



MIBCO SHARED SERVICES CENTRE

REGISTERED UNDER THE LABOUR RELATIONS ACT 66 OF 1995
Reg. No. LR2/6/6/1

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TO ALL EMPLOYERS

With the advent of the new operating system the processes in regards to the Forecasts, Returns and Payments has changed and the purpose of this communication is to explain these changes and introduce you to the new Debtors statement that will henceforth be sent to you on a monthly basis.

1. FORECASTS

The Forecast has the 3 distinct phases which are explained below:

1. Status FORECAST

This indicates that a new forecast based on the current information held for an establishment has been generated.

Depending on the overall status of the establishment a number of forecasts may have been generated based on the last "current" detail available to Mibco (i.e. the last reconciled return received from the employer as this would be the most recent information available to Mibco).

2. Status RETURN

This would indicate that a monthly reconciliation with the necessary transactions, i.e. engagements, discharges, rate changes etc., has been received and that the transactions have been captured.

3. Status PROCESSED

Once the system indicates a status of **processed** for a particular period, it indicates that a payment had been received and had been matched off in debtors to the relevant period, thus closing the relevant period.

It is important to note that a MONTHLY RECONCILIATION is needed for each and every period, whether there are changes to be made or not, as a **forecasted period must be transacted to status RETURN before the system will release the next forecasted period to the establishment** and allow for the closing of the period in debtors. (See Monthly reconciliations and Return payments below)

Once a period is transacted to RETURN the system will **produce a Return Analysis for the period transacted and this together with the next forecast period will be sent to the establishment. The new month's forecast is at the end of the Return Analysis.**

It must be noted that the new month's forecasts are only generated between the 26th and 30th of the current month, thus the generation of the forecast is done in advance of the month.

For example – The January forecasts will be generated between the 26th and 30th of December.

A forecast for a relevant period can be obtained through any of the Mibco Regional Offices and/ or from Mibco SSC.

2. MONTHLY RECONCILIATIONS

A Monthly reconciliation must be sent to Mibco for each month detailing any changes that need to be captured in regards to new appointments, termination of employees, changes in wages and salaries, breaks in contributions.

As the guardians of the Wage and Salary registers it is the establishment's duty to inform Mibco of any "changes" so that these changes can be captured on the system in order to correct the next generated forecast to the establishment. This is why it is so critically important that forecasts need to be reconciled to the payroll and that the Monthly Reconciliation be submitted to Mibco in order that the establishment's records be updated and that the correct contributions paid are matched to your payment. If this is not done the employer's records remain in limbo and cannot be processed.

The standard Monthly Reconciliation documents can be found in the Industry guide housed on the Mibco website, www.mibco.org.za, and an abbreviated monthly reconciliation is provided with each forecast. It is important to note that the next forecast when available will be attached to the Returns Analysis as mentioned under FORECASTS.

The completed Monthly reconciliations must be forwarded to Mibco together with the proof of payment to the following fax numbers:

Eastern Cape / Western Cape Regions: **086 673 6265**

Free State / Kwa Zulu Natal / Northern Regions: **086 681 7408**

Highveld Region: **086 673 3176**

3. PAYMENTS AND PROOF OF PAYMENTS

The deadline for payments to Mibco as per the Admin Agreement is the 10th of the following month for the current month. I.e. the January returns must be paid by the 10th February and so forth.

In order to ensure that a payment made by an establishment is allocated to the correct debtors account is vital that the correct BANK DEPOSIT REFERENCE IS USED.

The **bank deposit reference that must be used** is the relevant establishment's Bank deposit reference code and this number appears on all Forecasts and Statements.

Failure to use the appropriate reference number can and will cause delays in the allocation of the deposit to the debtors account and in turn will cause a delay in the relevant forecasted period being matched off and closed.

Examples of **incorrect bank deposit reference** are – MIBCO, PROV FUND, LEVIES, H SPRINGER, BOBS MTRS, to mention a few.

Should it be a practice of an establishment to make one single payment for a number of branches it becomes imperative that a single Employer code is used as the bank deposit reference however a BREAKDOWN of how the deposit is made up must be faxed through to Mibco to ensure the correct split of the deposit between the various branches.

The detail required is as shown below:

1234567	R 123.45
2345678	R 123.45
3456789	R 123.45
Total deposit	<u>R 370.35</u> on reference 1234567

The proof of payment, bank deposit slip and or electronic bank deposit notification plus the Breakdown of the deposit if applicable should be faxed to the following fax numbers:

Eastern Cape / Western Cape Regions: **086 673 6265**

Free State / Kwa Zulu Natal / Northern Regions: **086 681 7408**

Highveld Region: **086 673 3176**

Should an establishment wish to make payment via cheque the cheque should be made out to **MOTOR INDUSTRY BARGAINING COUNCIL** and the cheque should be crossed with the wording **NOT TRANSFERABLE**. By following these simple rules, it will assist in reducing the risk of a cheque being fraudulently intercepted and banked elsewhere.

Mibco strongly recommends in an attempt to alleviate fraudulent activity that payments to Mibco are done electronically (EFT's) and or as a direct deposit over the counter at any Standard Bank and **urges all establishments not to mail the cheque to Mibco** as we have experienced multiple cases cheques being intercepted in the mail and dealt with in a fraudulent manner.

4. STATEMENTS

The debtor's statement will be sent out on a monthly basis and below are some of the descriptions that could appear on the statement.

RETURN

- Indicates that the relevant period has been transacted from Forecast status to Return status and that payment is awaited for the relevant period / periods (as detailed under paragraph 1 above).

FORECAST

- Indicates that the relevant period has been forecasted based on the data received on the last Return received and that the Mibco offices await the relevant Monthly reconciliation and payment for the relevant period / periods (as detailed under paragraph 1 above).

CREDIT

- Indicates that the value shown is a credit due on the debtor record and is an overpayment to Mibco.

DEBIT

- Indicates that the value shown is a debit on the debtors record and is a result of an under payment to Mibco.

INTEREST

- Indicates the interest charged for a relevant period due to late payment

CASH

- A credit cash value marked with an astrix (*) indicates that a payment has been received and is still to be matched off to the relevant debits and invoices.
- A debit cash value indicates that this is money owed to Mibco and could be the result of a previous underpaid amount and/ or an RD payment

It is important to note that this circular will be updated from time to time as and when new descriptions are added to the statement.

Employers are reminded that assistance in regards to the above can be obtained either through the relevant MIBCO Regional offices and/ or through MIBCO SSC.

5. ONLINE RETURNS

Online Returns is a joint venture between Mibco and TransUnion Auto Information Solutions which is an internet based electronic forecast and returns system.

The advantages are timeous and efficient access to forecasts and the reconciliation of the return, giving the employer control over the necessary transactions that need to be captured.

This valuable service is available on a subscription basis and employers are encouraged to contact the TransUnion Auto offices on telephone number 011 428 2000 for further details.

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