Niagara Catholic District School Board

DEFERRED SALARY PLAN (X/Y)

ADMINISTRATIVE OPERATIONAL PROCEDURES

200 – Human Resources **No 201.10**

Adopted Date: March 26, 2002 Latest Reviewed/Revised Date: September 8, 2026

In keeping with the Mission, Vision and Values of the Niagara Catholic District School Board, the following are Administrative Operational Procedures for the Deferred Salary Plan (X/Y).

PREAMBLE

It is the policy of the Board to support eligible Employees to participate in a deferred salary plan to provide for a self-funded leave of absence for personal and professional development purposes.

The granting of such leaves will be at the sole discretion of the Chief Executive Officer and/or designate.

1. ELIGIBILITY

1.1 For the purpose of this plan, "Employee" means anyone who is presently employed by the Niagara Catholic District School Board on a permanent full time or permanent part-time basis.

1.2 An Employee will be eligible according to their respective Collective Agreements and/or Terms and Conditions

1.3 Employees interested in participating in the "X" over "Y" Plan are advised that it is their responsibility to apprise themselves of any terms, conditions, or restrictions which may apply. For example, they should be aware of any income tax, pension plan, L.T.D. or benefit implications

1.4 The number of participants accepted into the plan on an annual basis shall normally not exceed 3% of eligible staff within any given year.

2. APPLICATIONS

2.1 Employees applying for this type of leave must make written application to the Chief Human Resource and Communications Officer at least six (6) months prior to the date the plan is to take effect (i.e., the date of the first salary deduction). In the case of the teachers an application must be filed no later than January 31 of the school year prior to the school year in which the Plan will commence.

2.2 In general, the expectation is that the "X" Over "Y" Leaves of Absences will coincide with the school year (e.g., elementary panel). At no time shall the leave of absence be less than six (6) consecutive months inclusive of July or August (e.g., one term in the elementary or one semester in the secondary panel).

2.3 The Board will grant leaves of absence of one (1) year to eligible employees on the basis of spreading the payment over the period of the leave.

2.4 An eligible employee shall not be permitted to transfer between plans.

3. APPROVAL PROCESS

3.1 The Chief Human Resource and Communications Officer may consult with the employee's immediate supervisor prior to granting approval for the leave.

3.2 Written acceptance or refusal of the Employee's request will be sent to the Employee within three (3) months of receipt of the application and in the case of the teachers' written acceptance or denial of such application will be forwarded to the employee by May 1 of the school year prior to which the plan would commence.

3.3 If an employee decides not to return to the Board following a Financed Leave, the Board shall be notified as soon as possible of this decision and not later than April 1st of the year of the leave.

3.4 Approval of individual requests to participate in the Plan will be based on the terms of the Collective Agreements and /or Terms and Conditions.

4. PAYMENT FORMULA

4.1 The Employee shall specify on the *Niagara Catholic Application Form* the percentage of salary to be deferred in each year of the leave. These amounts will be accumulated and the total amount deferred, along with any interest earned, shall be retained by the Board for payment to the Employee during the year of the leave. Interest shall accrue at the Board's consolidated rate of interest. The accrued interest shall be paid annually, as required by Revenue Canada.

4.2 Arrangements for continued benefits coverage are to be made between employee and applicable provincial benefit carrier

5. CONDITIONS

5.1 Subject to the approval of the Chief Human Resource and Communications Officer an Employee may take the leave of absence in the specified year of the Plan. However, the salary paid during the leave is restricted to the actual Employee contributions up to the commencement of the leave plus accrued interest. All amounts held for the Employee's benefit shall be paid to the Employee no later than the end of the first taxation year that commences after the end of the deferral period.

5.2 The amount of salary deferred by the Employee in a given year must not exceed one-third (33 1/3%) of the salary the Employee would have received in that year.

5.3 The leave of absence must start within six (6) years from the start of the salary deferrals.

6. TERMS

6.1 Should an Employee voluntarily leave the employ of the Board before any financial obligation to the Board has been discharged, any monies outstanding shall be repaid prior to the effective date of termination.

6.2 Following the year of the Leave, the Employee shall return to duty with the Board for a period of at least one (1) school year.

6.3 Upon return from the leave of absence, an Employee will be assigned a position with the Board according to the terms and conditions of employment, prevailing contracts, Board Policies and Administrative Regulations. Subject to the surplus and redundancy provisions, if any, of the

prevailing collective agreements, terms and conditions and other legally binding terms of employment, Employees will be assigned to a comparable assignment, not necessarily the same location.

6.4 Upon return from the leave of absence, Principals, Vice Principals and Managers will retain their status, unless a change has been mutually determined. However, they may be assigned to a different location dependent upon system needs.

6.5 Sick leave credits will not accumulate during the period of leave.

6.6 The period of leave will count for seniority experience but not for salary increment.

6.7 Employees declared redundant or Employees who have been terminated, will be required to withdraw from the Plan and will be paid a lump sum adjustment for any monies deferred to the date of withdrawal, plus any interest earned.

6.8 Repayment shall be made within sixty (60) days of withdrawal from the Plan.

- In the case of Employees where it is applicable, Pension Plan deductions are to be continued as provided by the *Teachers' Pension Act.*
- In the case of Employees not involved with the Teachers' Pension Plan, the terms and conditions of the respective pension plan shall apply.

6.9 Employees may withdraw from the Plan any time prior to six (6) months before the commencement of the leave. Upon withdrawal, any monies accumulated plus interest owed will be repaid to the Employee within sixty (60) days of notification of their intent to leave the Plan.

6.10 Should an Employee die while participating in the Plan, any monies accumulated plus interest owed at the time of death will be paid to the Employee's estate. Conversely, any monies plus interest owed to the Board at the time of death, shall be payable to the Board from the Employee's estate.

6.11 Employees wishing to participate in the Plan shall be required to sign forms of agreement supplied by the Board before final approval for participation will be granted.

6.12 Employees participating in the Plan are subject to all terms of the Board contract including the applicable surplus and redundancy clauses or other Employer-Employee applicable contracts and/or agreements.

6.13 Employees participating in the X over Y Plan will be covered by Long Term Disability Insurance of the Board for any claim arising during the year of leave, provided the Employee has opted to pay their share of the premiums. In the case of the teachers' premiums for Long Term Disability Insurance will be deducted as it is a condition of employment.

References

- ***Teachers' Pension Act***

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