



Code	QA325
Title	Pension Control Account
Policy Owner	Bursar
Date	26/06/2024 (date of Údaras meeting)
Approved By	Údarás na hOllscoile

1.0 Purpose

To ensure the University complies fully and in all respects with relevant legislation, regulations, best practice governance, and Government directives.

2.0 Description

This policy sets out the general principles underlying the Pension Control Account of University of Galway (“the University”).

2.1 Under the Financial Measure (Miscellaneous Provisions) Act 2009, the University pension funds were transferred to the National Pension Reserve Fund (NPRF). The university pension schemes operate under a Pay-As-You-Go (PAYG) model. University of Galway continues to account for employer pension contributions with no adjustment made to university funding levels in this regard. Universities are required to account for all pension related inflows and outflows operated by way of a Pension Control Account which accounts for such cash flows on an annual basis.

2.2 The Higher Education Authority (HEA) issued detailed procedures for the operation of a Pension Control Account post transfer of University pension schemes to the NPRF. This University policy reflects those HEA issued procedures, which are detailed hereunder. The Joint Scheme, Model Scheme and Single Public Service Pension Scheme (SPS) operate on a PAYG under three separate pension control accounts on an annual basis.

2.3 The control account operates as follows:

Income

Income in the pension control account:

- Employer contributions
- Employee contributions
- Pension transfer in – cash received.
- Income in respect of staff purchasing additional years’ service.
- Supplementation income

*Visit the **P&P Repository** on the **Quality Office web site**
for other policies, procedures, regulations and guidelines¹*

Expenditure

Expenditure in the pension control account:

- Pension Payments (Pensioner, Widows & Supplementation for both)
- Lump Sum Payments on Retirement
- Pension transfer out – cash paid.
- Refunds of contributions (employee only)
- Death in Service Payments
- Pension Administration costs (at existing levels where currently met by the pension fund)
- Any other expenditure currently paid from the fund (if applicable).

At the end of each financial year (30th September) there will be a surplus/(deficit) on the pension control account which represents a net cash inflow/(outflow) to/from the fund. Surpluses where they arise are repayable to the HEA at the end of the year and offset against grants and where deficits arise these will be transparently met by the HEA through its grant allocation system.

3.0 Responsibilities

Name	Responsibility
Bursar	Policy Owner