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## Rationale

Salary Deferral Plan is an employer-sponsored benefit program which provides an employee with income during an approved leave of absence from employment

## Policy

The Catholic Independent Schools, Diocese of Victoria approves the implementation of a program which provides an employee with income during an approved leave of absence from employment.

## Regulation

Salary Deferral Plan is an employer-sponsored benefit program which provides an employee with income during an approved leave of absence from employment. The reasons for the leave may be to upgrade education, upgrade employment skills, for recreational purposes, or for personal reasons, as an example a vacation. The employee "pre-funds" his or her leave by making contributions to the Plan

# STAFF PERSONNEL



Island Catholic Schools

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## SALARY DEFERRAL PLAN

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deferred salary by the end of the first calendar year following the end of the deferral period.

The employee must return to work when the leave of absence ends for a period at least as long as the leave.

The employee cannot receive any salary from the Employer during the leave of absence, although benefits may continue at the employees cost. The employer will not claim a tax deduction, where applicable, for that portion of the employee's salary contributed to the Plan until these amounts are paid out to the employee during the leave of absence.

Other important provisions are as follows:

The Employer may designate who is eligible to participate.

There are no minimum contribution levels.

Benefits can be received in monthly payments.

Benefit payments are taxable to the employee as salary.

The employee must apply to the Superintendent for participation on the Deferred Salary Plan six (6) months prior to commencing. Upon receipt of the application, the Superintendent will review the request with the Local School Council. The employee will be notified 30 days after the request of the decision.
