in Australia temporarily)
• 18 or over
• Under 18 but working more than 30 hours per week.

Depending on their arrangement with you, you may have to pay some contract workers super too, even if they quote an ABN.

The ATO’s ‘Super guarantee eligibility decision tool’ can help you determine if your employees, including contractors, are eligible for SG contributions.
MEET THESE CONTRIBUTION DEADLINES

At a minimum, you need to pay super quarterly. These are the deadlines:

**Quarterly Superannuation Guarantee (SG) deadlines**

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<thead>
<tr>
<th>Period</th>
<th>Pay by</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 July – 30 September</td>
<td>28 October</td>
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<tr>
<td>1 October – 31 December</td>
<td>28 January</td>
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<tr>
<td>1 January – 31 March</td>
<td>28 April</td>
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<tr>
<td>1 April – 30 June</td>
<td>28 July</td>
</tr>
</tbody>
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You can pay more frequently, and at CareSuper we recommend contributing monthly. This is both good practice as super hits members’ accounts sooner, and necessary for any voluntary payroll arrangements. Salary sacrifice payments, for example, must be contributed monthly, not quarterly.

Remember to allow processing time by your bank, super fund and any clearing houses you might use. This often takes up to 1 – 2 weeks.

**AVOID PENALTIES FOR LATE PAYMENTS**

If you miss the quarterly deadlines, you may have to pay the ATO’s super guarantee charge (SGC). This penalty is made up of the SG shortfall + interest on the shortfall amounts + an administration fee.

The SGC is applied even if you subsequently make the payment, and you must lodge an SGC statement with the ATO. This is due on the 28th of the month following the relevant quarterly deadline. So if you’re lodging an SGC statement for the 1 July – 30 September quarter, it’s due by 28 November.

If you are penalised, you may be able to do one of two things:

1. Use the ‘late payment offset’ to reduce the amount of SGC you must pay, or
2. ‘Carry forward’ your late payment as a pre-payment for a future contribution for the same employee. There are terms, conditions and time limits on both options.

You should contact the ATO or your tax adviser to fully explore these possibilities.

**WE’LL FOLLOW UP WITH YOU ABOUT MISSED CONTRIBUTIONS**

If your employees’ super doesn’t get paid, we’ll get in touch with you to find out why and see if we can help.

There could be a good reason for unpaid super, like an employee having left your organisation, approved leave without pay, or employees receiving worker’s compensation or reduced hours. If that’s the case, it’s important to notify us promptly so we can update the member’s account — simply call 1300 360 149.

If you’re struggling to make payments or your contributions are in arrears, you should contact the Australian Tax Office to work out your next steps.
Let’s tick off your obligations as an employer (continued)

PROVIDING TAX FILE NUMBERS
Why are tax file numbers (TFNs) so important for super?
While members aren’t obliged to disclose their TFN, without it we’re legally unable to receive certain types of contributions, and higher taxes apply.
So it’s your job as an employer to pass on any TFNs provided to you for super purposes. (A TFN on an employment declaration form counts as ‘for super purposes’). Pass the TFN on within 14 days of receiving it OR when paying your employee’s first SG contribution. With CareSuper, the easiest way to provide a TFN is to include it in your contribution file.
Along with this being the right thing for your employees, you’ll want to pass on any TFNs to avoid a fine from the ATO. Remember, a TFN is sensitive information. Keep it secure and private. We’ll do the same.

KEEP US IN THE LOOP ABOUT CHANGES TO EMPLOYMENT
Let us know as soon as possible about changes at your workplace, including exits and new hires, employees on maternity or unpaid leave, a change to your trading name or nature of your business, or changes to your contact information.
Keeping your records current helps us help you. For example, we can support departing employees with relevant information and documents, even in difficult circumstances such as retrenchments.
To notify us about changes, call 1300 360 149.
Making super payments

We offer a free clearing house solution for employers — QuickSuper. It’s free of charge and SuperStream compliant. This means super payments are made electronically in a format that meets the government’s data and payment requirements.

ACCESSING QUICKSUPER
To start using QuickSuper, simply apply for access when you sign up to CareSuper. You’ll be prompted to do this. If you don’t want to use QuickSuper now but change your mind later, give us a call.

THE BENEFITS OF QUICKSUPER
As well as helping you meet your super obligations, QuickSuper has business benefits. It’s simple and efficient, allowing you to:

- Make contributions for all your employees in the one place, regardless of their super fund (includes SMSFs)
- Upload a payroll file or manually enter your employees’ contribution details
- Pay contributions via EFT or direct credit
- Update business details anytime
- Contribute for multiple businesses simultaneously.

CONTRIBUTIONS METHODS
You can make super payments by file upload (for multiple employees) or by direct entry (for individual employees). If you’re not sure where to start, take a look at the file templates QuickSuper provides.

Any questions? Refer to the QuickSuper User Manual in your account, go to caresuper.com.au/employers or give us a call on 1300 360 149.
Superannuation guarantee (SG) contributions are only one type of super contribution.

They’re the main one you’ll need to think about, but it’s useful to know what else is available, as your employees may request additional options from you. Here’s a rundown of choices you may like to offer in your workplace, or that your employees might use and ask you about.

**VOLUNTARY CONTRIBUTIONS**

- Payroll deduction (if you offer this)
- BPAY®
- Direct payment.

If you offer a payroll deduction facility, make sure you keep all payroll deduction authorities for employees using this option. Deduct the contribution from their salaries and send them as part of your standard superannuation payment.
**SALARY SACRIFICE**
This is an arrangement between you and your employee, where you agree to pay part of an employee’s salary as a superannuation contribution. This can be tax-effective for employees on high marginal tax rates.

Your employees should be made aware that salary sacrifice, like SG contributions, counts towards their concessional contribution cap (more below).

**GOVERNMENT CO-CONTRIBUTION**
Low to middle income earners may receive a co-payment from the government (up to certain limits) if they make a voluntary contribution to their super. Eligibility criteria apply, and income thresholds are indexed annually.

**THERE’S A LIMIT TO SUPER CONTRIBUTIONS**
There are government-imposed caps on how much super an individual can contribute in a financial year. That includes SG from an employer, as well as any extra employer paid costs. Your employees will need to keep an eye on this, especially if they make extra contributions, but it’s also critical you pay on time — and here’s why. If your contributions are paid late (or received outside a financial year), they’ll still be allocated to the period they were meant for. And if that pushes your employee over a contribution cap, they may have to pay extra tax.

**WHAT YOU’RE REQUIRED TO REPORT**
You must report the additional super contributions you make for an employee if:

- The contributions exceed the amount you’re required to pay by law (i.e. are above the 9.5% SG requirement)
- The employee has the capacity to influence how much extra is contributed.

These contributions aren’t included in your employees’ assessable incomes, so they don’t affect the way you calculate super contributions. You’ll need to include this information on your employees’ annual payment summary. You only need to report the additional amount, not the 9.5% SG. So for example, if you paid your employees 12% super, you’d report the dollar value of the 2.5% that’s above the SG requirement.

**FIND OUT MORE ABOUT SUPER CONTRIBUTIONS**
Do you need more information about contribution rules, eligibility and caps for you or your staff? Head to caresuper.com.au/knowyourlimits and caresuper.com.au/growyoursuper for more information. Or visit the ATO website.
CLAIMING A TAX DEDUCTION FOR EMPLOYER CONTRIBUTIONS

You can claim a tax deduction on the super payments you make for employees (including effective salary sacrifice arrangements), provided that:

- You claim the deduction in the same financial year you make the payments
- You make the payments by the relevant deadlines (at least quarterly for SG contributions and monthly for salary sacrifice)
- The payments are made to a complying super fund
- Voluntary payments for employees who turn 75 are made on or before the 28th day of the month following their birthday.

Keep in mind, your payment is recorded on the day it’s processed by us, not the day you make it. So to ensure any payments you want to claim are received prior to the end of the financial year, allow a few weeks for the payment cycle to be completed.

You can claim your deduction when lodging your income tax return.

This information is based on tax law current at March 2019 and may be subject to change.
Sign up with CareSuper

Ready to join CareSuper? We’re ready to welcome you. Here’s what you need to do:

1. Go to caresuper.com.au/employerjoin and register as an employer. Make sure you have this information handy before starting:
   - Your company name and ABN
   - Contact details, including name and email
   - Industry type
   - Number of employees
   - Your default super fund (if it’s not CareSuper).

   The process should take around five minutes.

   You should read the Member Guide PDS and this Employer Guide in full before joining.

2. Next, apply for clearing house access to start making contributions. We explain how that works on page 11. All done? Let’s get to work.

IF YOU’RE SELF-EMPLOYED, YOU MAY HAVE OPTIONS

Do you pay your own super but no one else’s? Depending on your company arrangement, you may not need to join as an employer and could qualify for CareSuper’s Personal Plan product. To check and potentially save yourself some time, use the ATO’s ‘Super guarantee eligibility tool’ at ato.gov.au or call us on 1300 360 149.
We’re ready to listen if you have an enquiry or complaint

If you have a complaint about CareSuper, you can let us know a few ways.

- **Call 1300 360 149** and we’ll aim to resolve things immediately
- **Email caresuper.com.au/getintouch**
- **Write to the Enquiries & Complaints Manager, CareSuper, Locked Bag 20019, Melbourne 3001**

We’ll address any problems as fairly as we can. And we’re committed to a reasonable timeframe. We’ll respond to you after no more than 90 days.

**ESCALATING YOUR COMPLAINT**

If you’re not satisfied with the way your complaint has been handled, or you haven’t received a response within 90 days, it’s your right to take your complaint to the Australian Financial Complaints Authority (AFCA), a free and independent dispute resolution body established by the government. Contact AFA at:

- afca.org.au
- 1800 931 678
- info@afca.org.au
- Australian Financial Complaints Authority Limited, GPO Box 3, Melbourne VIC 3001
Getting in touch

Call 1300 360 149
9am – 5pm weekdays

Visit caresuper.com.au/aboutus and go to ‘Our people’
Look for the client partnership manager for your region

Learn more by going to caresuper.com.au/employer

We’re resourced to help employers, with teams in Melbourne, Sydney, Brisbane and Canberra. And we travel regularly to other states and territories.
Past performance is not a reliable indicator of future performance and you should consider other factors before choosing a fund or changing your investments.

The information provided in this document is general advice only and has been prepared without taking into account your particular financial needs, circumstances or objectives. You should consider your own investment objectives, financial situation and needs and read the appropriate product disclosure statement before making an investment decision. You may also wish to consult a licensed financial adviser.

Sovereign Offset is FSC® certified and considered to be one of the most environmentally adapted products on the market with carbon neutral certification to Ball & Doggett warehouses nationally. Containing fibre sourced only from responsible forestry practices, this sheet is ISO 14001 EMS accredited and made with elemental chlorine free pulps.

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