
Deferred Salary Leave Plan for Excluded Management and Excluded Professional Staff Policy

Policy Sponsor:	Director, Human Resources
Policy Contact:	Manager, Payroll Services
Policy Number:	N/A
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Approval Group:	The Governors of Athabasca University (the Board), Human Resources Committee (HRC)
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Review Date:	Annually
Procedure:	Accessing the Deferred Salary Leave Plan for Excluded Management and Excluded Professional Staff Procedures

Purpose

The Deferred Salary Leave Plan (DSLPL) provides eligible employees with an opportunity to self-finance a Leave of Absence by authorizing the University to set aside, over a specific period of time, a portion of the employee's salary prior to the Leave of Absence. The salary held "In Trust" is not subject to income tax until it is paid to the employee during the Leave of Absence.

The DSLPL is voluntary and is subject to University approval and the conditions set forth in the Deferred Salary Leave Plan. The terms and conditions of the Plan must comply with the requirements of the [Income Tax Act](#) and [Regulations](#).

An employee may enroll in the plan to accommodate an undertaking such as an educational program, travel and other personal endeavors.

Definitions

Plan means the Deferred Salary Leave Plan, also referred to as DSLPL.



Participant	means an eligible excluded manager or excluded professional employee whose application for participation in the Plan has been approved by the University.
Deferral Period	means the number of years over which a portion of the Participant's salary is deferred. The minimum deferral period is two (2) years, while the maximum deferral period is six (6) years.
Flexible Stipend	means an amount paid to a participant under the Flexible Benefit Plan Policy.
Leave of Absence	means the period of time a Participant will be receiving the Deferred Amount. The Leave of Absence shall not be less than three (3) consecutive months where the leave is for full-time attendance at a designated educational institution, within the meaning assigned by subsection 118.6(1) of the Income Tax Act . If the Leave of Absence is for any other purpose, it cannot be less than six (6) consecutive months. The maximum Leave of Absence is twelve (12) months.
Trustee	means a trust company or financial institution incorporated under the laws of Canada or a Province that is eligible to maintain trust accounts for these types of plans.
Normal Gross Pay	means the salary the Participant would regularly be paid, including any applicable flexible stipend.
Deferred Amount	means the portion of Normal Gross Pay which is held "In Trust" on behalf of the Participant in each year in accordance with this Plan, but less all amounts paid out under the terms of this Plan. The Deferred Amount cannot be less than ten percent (10%) nor more than thirty-three and one third percent (33-1/3%) of the participant's Normal Gross Pay in any calendar year.

Policy Statements

The University will make available to eligible employees a Deferred Salary Leave Plan.

All income tax requirements must be followed.

Employees can opt for full benefits during the deferral period, and pay any incremental employer and employee portions during the leave. For this option, only the years in the deferral period will be pensionable service.

Alternatively, benefits will be provided during the accrual and leave periods based on the actual amounts received by the employee, with the University paying the respective employer share, only, for both periods based on the actual amounts paid (not "full" salary amounts) instead of Normal Gross Pay. All years in the deferral and Leave of Absence period will be pensionable service.



Applicable Legislation and Regulations

[Income Tax Act](#) and paragraph 6801 of the [Income Tax Regulations](#)
[Income Tax Act](#), subsection 118.6(1)

Related References, Policies, Procedures and Forms

[Accessing the Deferred Salary Leave Plan for Excluded Management and Excluded Professional Staff Procedures](#)

Deferred Salary Leave Plan for Excluded Management and Excluded Professional Staff Application Form (in development)

[Flexible Benefit Plan for Excluded Management and Excluded Professional Staff Policy](#)

History

Partial replacement for Flexible Benefit Guidelines for Excluded Management and Excluded Professional Staff