

## **435 DEFERRED SALARY LEAVE PLAN**

### **Background**

The Division recognizes that there are benefits in providing employees the opportunity to take a one year leave of absence with pay by deferring salary to the year of the leave.

#### **1. Description**

The Deferred Salary Leave Plan is to afford employees the opportunity to take a one-year leave of absence with pay, by deferring a portion of annual salary to the year of leave.

#### **2. Eligibility**

- a. Any permanent employee of the Canadian Rockies School Division, excluding substitute teachers, who has a minimum of three years of service with the division.
- b. Notwithstanding the above, the Division reserves the right to allow any employee to participate in this plan.

#### **3. Cost of the Plan**

- a. The Division shall bear the administrative expenses of the plan.

#### **4. Application**

- a. An employee must make a written application to the Superintendent on or before February 28 for the following school year. Applications will be reviewed during the budget process.
- b. The approval of each application shall rest solely with the superintendent. The secretary-treasurer shall advise each applicant of the approval or disapproval of their application. No appeal of the Superintendent's decision may be made to any other body. It is understood that all decisions of the Superintendent under this plan are administrative decisions in which the superintendent may, for reasons they consider sufficient, exercise unfettered discretion which is not subject to review.
- c. If the Superintendent gives their approval, the participation of the eligible employee in the plan shall become effective on the date requested by the

eligible employee, or on a date specified by the superintendent.

- d. Before becoming a participant, an eligible employee must complete and sign a Memorandum of Agreement which is accepted by or on behalf of the Superintendent.

## **5. Deferral of Salary**

- a. Employees may defer up to a maximum of one third of their annual salary including allowances for one to six years.
- b. For each year during the period chosen, the participant shall receive regular salary less the percentage to be deferred as specified in the Agreement.
- c. The monies withheld shall be retained and may be invested or used in the operation of the division as determined by the division. The division shall credit to the account of each participant, monthly interest calculated at the Division's bankers prime rate less 2%.
- d. The secretary-treasurer shall make an annual report to each participant under this plan as to the amount of deferred salary together with interest accrued to date. The annual report shall be made no later than November 30 of any given year under the plan.
- e. The salary to be paid to a participant during the leave of absence shall be based on the monies retained by the Division in accordance with clauses 5(a) to 5(d), less any deductions made by the division under clause 8(a) and any amounts required by law to be paid by the division for or on behalf of an employee.
- f. The manner of payment to the participant during the leave of absence shall be in twelve monthly instalments. In no event shall payments be more frequent than monthly.

## **6. Leave of Absence**

- a. The leave of absence shall occur according to, and be governed by any relevant terms of the collective agreement in force between the division and the appropriate employee group.
- b. The leave of absence is to be taken in the year immediately following the deferral years. In any event, the leave must be taken no later than the seventh year.
- c. The term of the leave of absence under the plan will be a twelve-month period beginning September 1 of a school year for certificated staff and on a specified date for other employees.

- d. The leave of absence may be taken only in the year as designated in the Deferred Salary Leave Agreement. Under special circumstances, exceptions may be granted by the Superintendent.
- e. The participant must return to work after the leave of absence for a period equal to the leave of absence.
- f. During the leave of absence the participant will not accumulate or be entitled to the following:
  - i. teaching experience for salary increments
  - ii. statutory holidays, maternity, sick or other leaves or promotions

## **7. Deferral of Leave**

- a. If the Division is unable to obtain a suitable replacement for the period of the leave of absence as specified by the participant, the Division may, in its discretion, defer the leave of absence for one school year. In such case, the participant may choose to remain in the plan or he/she may withdraw from the plan, in which case the division shall pay to the participant the deferred compensation amount including interest in one lump sum payable within sixty days of such withdrawal.
- b. By giving notice of such intent, a participant may defer his/her leave of absence for one year. Such notice must be given six months prior to the date the leave was to be taken.

## **8. Benefits and Deductions**

- a. Employee benefits will be maintained by the division at the participant's cost during his/her leave of absence. However, the premium costs of all employee benefits tied to salary level shall be structured according to actual salary paid.
- b. Income Tax will be deducted in accordance with the Federal and Provincial Income Tax Acts.

## **9. Return from Leave**

- a. Upon resumption of duties, the Division shall:
  - i. return all non-certificated staff to a position similar in designation and classification to the one occupied prior to the leave.
  - ii. return all certificated staff considering the following:

- Principals and assistant principals shall be reassigned to such positions, schools to be determined at the time of administrative appointments.
- Division level administrators with permanent appointments shall be reassigned to the position they held prior to the leave.
- Personnel with term appointments shall be entitled to a placement in a teaching position.
- Teachers shall be reassigned to a teaching position.

## **10. Withdrawal from the Plan**

- a. A participant who ceases to be employed by the Division must withdraw from the plan. Within sixty days, the division shall pay to the participant the deferred compensation amount as provided in clause 5(c).
- b. A participant may withdraw from the plan at any time prior to six months before the date on which the leave of absence is to commence. Within sixty days of such withdrawal, the division shall pay to the participant the deferred compensation amount as provided in clause 5(c).
- c. Should a participant die, the division shall, within sixty days of receipt of a death certificate, pay the deferred compensation amount to the participant's estate, subject to the division receiving any necessary clearance and proofs normally required for payment to the estate.

### **References**

Section 52,53,196,197,205, 222  
Collective Agreement

### **History**

Developed: August 2003  
Amended: May 2020

**CANADIAN ROCKIES SCHOOL DIVISION**

**AGREEMENT: THE DEFERRED SALARY LEAVE PLAN**

I have read the terms and conditions of the Deferred Salary Leave Plan and Agreement of the Board of Trustees of the Canadian Rockies School Division. I understand the same and I agree to participate in the plan under the following terms and conditions.

**1. Enrolment Date:**

My enrolment date in the plan shall become effective, commencing:

\_\_\_\_\_, 20\_\_\_\_

**2. Year of Leave**

I shall take my leave of absence from \_\_\_\_\_, 20\_\_\_\_

to \_\_\_\_\_, 20\_\_\_\_

**3. Funding of Leave of Absence**

In accordance with the terms and conditions of the Plan, I direct that the percentage amounts set out in this clause be withheld from my current compensation amount with respect to my participation in the plan for the following years.

First Year \_\_\_\_\_, 20\_\_\_\_ to \_\_\_\_\_, 20\_\_\_\_ \_\_\_\_\_%

Second Year \_\_\_\_\_, 20\_\_\_\_ to \_\_\_\_\_, 20\_\_\_\_ \_\_\_\_\_%

Third Year \_\_\_\_\_, 20\_\_\_\_ to \_\_\_\_\_, 20\_\_\_\_ \_\_\_\_\_%

Fourth Year \_\_\_\_\_, 20\_\_\_\_ to \_\_\_\_\_, 20\_\_\_\_ \_\_\_\_\_%

Fifth Year \_\_\_\_\_, 20\_\_\_\_ to \_\_\_\_\_, 20\_\_\_\_ \_\_\_\_\_%

Sixth Year \_\_\_\_\_, 20\_\_\_\_ to \_\_\_\_\_, 20\_\_\_\_ \_\_\_\_\_%

\_\_\_\_\_  
Date

\_\_\_\_\_  
Participant's Signature

\_\_\_\_\_

Name Printed

**Agreed by the Board**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Secretary-Treasurer