

**PRE-PAID LEAVE APPLICATION FORM**  
**Administrative and Support Staff**



EMPLOYEE'S SURNAME

FIRST NAME & INITIAL

POSITION

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

DEPARTMENT/SECTION

MANAGER/DIRECTOR

\_\_\_\_\_

\_\_\_\_\_

Date of Hire: \_\_\_\_\_ (At least 3 years service with the College is required, in order to participate.)

Leave Requested From: \_\_\_\_\_ To \_\_\_\_\_

Deferred Salary From: \_\_\_\_\_ To \_\_\_\_\_

METHOD OF PRE-PAYMENT – please check one: (Maximum amount deferred per year is 33 1/3 of your salary.)

1/3 of salary for two years (2/3) \_\_\_\_\_

1/4 of salary for three years (3/4) \_\_\_\_\_

1/5 of salary for four years (4/5) \_\_\_\_\_

1/6 of salary for five years (5/6) \_\_\_\_\_

BENEFITS: I wish to maintain benefits through automatic withdrawal: Yes  or No

\*\*\*\*One month prior to leave taking place, please contact a Benefits Officer regarding what benefits you wish to maintain during your leave of absence.

\_\_\_\_\_  
Signature of Applicant & Date

\_\_\_\_\_  
Signature of Manager/Director & Date

\_\_\_\_\_  
Signature of Vice-President & Date

\_\_\_\_\_  
Signature of President & Date

**PRE-PAID LEAVE PLAN**

---

I have applied for and been granted leave to participate in the above pre-paid leave plan, and acknowledge and agree, that as a condition of participation, that in the event I withdraw from the plan, the funds withdrawn shall be subject to the normal income tax deductions. I further agree that I will not request withdrawal from the plan except under exceptional circumstances.

I acknowledge and agree that at the commencement of the prepaid leave period, Algonquin College is to pay all deferred monies accrued on the first regular payroll of the month. Deductions for Income Tax, CPP, E.I., etc., shall be made to include all legally required and agreed deductions necessary to the end of the leave year.

For the deferral period of this agreement, Algonquin College is to maintain all benefits related to salary at the rate that would have applied had I not participated in the plan.

Pensionable service for this period may be purchased at the end of the leave period. The full lump sum payment for the buy back period must be made within 6 months of end of leave.

During the prepaid leave period, Algonquin College will maintain all benefits provided that I pay 100 % of the monthly premiums.

I agree that in the event that a suitable replacement cannot be obtained, the College may defer the period of leave for not longer than one year, subject to notice being given to me three months prior to the leave period. In this instance, I may choose to remain in the plan or receive payment of all deferred salary and interest.

Signed \_\_\_\_\_

Date \_\_\_\_\_

Witness \_\_\_\_\_

Date \_\_\_\_\_

### Deferral Leave Plan for Six Months

- ✦ 2/3      16.67% of base pay deferred for 2 years      3<sup>rd</sup> year paid at 33.34%
  - 2 years deduction of 16.67% of base pay, third year off
  - Amount deferred times 2 years times 26 pays per year
  
- ✦ 3/4      12.50 % of base pay deferred for 3 years      4<sup>th</sup> year paid at 37.5%
  - 3 years deduction of 12.50% of base pay, fourth year off
  - Amount deferred times 3 years times 26 pays per year
  
- ✦ 4/5      10 % of base pay deferred for 4 years      5<sup>th</sup> year paid at 40.0%
  - 4 years deduction of 10.0% of base pay, fifth year off
  - Amount deferred times 4 years times 26 pays per year
  
- ✦ 5/6      8.34 % of base pay deferred for 5 years      6<sup>th</sup> year paid at 41.70%
  - 4 years deduction of 8.34% of base pay, fifth year off
  - Amount deferred times 5 years times 26 pays per year

### Deferral Leave Plan for One Year

- ✦ 2/3      33.33% of base pay deferred for 2 years      3<sup>rd</sup> year paid at 66.66%
  - 2 years deduction of 33.33% of base pay, third year off
  - Amount deferred times 2 years times 26 pays per year
  
- ✦ 3/4      25.0% of base pay deferred for 3 years      4<sup>th</sup> year paid at 75%
  - 3 years deduction of 25.0% of base pay, fourth year off
  - Amount deferred times 3 years times 26 pays per year
  
- ✦ 4/5      20 % of base pay deferred for 4 years      5<sup>th</sup> year paid at 80.0%
  - 4 years deduction of 20.0% of base pay, fifth year off
  - Amount deferred times 4 years times 26 pays per year
  
- ✦ 5/6      16.67 % of base pay deferred for 5 years      6<sup>th</sup> year paid at 83.35%
  - 5 years deduction of 16.67% of base pay, fifth year off
  - Amount deferred times 5 years times 26 pays per year

**Maximum amount deferred per year is 33 1/3 % of your salary.**

## Deferring Salary for Prepaid Leave Administrative and Support Staff

---

Support Staff Collective Agreement Article 12.8  
Terms and Conditions of Employment Article 6.6

Please refer to the appropriate Collective Agreement for details of the plans.

Process to be followed:

- Requests and applications are completed by the employee and forwarded to Department Head, Vice President and President for approval.
- Human Resources Services ensures the employee has a minimum of 3 years seniority by the time the deferral of salary commences
- Maximum deferral is 33.33 percent regardless of length of leave
- The portion of salary deferred is at the discretion of the employee in accordance with Article 12.8.3.1
- Plan cannot have a deferral period in excess of 5 years or a leave period in excess of 12 months or less than 6 months

Considerations:

- ❖ Vacation does NOT accrue during leave of absence
- ❖ Sick leave does NOT accrue during leave of absence
- ❖ Salary adjustments i.e. economic, merit, experience are implemented
- ❖ Seniority continues to accumulate
- ❖ Pension will need to be purchased upon the employee's return from leave. The employee is obligated to pay both portions, employee and employer.
- ❖ Benefits can be maintained while on leave solely at the at the employee's expense. Benefits are not College shared during the leave period. The benefits officer or administrator will provide the amounts based on options selected by the employee.

Upon receipt of approved proposal Human Resources Services:

- Places the original approval form in employee's file
- Notifies Payroll when deferral begins and leave begins on the HRIS screens HR534 and HRO524
- Notifies Payroll when employee commences unpaid leave

The employee will be paid his/her monies in lump sums (ex. June and January) two different calendar taxable years or all at one time.