

**The UNIVERSITY of WESTERN ONTARIO**  
**POLICIES and PROCEDURES**

## **9.10 DEFERRED SALARY LEAVE**

Classification: Personnel -  
Robarts Clinical Trials - Eligible  
Staff

Effective Date: 01JUL08

Supersedes: (New)

### **POLICY**

- 1.00 Approved unpaid leaves of six months to one year may be funded through a Deferred Salary Leave agreement signed with the University. The unique nature of this leave provides for limited utilization by members of staff.
- 1.01 Salary is deferred over a one to five-year period, and the salary deferred is completely used up during the leave. The staff member must return to the University for a work period at least as long as the leave.
- 1.02 The decision on the percentage of salary deferred depends on the income required during the years of salary deferral and the income required during the leave. The percentage of base salary deferred will range between 5% and 25%, depending on the period of deferral and the period of the leave.
- 1.03 The salary deferred is retained by the University to be deposited into an interest-bearing account with a bank, trust company, or investment group. The interest rate will be the maximum rate available.
- 1.04 During the years of salary deferral, income tax is payable on the actual salary received and also on the interest accrued on the deferred salary. During the leave, income tax is payable on the accumulated deferred salary as it is received.
- 1.05 Benefits will be continued as follows:
- During years of salary deferral:
- OHIP, Supplementary Health Insurance, Dental - as normal  
Life Insurance - based on base salary  
Sick Leave - based on actual salary  
Long Term Disability Insurance - based on base salary  
Paid Holidays and Vacation - based on actual salary  
Canada Pension Plan, Unemployment Insurance, Workplace Safety Insurance -  
subject to government regulations  
Pension - contributions based on base salary
- During the leave:
- OHIP, Supplementary Health Insurance, Dental - as normal  
Life Insurance - based on base salary  
Sick Leave - no accrual or payment  
Long Term Disability - based on base salary  
Paid Holidays and Vacation - based on actual salary  
Canada Pension Plan, Unemployment Insurance, Workplace Safety Insurance -  
subject to government regulations  
Pension - contributions based on base salary
- 1.06 Staff members interested in funding their approved unpaid leaves through such an agreement should contact the Department of Human Resources.

- 2.00 Leave cancellation occurs on termination of employment, death or disability. The deferred salary plus interest will be paid to the individual, beneficiary or estate subject to tax regulations. Withdrawal or postponement of the leave for any reason is subject to regulations established by the Department of Human Resources.
- 2.01 Withdrawal or postponement for reasons other than termination of employment, death or disability requires Vice-Presidential approval in writing at least six months before the scheduled leave whether the change is initiated by the University or the individual.
- 3.00 Application of the provisions of this policy is subject in every case to the requirements of the unit concerned and the University.
- 4.00 A staff member who is on leave shall be apprised at the earliest opportunity of any changes in Clinical Trials that have a direct impact upon the staff member's position.