



APPLICATION FORM YTA DEFERRED SALARY LEAVE PLAN

To be completed and returned to the Superintendent by **FEBRUARY 1st** for consideration to enroll in the following school year.

Name:	
Address:	Home Phone:
School:	

Plan Option

As the number of spaces available in each plan is limited, please indicate your order of preference by placing a number 1, 2 and 3 in each space. If you are not interested in a particular plan option, indicate that by writing NO in that space.

3/4 Plan _____ 4/5 Plan _____ 5/6 Plan _____

Continuous and Aggregate Service

Applications will be assessed on the basis of the length of the applicant's most recent continuous service or since a previous Deferred Salary Leave, whichever is most recent, and on the applicant's total aggregate service.

Most recent continuous service date: _____

Previous Deferred Salary Leave: _____

Total aggregate service: _____

Previous Leave

Applicants are required to have successfully completed at least three years of continuous service since a previous leave, exclusive of leave for sickness, disability, maternity, adoption, parenthood, or secondment. If you have taken a leave of absence within the three years preceding this application please indicate the dates and reason for the leave.

Applicant signature: _____

Date: _____

1. DESCRIPTION

- 1.1 The purpose of the Deferred Salary Leave Plan (DSLPL) is to provide eligible employees with the opportunity to finance one (1) year of absence without compensation by deferring portions of their gross salary to the year of leave.
- 1.2 The term of leave of absence under the DSLPL shall be a twelve (12) month school year period.
- 1.3 The term “school year” shall mean the successive twelve (12) month period between August 1 and July 31.
- 1.4 The term “deferred salary” shall mean that portion of the gross annual salary which is deferred by a participating employee during each non-leave year of their enrolment in the DSLPL, plus any interest earned but less those deductions as specified in clauses 7 and 9.
- 1.5 The term “gross annual salary” shall mean annual salary plus administrative allowances (e.g. Principal, Vice-Principal and department head allowances), but shall not include community allowance or travel allowances.
- 1.6 The term “deferral period” shall mean the total of the non-leave years during which the participating employee is deferring a portion of their gross annual salary.

2. ELIGIBILITY

- 2.1 Enrolment in the Deferred Salary Leave Plan will be limited to full or part-time employees who have successfully completed their two (2) year probationary period and who are appointed to permanent staff.
- 2.2 A participating employee who applies for and is granted educational leave must immediately withdraw from the plan.
- 2.3 Six (6) employees will be eligible to take a leave of absence under the DSLPL in any given school year. The set number of six (6); however, may vary from year to year as a result of postponement per clause 11.
- 2.4 Employees will be required to have successfully completed at least three (3) years of continuous service since a previous leave, exclusive of leave for sickness, disability, maternity, parental or parenthood, or secondment.

3. APPLICATION OF NOTIFICATION

- 3.1 An application by an eligible employee to the Deferred Salary Leave Plan shall be made in writing and must be submitted to their Superintendent of Education on or before February 1 of the school year preceding the school year in which the eligible employee wishes to enter the plan.
- 3.2 All applications to the DSLPL shall be forwarded by the Regional Superintendents of Education to the Deferred Salary Leave Committee.
- 3.3 The membership of the Deferred Salary Leave Committee shall be:
 - a) two representatives of the Yukon Teachers’ Association; and
 - b) a Superintendent of Education and the Director, Human Resource Services for Education; and the chair shall be rotated annually between representatives of the Department of Education and the Yukon Teachers’ Association.

- 3.4 The Deferred Salary Leave Committee shall assess the applications to the DSLP on the basis of the following:
- a) The length of the applicant's most recent continuous service with the Yukon Department of Education since hire, or since previous DSLP, whichever is the most recent.
 - b) Total aggregate service with YTG.
- 3.5 The Deferred Salary Leave Committee shall forward a list of recommended applicants for review by the Superintendent of Education and shall notify in writing those applicants who have not been recommended.
- 3.6 The Superintendent of Education shall by April 1 of the school year preceding the school year in which the eligible employee wishes to enter the DSLP, advise such employee in writing of the approval or non-approval of the application, and the reasons for non-approval where such is the case.
- 3.7 Before final authorization for participation is granted by the Superintendent of Education the eligible employee must complete and sign an agreement wherein are set the terms and conditions in the DSLP. Such agreement shall be prepared by the Superintendent of Education.
- 3.8 The agreement must be signed by the eligible employee and returned to the Superintendent of Education by April 30 of the school year preceding the school year in which the eligible employee has been given approval to enter the DSLP, or such employee shall be deemed to have withdrawn their application to participate.

4. DEFERRED SALARY FORMULA

- 4.1 During each school year prior to the leave of absence year, the participating employee, for a maximum of five (5) school years, will receive their gross annual salary less the percentage of gross annual salary the eligible employee and the Superintendent of Education have agreed to defer in an agreement as set out in Schedule "A" attached hereto. This accumulated percentage of salary plus any interest earned less any deductions as specified in clause 7 shall be retained for the employee by the designed Trust Company to finance the year of leave.
- 4.2 The participating employee may select one of the following deferral schedules:
- a) **3/4 Year Plan**
Three (3) qualifying non-leave years followed by one (1) year of deferred leave. In the 3/4 Year Plan, the percentage of gross annual salary to be deferred each year shall be twenty-five percent (25.0%).
 - b) **4/5 Year Plan**
Four (4) qualifying non-leave years followed by one (1) year of deferred leave. In the 4/5 Year Plan, the percentage of gross annual salary to be deferred each year shall be twenty percent (20.0%).
 - c) **5/6 Year Plan**
Five (5) qualifying non-leave years followed by one (1) year of deferred leave. In the 5/6 Year Plan, the percentage of gross annual salary to be deferred each year shall be between sixteen point six seven percent (16.67%).
- 4.3 Once the participating employee and the Superintendent of Education have agreed to a deferral schedule (i.e. the 3/4 Year Plan, 4/5 Year Plan or the 5/6 Year Plan), that agreement may not be amended subject to clauses 10 and 11.
- 4.4 Year one of the Deferred Salary Leave Plan is 1988/1989.

5. INCOME TAX

The amount of income tax to be deducted will be computed on the actual gross annual salary received by the participating employee during each of the calendar years they are enrolled in the DSLP.

6. INCOME EARNED BY THE TRUST FUND

Interest income from the trust fund, minus costs incurred in the administration of the fund, will be paid out to participants of the DSLP, on an annual basis in the year in which it is earned. All payments become taxable upon receipt as income from employment and appropriate income tax information slips will be issued as required.

7. ADMINISTRATION OF DEFERRED SALARY

- 7.1 The deferred salary amounts shall be placed in trust, by the Department of Finance, with a Trust Company as designated by the Trust Account Committee, and shall be invested and administered by the designated Trust Company.
- 7.2 The Trust Account Committee shall be composed of two representatives from the Yukon Teachers' Association, one representative from the Department of Education and one representative from the Department of Finance.
- 7.3 The Government of the Yukon, the Teachers' Association and the members of the Trust Account Committee shall not be liable to any participant for any investments made which is authorized pursuant to clause 7.1.
- 7.4 All investments made by the designated Trust Company, pursuant to clause 7.1, shall be in guaranteed investments only.
- 7.5 All costs incurred by the designated Trust Company in the administration and investment of the deferred salary amounts shall be charged back to the participating employees, through an annual administration fee.
- 7.6 a) The Trust Account Committee shall ensure that an Annual Report is issued to each participating employee as to the amount of deferred salary held in trust for the employee, including any interest earned.
b) The Annual Report shall be made no later than July 31 of each year while the employee participates in the plan.

8. PAYMENT OF DEFERRED SALARY DURING LEAVE PERIOD

- a) Unless otherwise directed by the participating employee prior to July 1 of the leave period, payments to the employee will be in twelve (12) equal monthly installments.
- b) In no event shall payment be made more than monthly.

9. TREATMENT OF BENEFITS DURING DEFERRAL AND LEAVE PERIODS

- 9.1 A participating employee during the year of leave under the DSLP shall not accumulate nor be entitled to the following:
 - a) experience for salary increments; and
 - b) maternity, parental, sick, special or any other leaves.
- 9.2 i) during the deferral period, deductions for the following plans will be based on the participating employee's full pensionable salary and not on the reduced amount:
 - a) Superannuation
 - b) Supplementary Death Benefit
- ii) While the participating employee is on leave no deductions will be taken for the plans noted in i) above. In addition no employer contributions will be made even though the employee remains a member of these plans.
- iii) Upon returning to work after the leave period, the employee must pay their contributions into the plans noted in i) above for the first three months of the leave. For the plans noted in i) a) and b) above, the employee may elect to count the period in excess of three months as pensionable service. If the employee makes that election they must pay both the employee and the employer contributions for the remaining period of leave.

The amount to be recovered from the employee will be recovered over a period of time equal to twice the leave period or, at the request of the employee, over a period of time equal to the leave period.
- 9.3 i) During the deferral period, deductions for the following will be based on the monies which the participating employee actually receives including income earned on monies held by the DSLP which is paid out to the employee pursuant to 6 above, and not on the employee's full pensionable salary:
 - a) Income Tax
 - b) Canada Pension Plan
- ii) While the participating employee is on leave the deferred salary will be subject to income tax deductions and Canada Pension Plan deductions as it is paid out.

- iii) Employment Insurance – During the deferral period, E.I premiums will be based on the gross annual salary and not on the reduced amount. No deductions will be taken during the leave period and the employee will not be eligible for E.I. benefits until they have returned to work and have requalified.
- iv) After returning from leave, income tax, Canada Pension Plan contributions and Employment Insurance contributions will be deducted normally, the same as for an employee not in the DSLP.

Benefits During the Leave Period (Optional):

Employees on leave must choose to either: retain all existing benefit coverage (i.e. LTD, Life Insurance, Dental and Extended Health); or no benefit coverage. If maintaining benefit coverage, employee portions of premiums must be paid by pre-authorized debit (PAD) and the employee must complete the PAD form, prior to the leave period. If the employee does not maintain coverage during the leave period, coverage and deductions will automatically recommence upon return to work, if the employee returns to work within three (3) months of termination of coverage. If benefit coverage is terminated for longer than three (3) months, the employee will be required to serve the waiting period applicable to new employees before coverage recommences.

Long Term Disability (LTD)

For Long Term Disability, if the employee maintains all benefit coverage, the employee must pay the employee contribution portion of the premium for the first three months of the leave and then both the employee and employer contributions for the period in excess of the first three months of the leave.

- 9.4 i) The fees for the Extended Health Care Plan are fixed in amount.
- ii) For Extended Health Care, if the employee maintains all benefit coverage, the employer and employee share of Extended Health Care premiums will be paid in full by the employer for the year of leave during the year of leave.
- 9.5 Dental Plan – For Dental, if the employee maintains all benefit coverage, they must pay both sides of the premiums during the leave period.
- 9.6 i) The participating employee will not earn a Yukon Bonus during the one year leave period.
- ii) The participating employee's eligibility date for their Yukon Bonus will not change and a pro-rated Yukon Bonus will be automatically processed the pay day following that date.
- iii) The calculation of their service for receipt of the next Yukon Bonus will commence at the start of the school year following the year of leave.
- 9.7 During the year of leave, community, transportation and travel assistance allowances will not be paid to the participating employee.
- 9.8 If the participating employee normally resided in accommodation provided by the Yukon Housing Corporation, the employee will be required to vacate that accommodation during the year of leave and will be guaranteed return occupancy pursuant to Letter of Understanding A attached.
- 9.9 Payment of Yukon Teachers' Association membership dues during the period leave is at the discretion of the participating employee.

10. WITHDRAWAL

- 10.1 A participating employee, who during their enrolment in the plan is granted Educational Leave, must withdraw from the plan.
- 10.2 A participating employee may apply to withdraw from the plan due to financial hardship provided the request is made to the Superintendent of Education by April 1 of the school year preceding the school year in which the leave is to commence. The Superintendent of Education shall have the authority to decide whether the request be granted or denied and shall give the employee written notification of such decision and when the request is denied, reasons for the denial.
- 10.3 Participation in the plan will cease immediately on an employee's death, or on commencement of Long Term Disability Insurance Benefits.

- 10.4 A participating employee who ceases to be a YTA bargaining unit employee who is immediately appointed to another position within Yukon Government may continue their participation in the Plan subject to the approval of the Deputy Head (or the new Deputy Head if applicable) based on operational requirements. The terms and conditions of their participation in the Plan shall not change. If the employee is no longer eligible to participate, or the Deputy Head does not approve the employee's continued participation, the employee will be withdrawn from the Plan.
- 10.5 When the employee ceases participation in the plan, pursuant to 10.1 to 10.3 above, the employee shall be paid the deferred salary amount as provided in clause 1.4 within sixty (60) days of written notice to the designated Trust Company of such withdrawal.

11. POSTPONEMENT

- 11.1 The Superintendent of Education may require that the participating employee defer the planned leave of absence if:
- a) operational requirements dictate the postponement;
 - b) the participating employee has received an unsatisfactory performance evaluation in the final year of the deferral period.
- 11.2 The employee must be notified of any postponement under 11.1 by April 1 of the school year preceding the year of leave.
- 11.3 Where a postponement is required under clause 11.1 a), the employer shall pay to the participating employee, on presentation of official receipts, the cost of any non-refundable deposits.
- 11.4 The employee may request of the Superintendent of Education that the planned leave of absence be postponed.
- 11.5 Postponements requested under 11.4 should be made, where feasible, to the Superintendent of Education by April 1 of the school year preceding the school year in which the leave was planned to be taken.
- 11.6 A postponement whether employer or employee initiated:
- a) may be made only once in respect of each participating employee;
 - b) may be made for a maximum of one (1) school year only.

12. TERMS AND CONDITIONS

- 12.1 A participating employee shall return to their regular employment with the Yukon Department of Education for a least two (2) consecutive school years after the school year of leave.
- 12.2 A participating employee who fails to complete the two (2) year return to service agreement shall repay all employer contributions to the extended Health Care Plan, as provided in clause 9.4 ii).
- 12.3 Notwithstanding clauses 12.1 and 12.2 the Superintendent of Education may, at their discretion, reduce the two (2) year return to service commitment to one (1) school year without penalty to the employee. In no circumstances, however, shall the return to service be less than one (1) school year.
- 12.4 Following the leave period the Superintendent of Education will endeavour to place the returning employee in the same or an equivalent position and, if possible, within the same community as the participating employee occupied prior to the period of leave.

13. GENERAL

Amendments agreeable to the Department of Education, the Public Service Commission and the Yukon Teachers' Association may be made to the Deferred Salary Leave Plan, subject to the necessary authorizations, as long as they do not affect the tax ruling which is applicable to the DSLP prior to the amendment.

RE: YUKON HOUSING – RENTAL ACCOMMODATION

The following will constitute the status of YHC housing tenancy for teachers on leave under the Deferred Salary Leave Plan (DSLPL):

1. YHC will remain the landlord, meaning there will be no subletting by the teacher.
2. The teacher on leave will be guaranteed the same unit on return from leave.
3. The teacher going on leave will be responsible for their effects. If an arrangement is made between the temporary teacher and the teacher going on leave regarding storage of effects, YHC will not be responsible for any damage to the effects if they remain in the YHC unit.
4. If an arrangement is made for storage of effects between the temporary teacher and the teacher on leave and the effects remain in the unit prior to the temporary taking occupancy or after the temporary vacates the unit, the teacher on leave would be required to pay rent during those periods.
5. The temporary teacher would pay market rent.
6. The teacher on leave would be required to advise the YHC prior to going on leave giving details of dates of when going on leave and when returning and if there were arrangements about effects remaining in the unit.
7. The rent for the teacher on leave would be protected by the terms of the collective agreement.

I have read the terms and conditions of the Yukon Teachers’ Association Deferred Salary Leave Plan and understand same and I agree to participate in the plan under the following terms and conditions.

1. ENROLMENT DATE

My enrolment in the plan shall become effective commencing _____1st, 20_____.

2. NUMBER OF YEARS OF PARTICIPATION

I shall participate in the Plan for _____ years (maximum participation six (6) years) and my Leave of Absence shall immediately follow thereafter but subject to provisions of Paragraph 3 below.

3. YEAR OF LEAVE

In accordance with clause 4.2, I intend to apply for the:

- a) 3/4 year plan
- b) 4/5 year plan
- c) 5/6 year plan

I shall have the right in accordance with clause 11.4 to postpone such leave for twelve (12) months and employer shall have the right to defer such leave for twelve (12) months in accordance with clause 11.1 (a & b).

Final applications and approval for leave will be as per the Deferred Salary Leave Plan.

4. PAYMENT OF ACCRUED INTEREST

This paragraph shall apply so long as Revenue Canada considers the Plan to be a ‘debt obligation’ coming within paragraph 12 (11) (a) of the *Income Tax Act* (Canada) or a similar provision is in effect. I direct the Employer to pay Accrued Interest to me at the end of each calendar year which I am a participant in the Plan.

Employee’s Signature

Date (yyyy-mm-dd)

I have read the terms and conditions of the attached Plan between Her Majesty the Queen in the Right of the Government of Yukon and the Yukon Teachers' Association Employees setting up the Deferred Salary Leave Plan. I understand the same and I agree to and adopt said terms and provisions. Without restricting the generality of the foregoing, I confirm that I have read clauses 7.1 through 7.6 of the Plan and in accordance with the provisions of those clauses, I release the Government, and members of the Committee for any liability for any investments made which are authorized by the Plan.

I confirm my understanding that should any taxing authority pass any legislation with causes an income tax to be levied on the investment income earned from funds in the plan prior to the receipt of the investment income by myself, that such tax will be paid out of the investment income and that neither the Government, or members of the Committee shall be liable for such tax.

I confirm my understanding that changes or amendments to the Plan may be required as a result of legislative or contractual changes or amendments (e.g. with the benefits provider) or due to subsequent interpretations of such obligations and accordingly changes or amendments may have to be made to the Plan to ensure compliance and that I release the Government of Yukon from any liability as a result of such changes or amendments.

I also confirm my understanding that in the absence of a written agreement to the contrary, all charges, costs or unforeseen expenses associated with this plan shall be paid by myself, and such charges, costs or unforeseen expenses will be paid out of the investment income and that neither the Government or members of the Committee shall be liable for such charges, costs or unforeseen expenses.

Date (yyyy-mm-dd)

Employee's Signature

Date (yyyy-mm-dd)

Witness