

 Confederation COLLEGE COLLEGE PRACTICE	Number: 4-3-04	# of Pages: 2
	Originator:	Human Resources Services
	Approved By:	Senior Team
	Replaces:	October 14, 2009
	Effective Date:	December 19, 2012
PREPAID LEAVE PLAN		

1 STATEMENT

All employees with three (3) or more years of seniority (faculty and support staff)/service (administrative staff) are eligible to apply for a Prepaid Leave.

2 CONDITIONS

- 2.1 The period of the leave of absence will be a minimum of six (6) months and a maximum of one (1) year and shall commence no later than six (6) years after the deferral period commences. All Prepaid Leaves will be financed through the deferral of wages in an appropriate amount that will be accumulated with interest and will be paid out at the commencement of the leave or in a manner as mutually agreed upon by the employee and Financial Services.
- 2.2 Requested deferral amounts and periods are outlined on the Prepaid Leave Application Form. Exceptions to these may be requested provided that the percentage deferred does not exceed an amount determined by dividing the length of the period of leave by the sum of the length of the deferred period and the length of the period of leave (e.g. a 4 year deferral period followed by a 1 year leave requires a maximum deferral wage/salary of 20%). Under no circumstances shall the amount deferred exceed the maximum specified by Revenue Canada.

3 PROCEDURE

- 3.1 Applications for Prepaid Leave are submitted to the employee's immediate supervisor on the Prepaid Leave Application Form (PLFA). This form is available from Human Resources Services (HRS) and is appended to this practice (Appendix A). The form must be submitted at least three (3) months prior to the date on which the salary deferral is requested to commence.
- 3.2 If the requested leave is denied, a written explanation will be forwarded to the applicant by the immediate supervisor, with a copy to HRS, within a month of receiving the request.
- 3.3 If the requested leave is supported by the supervisor, the application form will be forwarded to the applicable Vice President for approval.
- 3.4 If the requested leave is approved the Prepaid Leave Application Form is forwarded to HRS to prepare an agreement detailing the terms and conditions of the approved leave.
- 3.5 HRS will forward three (3) copies of the agreement to the supervisor for signatures. One signed copy is for the employee, one is for the supervisor's records and one signed copy is forwarded to HRS.
- 3.6 At least three (3) months prior to the commencement of the leave, HRS will advise the employee of the cost to maintain benefits during the period of the leave.

Appendix A



PREPAID LEAVE PLAN APPLICATION FORM
CONFEDERATION COLLEGE

Name of Employee: _____

I have read the terms and conditions for participation in the Prepaid Leave Plan as contained in the applicable Collective Agreement or Terms and Conditions of Employment, and hereby make application to participate in the Plan. I wish to defer salary from _____ to _____ on the basis as indicated below:

- (i) Two (2) years deferral of 30% of annual salary followed by one year of leave _____
- (ii) Three (3) years deferral of 25% of annual salary followed by one year of leave _____
- (iii) Four (4) years deferral of 20% of annual salary followed by one year of leave _____
- (iv) Five (5) years deferral of 16.67% of annual salary followed by one year of leave _____
- (v) Other (please specify) _____

The period of leave I am requesting shall be from:
_____ to _____, inclusive.

SUBMITTED BY: _____
Employee Date

RECOMMENDED BY: _____
Immediate Supervisor Date

APPROVED BY: _____
Vice President Date

This application form is submitted to the employee's immediate Supervisor for recommendation and then to the Vice President for approval. It is then forwarded to Human Resources Services for preparation of a Prepaid Leave Agreement.