

THE MANAGEMENT PROFESSIONAL DEVELOPMENT ALLOWANCE (MPDA) FOR MEMBERS OF THE MANAGEMENT GROUP (TMG)

Policy Number (if applicable):

Approved by: President and Vice Presidents

Date of Most Recent Approval: June 9, 2022

Revision Date(s): May/June 2002; May 2004; November 2005, January 2013, July 2014, June 10, 2021

Position Responsible for Developing and Maintaining the Policy: Associate Vice-President and Chief Human Resources Officer

Contact Department: Human Resources Services

PURPOSE

McMaster University promotes a culture of career planning and development for all employees and is committed to investing in the professional development of its management staff. The Management Professional Development Allowance (MPDA) is designed for each TMG employee to invest in self-directed career development (versus department-directed training). This plan will conform to the regulations pertaining to taxable benefits to individuals under the Canada Revenue Agency.

POLICY ELEMENTS

1. MPDA Benefit

The MPDA benefit is \$2,500 per fiscal year (i.e., May to April). The MPDA is not pro-rated for employees who take a statutory leave of absence or a supported leave of absence due to disability. The MPDA is pro-rated for employees who take a non-statutory leave of absence.

2. Eligibility

- a) All full time members of TMG will be allocated MPDA funds each fiscal year. A pro-rated MPDA will be allocated to a TMG member joining the University after June 1.
- b) A TMG staff member with a continuing appointment that is less than full-time will receive a pro-rated MPDA.
- c) Employees on a temporary growth and development appointment in TMG from another employee group are eligible for a pro-rated MPDA based on the time of their temporary appointment.

3. Use of Funds

The funds are designated for use by the individual for professional development purposes related to your career at McMaster. Expenses covered by this allowance can include:

- a) dues and membership fees for professional associations;
- b) computer software required in the pursuit of the individual's professional development;
- c) travel including registration, transportation, food and accommodation for the member to attend conferences, field trips, research visits, or workshops, in accordance with the Travel Policy and Procedures (AP-010);
- d) subscriptions to professional publications;
- e) books;
- f) home internet and mobile connection fees when used regularly for work purposes to a combined maximum of \$60 per month. Note that home internet and mobile connection fees are not eligible while on a leave of absence.

MPDA funds may not be used to purchase technology-related products such as computers, other electronic equipment, or associated supplies. MPDA funds may not be used to cover exceptional personal cell phone expenses when travelling on vacation.

All goods purchased under this plan are the property of McMaster University but are available for the use of the individual for professional development activities while the individual is employed by the University. Disposal of such goods is at the discretion of the appropriate envelope manager and in accordance with any applicable policies and/or guidelines.

Ineligible expenses will not be processed for payment. Ineligible expenses include interest charged on overdue charge accounts and other personal expenses that, under current tax legislation, would be considered a taxable benefit to the individual. These personal expenses include but are not restricted to gifts, social club membership fees and personal living expenses.

4. Unspent Balances and Borrowing

MPDA accounts will be adjusted to budget at April 30. If an individual has not spent all of his/her MPDA prior to April 30, the unspent allocation will be made available to that member in the following year on the understanding that no more than two times the current level of MPDA will be carried forward in any one year by the TMG member. In addition the TMG member may borrow against future MPDAs for up to two years with managerial approval. As a result, TMG members may spend a maximum of five years MPDA in one fiscal year. Deficits are to be the first charge against future MPDAs. Any unspent balance in excess of the two year carry forward reverts back to the department. If, upon cessation of employment for any reason, the departing TMG member has an MPDA deficit due to funds borrowed against future allocation, the departing TMG member acknowledges that he/she has an obligation to repay the amount of the deficit to the University. In the case of termination such as resignation or retirement, unspent MPDA balances also revert to the department and cannot be cashed out by the employee who leaves the University. An unspent MPDA balance will be retained by an employee upon transfer to another TMG position within the University.

Effective July 1, 2022, the carry-forward period for the MPDA will be extended temporarily from two to three years, to allow the unspent allocation from the May 2019 to April 2021 period to be available for the May 2022 to April 2023 plan year. For the May 2023 to April 2024 plan year, the unspent allocation that will be carried forward and made available to the member will revert to no more than two times the MPDA benefit of \$2,500 per fiscal year.

5. Time Limits

MPDA expenses incurred during the May to April plan year must be submitted for reimbursement by June 30th. Expenses not submitted by the deadline will not be reimbursed.

6. Adjustments for MPDAs When You Leave the University

In the event that MPDA funds are used for future-dated events and should the employee leave the University for any reason prior to the event, the employee is required to reimburse the University for all costs related to the event. Where possible, the amount of the reimbursement will be deducted from the final pay deposit. Otherwise, the employee will be required to provide reimbursement of the outstanding amount to the University.

PROCEDURES

In view of the fact that the MPDA is a non-taxable benefit to individuals, the University must exercise the same control over these funds as it does for all other expenditures to ensure that the conditions applicable to non-taxable benefits are met. The University's policies including the Policy on Reimbursements to Individuals for University Business (AP-01) apply. Approval is by the Envelope Manager.

It is the individual's responsibility to ensure that the expenses charged against his/her MPDA account are legitimate costs incurred for his/her professional development. Prior to incurring cost, and where there is any doubt about the applicability of the proposed expenses to professional development, the TMG member is encouraged to discuss the use of the MPDA with his/her supervisor.