



ROPSA



Quarterly Newsletter

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RPPL No. 7-32 Amends Social Security Act

On August 2, 2007 RPPL 7-32 was signed into law. The following sections 742, 751, 752, 754, 755, and 761 of the Act were amended. It also enacts new sections, Section 702 (27), Section 751 (c) and Section 753 (e). These new amendments and sections revised the basic benefit formula, increased the minimum amount of the basic benefit, increased the maximum taxable wage and amended Old Age, Disability, Survivors, and Lump Sum Insurance benefits.

The following benefits were amended:

1. Disability: Aside from having to be currently and fully insured, the new law added another option. To qualify for this benefit, a person can be permanently insured which means having earned 120 quarters which is equivalent to 30 years of covered employment.
2. Lump Sum: The rate has been increased from 4% to 6% cumulative covered earnings (that is taxable earnings).
3. Survivor: If you are applying for a SP benefit, there are four ways to calculate your benefit depending on your age and marital status.

- a). Beneficiaries who are below age 60 and married will not be eligible for Survivor Spouse Insurance benefit.

Example: 1) If you're under 60 years old and remarried, you will not qualify for SP benefits (a person loses the widow or widower status if he/she remarries).

- b). 60% rate applies to surviving spouse below age 60 and unmarried.

Example: 2) Beneficiary who is under 60 years old and unmarried will receive 60% of the basic monthly benefit. *(RPPL.../Pg2)*

NOTICE:

We will be discussing these changes to the Act in more detail in the future issues of this newsletter.

Earnings Test Application

Based on the new law, RPPL No.7-32, the following beneficiaries are subject to earnings test deductions beginning with the month of **October 2007**.

Retiree, Disabled, & Survivor

The new law amends 41 PNCA Section 761, the earnings test means a test to determine whether the person who is receiving the benefit is retired or otherwise dependent on the Social Security benefit. The maximum amount of remuneration that a person may earn and still remain entitled to a full benefit is one thousand eight hundred dollars (\$1,800.00) during any quarter. The person who is receiving the benefits shall have his or her benefit reduced by one dollar (\$1.00) for each three dollars (\$3.00) of wages earned during a quarter in excess of one thousand eight hundred dollars (\$1,800.00). The reduction shall be applied in the quarter following the quarter in which the wages were earned. Notwithstanding the foregoing, the earnings test will not be applicable in the quarter in which the person who is receiving the benefit attains age 65, or in any subsequent quarter.

(Earnings.../Pg2)

To All Employers

This is to advise you that effective October 1, 2007 the maximum taxable wage will increase from \$3,000.00 per quarter to \$4,000.00 per quarter as required by RPPL 7-32. This change is applicable to wages paid from October 1, 2007 onward, and should be reflected on your 4th Quarter 2007 report and payment that will be due and payable in January 2008.

If you have any questions, you may call our Employer Services Manager, Norma Wally at 488-2457 during business hours, 8:00 am to 5:00 pm, from Monday to Friday.

Thank you for your continuing support.

RPPL...

- c). 100% rate applies to surviving spouse at age 60 or older and unmarried.

Example: 3) If you're over 60 yrs old and unmarried, you will receive 100% of the basic monthly benefit.

- d). 60% rate applies to surviving spouse at age 60 or older and married.

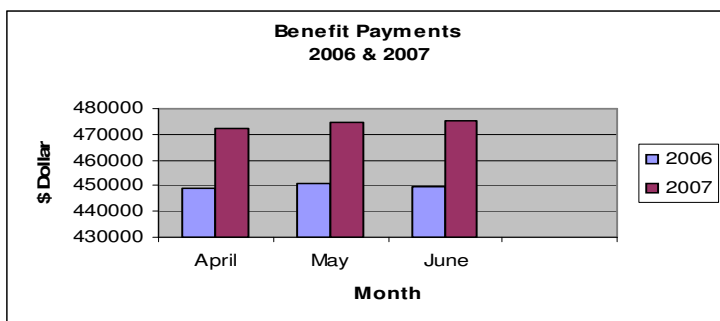
Example: 4) If you're over 60 yrs old and remarried, you will receive 60% of the basic monthly benefit.

4). Maximum Basic Monthly Benefit:

- The maximum basic monthly benefit formula will allow wage earners to receive their monthly benefit in accordance with their highest monthly average wage
- Highest monthly average wage over any 12 quarters before retirement will determine the maximum monthly benefit to be received.

5). Dual Beneficiaries: Section 752(b) was amended to disallow a beneficiary from receiving two types of benefits at the same time. However, those who were receiving two types of benefits prior to this amendment will continue to be eligible for such benefits but are not eligible for any increase.

6). The basic monthly benefit increased from \$47.50 to \$98.00.



Graph 1: Benefit Payments 2006 & 2007

Benefits Stats...

Benefit payments for the 2nd quarter of 2007 (April to June) totaled to \$1,422,307.52, surpassing last year's 2nd quarter which was \$1,349,077.57. Benefit payments have increased by 5.4% in 2007 compared to the same period of 2006. During this same period of April to June, active beneficiaries averaged at 2,356 whereas last year averaged at 2,284 active participants.

Earnings...

Surviving Spouse

Another revised amendment is Section 755 (d) a person under the age of 60 who is employed and earns more than one thousand five hundred dollars (\$1,500.00) in any quarter shall have his/her surviving spouse benefit reduced by \$1.00 for every \$3.00 for wages earned in a quarter in excess of one thousand five hundred dollars (\$1,500.00). The reduction shall be applied in the quarters immediately following the quarter in which the wages were earned.



Members



Members

It is therefore important to those who are residing outside of the Republic of Palau and are subject to earnings test provisions, to submit a certified or notarized statement of their gross earnings from their employer(s). If you are not employed then submit a notarized sworn statement stating that you are not employed. Otherwise your monthly benefit payment will be on hold until we receive the required document. In addition, a surviving spouse at age 60 to 65 will be subject to earnings test provisions under 41 PNC Section 761. If you need more information you may contact our office and talk to any Member Services representative at (680) 488-2457/1823 (8:00 a.m. to 5:00 p.m.).

DID YOU KNOW....

It is important to notify us **promptly** whenever you change your address, change direct deposit account, change guardianship for dependent child, change your name or change your marital status. Information you give to another government agency may be provided to Social Security Administration by the other agency, but you also must report the changes to us. Forms may either be picked up at our office or available at our website (www.ropssa.org).



Customer Services “Gap In The Workforce” Training
Participants: Palau Visitors Authority, PPUC, SSA, etc...



APIPA Conference - American Samoa

Customer Service “Gap in the Workforce” Workshop

Several staff members attended the “Gap in the Workforce” workshop “sponsored by SBDC on August 8, 2007 from 6:30 to 9:00 o’clock p.m. at PCC with Marleen Ngirametuker as the instructor. The workshop covered two main objectives. The first objective was to understand the gap in the workplace and the second was to refresh and enhance our customer service knowledge/skills.

Objective #1- Understanding the gap in the Workplace.

A large part of what contributes to misunderstanding between co-workers and clients are generational gap. The generation gap is composed of four different groups who have different beliefs and attitudes toward life and work. The four groups are:

The Matures: Born before 1945 (10% of the Workforce) believe in such things as country, conformity, age=seniority. The punch clock defines their work ethic.

The Baby Boomers: Born 1945-1964 (44% of the Workforce) are “workaholics” and competitive. They are defined by their jobs

Generation X: Born 1965-1977 (34% of Workforce) is very self-reliant. They view authority with skepticism and they do not believe in punch clocks.

Millennials: Born 1978 (12% of Workforce). They have difficulty focusing on “non-stimulating” stuff. They are ambitious yet they appear to be aimless.

Objective#2- Refresh and enhance our customer service knowledge/skills

(Customer Service/Pg4)

APIPA CONFERENCE - AMERICAN SAMOA

The 18th Annual APIPA conference took place on August 13-17, 2007 in American Samoa. Norma Wally, Social Security Administration’s Employer Services Manager was one of over 100 participants.

This year the Conference had three training tracks. There was an Auditor, Finance and Supervisor Track. The following are some of the topics that were discussed:

Knowledge Management:

Is a term that evolved in the 1990s that describes the notion of capturing the knowledge of company employees and storing that knowledge in a database for reference by other people within the company. To start a “Knowledge Management” program a company has to commit itself to doing it because it’s not an easy task. The first thing to do is set up a library accessible to everyone. Secondly, decide what database program would be particle to run. For example, a person who attends a payroll software training should come back from that training armed with new information or knowledge that nobody else in the organization has. Materials from that training should be logged in a database program such as “Access” and then shelved in the library instead of just laying around the person’s office. In the event the payroll clerk leaves the company whoever takes over can have access to materials that will help him/her fulfill his/her job description. Why is it necessary?. With more and more people moving from one job to another for higher pay a vacuum is created when they leave the company. As a result of the vacuum, the company will experience production loss. When implemented correctly, the program should help minimize the loss of productivity due to personnel turnover.

(APIPA/Pg4)

APIPA...

Effective Grants Management:

Since more and more agencies look for outside funding for different projects, it is beneficial for grantees to know how to effectively manage their grants so that the intended purpose of the grant is met. The objectives of the course was to understand the general grant process, become familiar with grantors' and grantees' overall responsibilities, understand the current status of the Grants Streamlining Initiative and learn the key elements of an effective grants monitoring system. The instructor class also informed us that in the next year or so the United States government will require that grantees put in place a monitoring system as part of the compliance they have to meet.



*APIPA Conference
American Samoa*

Reporting Audit Results:

In the Reporting Audit Results Class the participants learned to write audit reports targeting specific audiences. In writing a performance audit report the author must keep in mind the needs of his/her reader.



APIPA Conference - American

When an author is aware of his/her readers needs the report will tend to address those issues that most concern the reader. Thus, rendering the report to be more effective.

The Social Security Administration wishes to extend its gratitude to Public Auditor's Office for inviting us to attend this annual conference every year. The staffs of this agency have greatly benefited from this conference, as it has increased our knowledge as well improved our skills.

Customer Service...

Customers can either be internal and external. Internal customers are your co-workers and external are people who walk in to your workplace or call. It is not enough to provide good customer service. The goal each one of us in the workplace has to strive for everyday is to provide exceptional service. Some of the things that we can do to exceed our clients' expectations are:

- | | |
|--------------------|-----------------------|
| Ø Be on time/speed | Telephone Etiquette |
| Ø Accuracy | Competence |
| Ø Genuine care | Investing in Yourself |
| Ø Listening | Accountability |
| Ø Empathize | Self-Confidence |

There are so many other factors that influence these four groups but if we can try to understand the basic composition of their beliefs and attitudes we will be able to deliver better service to our clients as well as our co-workers.

REMINDER!!

The Republic of Palau Social Security Administration wishes to inform all employers and self-employed persons that the Social Security quarterly taxes are **NOW DUE** for quarter ending September 2007. All Employers have until October 31, 2007 to make necessary payments.

D E A D L I N E

3 r d Q u a r t e r
September 30 - Due by October 31

Human Wisdom

We do not grow absolutely, chronologically. We grow sometimes in one dimension, and not in another; unevenly. We grow partially. We are relative. We are mature in one realm, childish in another. The past, present, and future mingle and pull us backward, forward, or fix us in the present. We are made up of layers, cells, constellations.

By: Anais Nin

ROPSSA Quarterly Newsletter

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