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# Rector's Directive No. 30/2018

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## Contributions from the Social Fund

To implement: Article 21 of the Financial Management Rules of Charles University

Date of effect: 1 August 2018

### Article 1 Introductory Provision

In accordance with the Article 21 of the Financial Management Rules of Charles University this directive provides the criteria for awarding contributions from the social fund to employees of Charles University ("the University").

### Article 2 Contribution for Interest Paid on a Loan for Housing Needs

1. An employee of the University:
  - a. Who has been employed at the University for at least three years;
  - b. Who in the current calendar year was not more than 40 years old;
  - c. Whose full time equivalent at the University within assignment to the given unit of the University is and has been 1.0 for at least three years;
  - d. Who can prove that in the previous calendar year he paid in the taxable period interest on a loan amounting to at least CZK 1,000 that is taken into account when determining the tax base under s. 15 (3) and (4) of the Income Tax Act No. 586/1992 Sb., where the employee or his spouse deducted the interest from his tax base, and the housing needs for the purposes of this directive mean exclusively a housing need related to the employee's own permanent residence as stated in s. 15 (3) (a), (c) to (g) and (h) in relation to letters (a) and (c) to (g) of this Act; and
  - e. Who in the current calendar year is not claiming a contribution under this Article for the same purpose at another unit of the University;
  - f. is at the given unit of the University entitled to receive a contribution from the social fund amounting to 60% of the tax deduction of interest paid, however no more than CZK 10,000 in the current calendar year.
2. Compliance with the criterion under paragraph 1 (d) is proven in the mode stipulated in s. 38l (1) (b) of Act No. 586/1992 Sb. and a document confirming tax deduction of the interest.
3. Compliance with the condition under paragraph 1 (e) is proven by an affirmation from the employee.
4. The contribution under paragraph 1 is paid as a one-off payment in the given calendar year.
5. The deadline and manner of submission of applications for the contribution, as well as the deadline for payment of the contribution, is stipulated by a dean's directive, a directive of a director of another unit, or a Bursar's directive. Such directive is issued for the current calendar year no later than on 31 August; a period of at least 45 days is provided for the submission of applications and the deadline for the provision of documents upon request is at least 15 days.
6. The provision of paragraph 1 does not affect the possibility to stipulate in the directive under paragraph 5 that an employee under paragraph 1 will be paid an amount higher than the amount stipulated in paragraph 1, however no more than 60% of the tax deduction of the interest paid, or that the contributions are paid also to other employees assigned to the given unit who comply with the criteria under paragraph 1 (d) and (e).
7. A dean or director of another unit, or the Bursar, may in his directive announce a preliminary registration of applications for the contribution for the purpose of determining the criteria under paragraph 6 and the deadline for such preliminary registration; the registration may require only a binding statement of the amount of the future application, affirmations, and other documents under paragraphs 2 and 3 may not be requested. The period for preliminary registration is stipulated for at least 30 days. Such directive may also provide that the preliminary registration is a condition for submitting the application for the contribution in the given calendar year.

### Article 3 Contribution for Interest Paid on a Special-Purpose Loan for Housing Related Needs

1. An employee of the University:
  - a. Who has been employed at the University for at least three years;
  - b. Who in the current calendar year was not more than 40 years old;
  - c. Whose full time equivalent at the University within assignment to the given unit of the University is and has been 1.0 for at least three years;

- d. Who can prove that in the previous calendar year he paid interest on a special-purpose loan for housing-related needs amounting to at least CZK 1,000; and
  - e. Who in the current calendar year is not claiming a contribution under this Article for the same purpose at another unit of the University;
- is at the given unit of the University entitled to receive a contribution from the social fund amounting to 40% of the interest paid on such loan, however no more than CZK 10,000 in the current calendar year; this does not apply in the case stated in paragraph 8.
2. A special-purpose loan is defined as a loan granted to an employee of the University by a bank, foreign bank branch, or by a building and loan society, where it is possible to prove with the loan agreement that the purpose of the loan is for:
    - a. The purchase, construction, renovation, or modernisation of a flat or a family house, including the related purchase of land;
    - b. The purchase of household equipment or furnishings;
    - c. The payment for the transfer of rights and obligations arising from membership in a cooperative, or for the transfer of a share in a legal entity if the member becomes a tenant in a flat, or if he becomes entitled to use a flat in a block of flats or in a family house owned by a legal entity, that is involved in the transfer of membership or transfer of share; or
    - d. The settlement of obligations related to housing needs between citizens.
  3. Compliance with the condition under paragraph (1) (e) is proven by an affirmation from the employee.
  4. A contribution under paragraph 1 is paid as a one-off payment in the given calendar year.
  5. The deadline and manner of submission of applications for the contribution, as well as the deadline for payment of the contribution, is stipulated by a dean's directive, a directive of a director of another unit, or a Bursar's directive. Such directive is issued for the current calendar year no later than on 31 August; a period of at least 45 days is provided for the submission of applications and the deadline for the provision of documents upon request is at least 15 days.
  6. The provision of paragraph 1 does not affect the possibility to stipulate in the directive under paragraph 5 that an employee under paragraph 1 will be paid an amount higher than the amount stipulated in paragraph 1, however no more than 40% of the interest paid on a special-purpose loan, or that the contributions are paid also to other employees assigned to the given unit who comply with the criteria under paragraph 1 (d) and (e).
  7. A dean or director of another unit, or the Bursar, may in his directive announce a preliminary registration of applications for the contribution for the purpose of determining the criteria under paragraph 6 and the deadline for such preliminary registration; the registration may require only a binding statement of the amount of the future application, affirmations, and other documents under paragraphs 2 and 3 may not be required. The period for preliminary registration is stipulated for at least 30 days. Such directive may also provide that the preliminary registration is a condition for submitting the application for the contribution in the given calendar year.
  8. A dean or director of another unit, or the Bursar may in his directive stipulate that in the given calendar year the contribution under this article is not paid if the balance and the drawing from the relevant partial social fund gives cause to believe that payment of the contribution would jeopardise the payment of contributions under Article 21 (2) (a) or paragraph (3) of the Financial Management Rules of Charles University or under Article 2 of this directive.

## **Article 4 Non-Repayable Financial Assistance**

1. An employee of the University may be granted a contribution from the social fund of up to CZK 500,000 as non-repayable financial assistance for housing purposes, including the equipping of a flat or a family house in direct relation to overcoming extremely difficult circumstances caused by a natural disaster, or an environmental or industrial accident.
2. An employee of the University in an acute and pressing social situation not caused by himself and worthy of special consideration may be awarded a contribution from the social fund as non-repayable financial assistance up to the amount of CZK 60,000.
3. The employee files the application for a contribution at the unit of the University to which he is assigned. The decision on the application is made by the dean or director of another unit or a person designated by the Rector under Article 12b (6) of the Constitution of Charles University, usually within 30 days of the date of delivery of the application including all documents substantiating the reason stated in the application, or of the date of delivery of additional documents requested; the application is also sent to the relevant trade union organisation to give an opinion.
4. It is not possible to apply for the contribution under paragraph 1 or 2 for an identical reason simultaneously at several units of the University, unless the employee is reassigned to another unit of the University; the affirmation to that effect forms an integral part of the application.

## **Article 5 Contribution to Cover Expenses Related to the Maintenance or Improvement of Health**

1. A contribution for the maintenance or improvement of the health of an employee may be granted to an employee only at one unit of the University within one calendar year; compliance with this condition is usually proven by an affirmation.
2. A contribution under paragraph 1 is provided in non-pecuniary form; the contribution may be provided in pecuniary form only in exceptional cases. The total amount of this contribution provided to the employee in pecuniary form may

not exceed CZK 15,000 per calendar year. Non-pecuniary form means making the payment directly to a medical centre or a selected rehabilitation centre. Pecuniary form means payment of the financial contribution directly to the employee.

3. The specific amount of contribution for the maintenance or improvement of the health of an employee, the criteria for awarding this contribution, and other details are stipulated in accordance with legal regulations, the internal regulations of the University, and this directive by a dean of faculty, director of another unit, or the Bursar in their directive issued under Article 21 (3) of the Financial Management Rules of Charles University. If such directive is not issued, the relevant contribution is not paid at the given faculty or other unit.
4. When deciding on whether at the given faculty or other unit the contribution for the maintenance or improvement of the health of employees will be awarded, and on the amount of contribution, it is necessary to take into account the possibilities of the faculty or other unit so that the award of such contribution does not jeopardise the awarding of contributions under Article 21 (2) of the Financial Management Rules of Charles University from the partial social fund at the given faculty or other unit.

## **Article 6 Contribution to Meals in a Dining Facility of the University**

1. An employee of the University:
  - a. Who is employed by the University; and
  - b. Works at the given unit for at least 4 continuous hours per shift,may be awarded at the given unit of the University a contribution from the University towards meals from the social fund under Article 21 (3) (c) of the Financial Management Rules of Charles University.
2. The dining facility of the University means a dining facility of the University operated by the University or a dining facility of the University operated by another entity.
3. A contribution to meals in a dining facility of the University may be awarded up to the total cost of the meal.
4. The contribution under paragraph 1 is paid on behalf of the employee by the faculty or other unit to that dining facility of the University in which the employee has meals up to the maximum number of meals that the employee had in accordance with this directive.

## **Article 7 Contribution to Meals in a Non-University Dining Facility or by Means of Meal Vouchers**

1. An employee of the University:
  - a. Who is employed by the University; and
  - b. Works at the given unit at least 4 continuous hours per shift and at the same time has not become entitled to a subsistence allowance under Act No. 262/2006 Sb., the Labour Code, as amended;may be awarded, at the given unit of the University, a contribution from the University to meals from the social fund under Article 21 (3) (d) of the Financial Management Rules of Charles University.
2. The amount of the contribution may be up to 55% of cost of one meal. The amount of the contribution calculated in this way may not be higher than 70% of the subsistence allowance defined in s. 176 (1) (a) of Act No. 262/2006 Sb., the Labour Code, as amended.
3. The contribution to meals in a non-University dining facility or by means of meal vouchers is paid by the faculty or other unit of the University on behalf of the employee.

## **Article 8 Common Provisions on Contribution to Meals**

1. In the case of a shift not exceeding ten and a half hours, the employee of the University may not be awarded within one day a multiple contribution to meals under Article 6 or Article 7 or a contribution under Article 6 and Article 7 simultaneously.
2. In the case of a shift exceeding ten and a half hours, an employee is entitled to another contribution by the University to meals from the social fund, either under Article 6 or Article 7.
3. A contribution under Article 6 and 7 that is not claimed by an employee cannot be awarded retrospectively, with the exception of the contribution to meals in the form of meal vouchers.
4. A contribution to meals in the form of vouchers under Article 7 that is not claimed by an employee may be claimed retrospectively in the course of the calendar year, however no later than by the deadline for submission of all documents for final posting of accounting transactions for the current calendar year.
5. The specific amount of the contribution to meals in a dining facility of the University, in a non-University dining facility, or in the form of meal vouchers, as well as other details, are provided in accordance with legal regulations, the internal regulations of the University, and this directive in a directive of a dean of faculty, director of another unit, or by the Bursar. If such directive is not issued, a contribution to meals is not awarded at the given faculty or other unit.
6. When deciding on whether a contribution to meals will be awarded at the given faculty or other unit and on the amount of the contribution under Article 6 and 7, it is necessary to take into account the possibilities of the faculty or other unit so that the award of such contribution does not jeopardise the awarding of contributions under Article 21 (2) of the Financial Management Rules of Charles University from the partial social fund at the given faculty or other unit.

7. When deciding on the amount of the contribution under Article 6, it is necessary to take into account the consequences for income tax.<sup>1</sup>

## **Article 9 Contribution to Nursery School Fees**

1. An employee of the University:
  - a. Who is employed by the University; and
  - b. Whose full time equivalent at the University within assignment to the given unit of the University is at least 0.5; may be awarded, at the given unit of the University, a contribution from the University for partial coverage of the fees for pre-school education in nursery schools under s. 123 of Act No. 561/2004 Sb. on pre-school, primary, secondary, tertiary professional and other education ("contribution to nursery fees") from the social fund under Article 21 (3) (e) of the Financial Management Rules of Charles University.
2. The contribution to nursery school fees may be awarded for the pre-school education of a child aged no less than two years and no more than four years.
3. The contribution to the pre-school education of the same child may be awarded in the current calendar year only at one unit of the University; compliance with this condition is usually substantiated by an affirmation.
4. The contribution to nursery school fees is provided in non-pecuniary form, the contribution may be provided in pecuniary form only in exceptional cases. The total amount of the contribution to nursery school fees provided to the employee in pecuniary form for the pre-school education of one child may not exceed CZK 25,000 per calendar year. Non-pecuniary form means making the payment directly to a pre-school education centre. Pecuniary form means payment of the financial contribution directly to the employee.
5. The contribution to nursery school fees may be awarded for up to 50% of the total fees for a calendar year.
6. If both parents taking care of the child or other persons taking care of the child (e.g., a cohabitee, grandparents of the child, or foster parents) are employees of the University, the contribution to nursery school fees is awarded only to one of them.
7. The specific amount of contribution to nursery school fees, criteria for awarding the contribution, and other details are provided in accordance with legal regulations, the internal regulations of the University, and this directive in a directive of a dean of faculty, director of another unit, or by the Bursar issued under Article 21 (3) of the Financial Management Rules of Charles University. The criteria provided in such directive should take into account the social situation of the employee's family. If such directive is not issued, the contribution is not awarded at the given faculty or other unit.
8. When deciding on whether at the given faculty or other unit the contribution to nursery school fees will be awarded and on the amount of contribution, it is necessary to take into account the possibilities of the faculty or other unit so that the award of such contribution does not jeopardise the awarding of contributions under Article 21 (2) of the Financial Management Rules of Charles University from the partial social fund at the given faculty or other unit.
9. When deciding on the amount of contribution to nursery school fees, it is necessary to take into account the consequences for income tax<sup>2</sup>.

## **Article 10 Transitional and Final Provisions**

1. Contributions from the social fund that were claimed by an employee contrary to the award criteria must be returned by the employee immediately. The manner and deadline for return is stipulated by the dean of the faculty, director of another unit, or the Bursar.
2. Rector's Directives No. 26/2007, 25/2009, 26/2009, 50/2014, and 5/2016 are hereby repealed.
3. With respect to the fact that this directive formally combines several Rector's directives regulating drawings from the social fund, but it does not make any subject-matter changes, new consent of trade union bodies is not required.
4. This directive becomes effective on 1 August 2018.

In Prague on 13 July 2018.

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<sup>1</sup> S. 6 (9) (b) and s. 24 (2)(j) point 4 of the Income Tax Act No. 586/1992 Sb., as amended.

<sup>2</sup> S. 6 (9) (d) and s. 24 (2) (zw) point 4 of the Income Tax Act No. 586/1992 Sb., as amended.