



TEACHER OPTIONAL SUMMER SAVINGS PLAN APPLICATION

- I authorize School District #27 to deduct 16.67% of my net pay; after all other deductions are taken, during the months of September through June for the Teacher Optional Summer Savings Plan. This will be deducted on the mid-month advance and month end pay.
- This authorization remains in effect until revoked in writing, which can only be done for the following school year. I understand that the deadline for withdrawal from the plan is June 15 for the following school year.
- I agree that the Summer Savings Pay Plan is locked in. The deductions held may only be accessed in the two equal installments in the summer (July 15th & August 15th) or upon termination of employment.
- I must not close or change the bank account over the summer that I have my pay deposited to. Whatever my banking information is for June's pay **MUST** remain the same for July 15th deposit and August 15th deposit. Changes to banking information can occur again in September.

Name (Please Print)

Employee #

Signature

Date

This form must be received in the Payroll Department by June 15th. Deductions begin the first pay in September.

Teacher Optional Summer Savings Plan Frequently Asked Questions

What is the Teacher Summer Savings Plan?

The teacher Summer Savings Pay Plan is a savings program administered by the School District via payroll deductions for those teachers wanting their cash flow spread over a 12-month period. It is part of the Provincial Collective Agreement Article B.8 Optional Twelve-Month Pay Plan. The District also gives you the option of having a second bank account that would be self-managed for a saving plan.

16.67% (2/12ths) of net pay is deducted from each pay (including mid-month advances) from September through June and deposited into your regular bank account in two equal installments on July 15th and August 15th.

The Pay plan is a “locked in” summer savings plan. The deductions held on your behalf will only be deposited in two equal installments as scheduled, or upon termination of your employment.

Who can enroll in the Optional Summer Savings Plan?

Teachers with a continuing contract or a temporary contract that begins no later than September 30th and extends to June 30th.

When may I enroll in the Optional Summer Savings Plan?

Written applications forms must be received in the Payroll Department by June 15 to start deductions the following school year.

Teachers hired after June 15th must submit an application form to the Payroll Department before their last pay in September.

If an unexpected situation arises, can I get the funds early?

No, it is a locked in savings plan.

Can I cancel my participation in the plan?

An employee electing to withdraw from the Summer Savings Plan must inform the Payroll Department in writing by June 15th of the preceding year.

Can I change the deduction amount?

No, the deduction rate is set at 16.67% (2/12th) of net pay.

What will happen to any interest which the Optional 12-Month Pay Plan accumulates?

The Plan provides that interest earned on the savings in the months September through March (the employer retains April to June interest) shall be paid to the employees with the July 15th and August 15th deposits.

Will I pay tax on the interest?

In most cases when you put money into a bank the interest is called investment income and the bank will send you a T-5 that you must report when you file taxes. CRA has ruled that this interest money is employment income and will show on your T-4 and be subject to Tax, CPP and EI.