

## **STUDIES INCENTIVE PROGRAM**

### **Background**

The Studies Incentive Program is available to encourage and enable Division employees (certificated and uncertificated) to pursue Graduate Studies, Diplomas and Certificates that are applicable to their position in the Division from a recognized post-secondary institution.

### **Procedures**

1. A maximum of \$15,000 will be provided to employees pursuing any of the above programs.
2. The loan will be interest-free in accordance with IAW CRA requirements, the waived interest on the balance owing is a taxable benefit and will be added to employee's T4 for each calendar year there is a balance owing.
3. The loan must only be used for tuition and/or books.
4. The advances on the loan must be indicated at the time of application and coordinate with the payment schedule of the program.
5. Maximum term of the program for each individual is five years. (i.e.: the loan must be paid in full within five years of date of the first advancement.)
6. Loan payments will be made through payroll deduction. Lump sum payments may be made on the loan at any time.
7. Only one loan of the maximum amount, is available at a time. Once the initial loan balance has been paid down to a minimum of \$10,000, the employee will be eligible for a one time only additional amount of up to \$5,000; relating to the course of study as originally approved.
8. Minimum monthly payment on the loan will be based on the full loan amount, regardless of how much of the loan has actually been advanced. (i.e. if the predetermined loan amount is \$15,000, the monthly loan payment will be \$250 for 60 months – even though the loan may be advanced in increments of \$3,000 per year).
9. The employee will pay the outstanding balance of the loan in full should the employee's employment with the Division end for any reason or if any circumstance occurs wherein the employee is no longer on payroll.



10. The Loan Application must be submitted, in writing, to the Superintendent at least 30 days prior to the first date the loan is to be accessed, along with proof of registration or acceptance for the program. The Loan application can be found on the Division's Intranet page under Human Resources & Payroll.
11. The employee must also provide documentation as evidence that they are enrolled in a program of study. Approval of the Loan may be sought prior to being accepted/registered, however, advances will not commence until accepted and registered in the program and all required documentation submitted.

Reference: Section 53, 52, 222, Education Act

