

#### EXEMPT - Deferred Compensation Leave Plan Information

The Deferred Compensation Leave Plan (DSLPL) provides Exempt employees, with a continuing contract, an opportunity to set aside a portion of their monthly income for the purpose of financing an extended leave of absence. Since the plan affects statutory deductions such as income tax, CPP and EI contributions, DSLPL are governed by Revenue Canada and terms are specified within a Tax Ruling.

The Deferred Compensation Leave Plan is based on the provisions of the GVTA Collective Agreement. Details of this Plan, as well as the application form, are found in the Addendum to the Local Collective Agreement. The following points relate to questions often asked about the plan and hopefully, will serve as a quick reference. For more information, you may call Human Resource Services:

- Robyn Bowden 250.475.4122

#### Main Points of the Plan

- The plan permits a participant to defer a percentage of Salary (up to 1/3 per year) over a period up to four years so they can take a leave as a self-funded leave of absence. During the years of deferral the withheld funds are deposited to an account in the name of the applicant at Cumis Life Insurance Company. The funds are not directly accessible by the participant. Due to tax implications withdrawals of these investments for any reason must be processed through the Board's payroll system.
- The maximum amount of salary deferred each year is 33 1/3%.
- The maximum amount of time allowed to complete the plan is six years. A participant may postpone the scheduled leave for one year; however, this postponement will not move the commencement of the leave beyond six years from the date of enrolment in the Plan.
- The minimum term of the leave is six months.
- An Exempt employee must return to employment after the leave and before retirement, for at least the same term as the leave.
- An Exempt employee can maintain Health Benefits while on leave.

- Pension contributions are based on 100% of gross salary (before deferrals) during the years of deferment. No contributions are made during the period of the leave. The Exempt employee, by making application to the Pension Corporation, may purchase Pension credit for the time of the leave.

Criteria:

- Following the leave the Exempt employee works for a period equal to the leave;
  - The employee and the employer pay their shares as calculated by the Pension Corporation.
- Canada Pension Plan premiums are based on the participant's salary net of the deferred amounts during the period of deferral and on the deferred amounts when paid to the participant during the leave.
  - Employment Insurance premiums are based on the participant's gross salary before deferrals during the period of deferral and no premiums are withheld from the deferred amounts when paid to the participant during the leave.
  - A participant may request an adjustment to the Plan, such as a change in the amount of deferral. Changes to the Plan can be accommodated no more than once per year. See Article 3.1
  - Participants may choose between two forms of payment during the leave:
    - Lump Sum - benefits may be paid by post-dated cheques.
    - Salary continuance over the period of the leave - benefits deducted on a monthly basis.
  - This plan is not to be used as a retirement or savings plan.
  - Applications for Deferred Compensation Leave Plan are to be received by Human Resource Services before March 31st. The Plan will commence September 1st following application.

Updated: February 2021

*The Greater Victoria School District wishes to recognize and acknowledge the Esquimalt and Songhees Nations, on whose traditional territories, we live, we learn, and we do our work.*



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# Human Resource Services

## Leave of Absence and Deferred Compensation

**PLEASE READ CAREFULLY BEFORE SIGNING**

### Leave of Absence and Deferred Compensation Leave Plan

EXEMPT MEMBER'S NAME: \_\_\_\_\_

EMPLOYEE NO.: \_\_\_\_\_

I have read the terms and conditions of the Agreement between the Board of School Trustees of School District No. 61 (Greater Victoria) and the Greater Victoria Teachers' Association setting up the Leave of Absence and Deferred Compensation Plan and understand the same, and I agree in my capacity as an Administrator to participate in the Plan under the following terms and conditions:

#### ENROLMENT DATE

My enrolment in the plan shall become effective for the school year commencing **JULY 1**, \_\_\_\_\_

I shall take my **Leave of Absence** from \_\_\_\_\_ to \_\_\_\_\_, (not to be less than (6) six consecutive months) but I shall have the right in accordance with Clause 4.7 to postpone such a leave for up to (12) twelve months.

#### FUNDING OF LEAVE OF ABSENCE

In accordance with Clause 3 .1, I direct that the percentage amounts as set out in this clause (not to exceed thirty-three and one third (33 1/3) per cent) be withheld from my Current Compensation Amount with respect to my participation in the Plan for the following school years:

- First Year \_\_\_\_\_%
- Second Year \_\_\_\_\_%
- Third Year \_\_\_\_\_%
- Fourth Year \_\_\_\_\_%
- OR All Years \_\_\_\_\_%

On one occasion in any school year, the Participant may, by written notice to the Board (**at least 1 month prior to the requested change**), alter the percentage amounts for that or any subsequent year in accordance with Clause 3. 1.

#### RETURN TO EMPLOYMENT

I understand that I must return to employment with the Board for a period of time not less than the period of leave.

Date: \_\_\_\_\_ Employee's Signature \_\_\_\_\_

#### AGREED TO BY THE BOARD:

Date: \_\_\_\_\_ Human Resource Manager \_\_\_\_\_

*Updated: February 2021*

**PLEASE RETURN THIS APPLICATION TO THE HUMAN RESOURCE SERVICES DEPARTMENT**

### EMPLOYER INFORMATION

Employer Name \_\_\_\_\_

Company # \_\_\_\_\_ Employer/Sponsor Identification # \_\_\_\_\_ Division # \* \_\_\_\_\_

\*If Applicable

### EMPLOYEE/ANNUITANT INFORMATION

Employee/Annuitant \_\_\_\_\_  
First Name Initial Last Name

Participant ID # \_\_\_\_\_ Date of Birth \_\_\_\_\_

In 2014 the Foreign Account Tax Compliance Act (FATCA) was enacted in the USA. In accordance with this legislation, CUMIS, as plan administrator, is required to obtain self-certification of tax status from all individuals enrolled in a Deferred Salary Leave Plan.

- I am a tax resident of Canada
- I am a tax resident or citizen of the United States TIN \_\_\_\_\_

If you ticked this box, give your taxpayer identification number (TIN) from the United States.

If you do not have a TIN from the United States, have you applied for one? Yes No

- I am a tax resident of a jurisdiction other than Canada or the United States

If you ticked this box, give your jurisdiction of tax residence and TIN.

If you do not have a TIN for a specific jurisdiction, give the reason using one of these choices:

- Reason 1: I will apply or have applied for a TIN but have not yet received it.
- Reason 2: My jurisdiction of tax residence does not issue TINs.
- Reason 3: Other reason (you must provide a specific reason in the space below).

Jurisdiction of Tax Residence \_\_\_\_\_ Taxpayer Identification Number \_\_\_\_\_

Reason for no TIN \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

#### CUMIS PRIVACY STATEMENT

CUMIS is committed to protecting the privacy, confidentiality, accuracy and security of the personal information that it collects, uses, retains and discloses in the course of conducting business.

**Please complete and sign this form and return it to your plan administrator or HR Department**

CUMIS LIFE INSURANCE COMPANY P.O. BOX 5065 151 NORTH SERVICE RD. BURLINGTON ON L7R 4C2

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