Fall General Meeting
Tuesday, 4 December 2018, QNC 2502
12:00 to 2:00 pm
Pizza will be provided.

Agenda

1. [12:00–12:10] Introductory Material
   1.1. Welcome & Territorial Acknowledgment
   1.2. Approval of Agenda
   1.3. Minutes of the 5 April 2018 Meeting*

2. [12:10–12:50] Committee & Officer Reports
   2.1. President [Bryan Tolson, 20 mins]
   2.2. Treasurer [Dan Brown, 10 mins]
       - Motion to approve Audited Financial Statements for 1 May – 30 Apr 2018*
       - Motion to adopt RLB as Auditors for 2018-19
   2.3. Elections Committee [Marcel Pinheiro, 5 mins]

   There will be one motion to accept the written reports below. Questions are welcome.
   2.4. Academic Freedom & Tenure Committee**
   2.5. Equity Committee**
   2.6. Lecturers Committee**
   2.7. Pension & Benefits Liaison*

3. [12:50–1:05] FAUW-RAAS Service Agreement* [Bryan Tolson]
   - Motion to enter into the attached Service Agreement with the Renison Association of Academic Staff


6. [1:30–2:00] Open Feedback Session and Other Business
   What do you want us to be working on? Are there concerns coming out of your department, school or Faculty that we could help address?

   * material attached; ** to be provided
Minutes of the Spring General Meeting, Thursday, 5 April 2018, 11:30 am, QNC 2502

Kate Lawson chaired the meeting and advised that a quorum was present.

1. Introductory Material
   1.1. Welcome & Territorial Acknowledgment.
   1.2. Approval of Agenda. The agenda was approved as distributed.
   1.3. Minutes of the December 6, 2017 Meeting. The minutes were approved as distributed.

2. Committee & Officer Reports
   2.1. President. Bryan Tolson provided an overview of FAUW’s main activities and highlighted key issues on its current agenda, including:
       - Christopher Small will be succeeded by Lori Curtis as chair of FAUW’s Academic Freedom & Tenure Committee starting July 1, 2018.
       - Policies under revision with FAUW representation include 33, 76, 14, 42 and 67, with work to begin later this year on 58 (accessibility) and a new FS policy on accommodations. Policy 73 is also coming up for revision and FAUW has asked that it be changed to an F or FS policy to the extent that it impacts terms and conditions of employment.
       - Tolson and Brown attended OCUFA lobby day last month and met with local MPPs. Key messages that they conveyed on behalf of OCUFA related to government re-investment in higher education, need for faculty renewal, and fairness for contract faculty. Tolson presented data from OCUFA on the increase in reliance on contract faculty in Ontario and noted that FAUW is requesting local data from the University.
       - FAUW has organized/hosted several workshops this year on topics such as governance, policy writing, bargaining, making the most of mid-career years, and tenure and promotion.

   2.2. Treasurer. Dan Brown presented the proposed FAUW budget for May 1, 2018 – April 30, 2019. He noted that:
       - It is the first budget where we anticipate more than $1M in revenues;
       - Revenues are allocated roughly as follows: 45% OCUFA and CAUT membership fees, 31% staff salaries and benefits, 7% advocacy, 4% events and visibility, 3% daycare support, 2% admin expenses, 9% surplus;
       - The 2017-18 surplus is mostly due to budget for arbitration that was not used; current budget surplus is intended to increase savings against risk of major expense (e.g., major arbitration, legal case, etc.).

   Members heard a motion to approve the budget as presented. Dan Brown and Paul Ward. In discussion, a question was asked about why FAUW dues are charged based on average salary in the rank rather than a percentage of individual actual salary and Brown agreed to investigate.

   The motion carried.

2.3. Elections Committee. Marcel Pinheiro reported results of the elections held for six Faculty specific representatives as follows: AHS: vacant; Arts: tied between Kim Nguyen (drama &
speech communication) and Alice Kuzniar (Germanic & Slavic studies), a run-off election will be held; Engineering: Paul Ward (electrical & computer eng); Environment: Daniel Cockayne (geography & envtl mgmt); Math: Dan Brown (computer science), Science: Vivian Choh (optometry).

2.4. Academic Freedom & Tenure Committee
2.5. Status of Women and Equity Committee
2.6. Lecturers Committee
2.7. Pension & Benefits Liaison

Members heard a motion to accept the written reports of the Academic Freedom & Tenure Committee, Status of Women and Equity Committee, Lecturers Committee, and Pension & Benefits Liaison. Craig Hardiman and Sally Gunz.

In discussion: there are no matters currently expected to go to arbitration; gratitude to Small for his exceptional service; the Pension & Benefits Committee is waiting on the outcome of the University’s negotiations with staff and CUPE 793 before discussing how to spend additional benefit funds from the faculty salary settlement; will hopefully be something of broad application such as vision care or addressing the dental fee lag; impact of OHIP covering children’s prescriptions on health benefits isn’t expected to be very significant;

The motion carried.

3. FAUW Constitution Changes. Shannon Dea presented two motions to amend the FAUW Constitution:
   - Motion to amend the FAUW Constitution in order to effect changes to the position of past president and to the Executive Committee. Shannon Dea and Patrick Lam. Members heard that the position of past president may not be necessary when a president serves for multiple years; mandate of Executive Committee broadened to reflect current practice. Carried unanimously.
   - Motion to amend the FAUW Constitution in order to change the name of the Status of Women & Equity Committee to the “Equity Committee” and update its mandate. Shannon Dea and Lori Curtis. Members heard that this proposal reflects the recommendation of the Status of Women & Equity Committee after a lengthy process. Carried unanimously.

4. Salary Negotiations. Benoit Charbonneau reviewed the Memorandum of Salary Settlement and key outcomes for 2018-2021. He noted that:
   - Ten percent of faculty have not been using their professional expense reimbursement; we are not sure how that will be affected by the carryover provision introduced in the last round of bargaining, which is why the settlement includes a provision to monitor the unspent balance in the FPER pool.
   - When the current salary structure was introduced there were not many lecturers and their thresholds were set as a percentage of the thresholds for tenure stream ranks. However, the combined action of scale and merit increases in the salary structure has resulted in lecturers reaching the salary thresholds much earlier in their careers, which is perceived as inequitable by both FAUW and the administration. Based on the success of the working group formed to investigate salary anomalies in the last settlement, a new working group has been formed to
recommend adjustments to the lecturer salary structure with recommendations due by November 1 to be implemented retroactive to May 1, 2018. Membership is: Benoit Charbonneau (co-chair, Math), Stephen Watt (co-chair, Math), Laura Deakin (lecturer, Science), Steve Furino (lecturer, Math), Jason Grove (lecturer, Engineering), Kate Rybczynski (associate prof, Arts).

Members expressed appreciation to the FAUW negotiating team (Benoit Charbonneau, Shelley Hulan and Dave Vert) and heard that Charbonneau has agreed to continue as chief negotiator until the end of 2021 negotiations.

5. **Teaching and Hiring Data at UW.** Bryan Tolson provided a short overview of data he will present to Senate showing that tenured and tenure-track faculty make up 42% of instructors in Ontario and 49% at the University of Waterloo. Contract appointments make up 48% at UW (58% in Ontario), with the remainder being continuing lecturers. FAUW’s requests for such data to be shown at Senate have not been met and he believes it is important to inform decision making.

6. **Fall Break.** Dan Brown reported that the University is in the third year of a three-year pilot fall break consisting of two days after Thanksgiving. The current implementation uses Tuesday and Wednesday teaching schedules for Thursday and Friday of the break week, which causes trouble for a lot of programs. FAUW’s representatives on the committee discussing potential changes to the break are: Dan Brown (computer science), Heidi Engelhardt (biology) and Paul Ward (electrical & computer eng). They believe the most likely outcome is a full week break around Thanksgiving. This will require that two teaching days be found from elsewhere, and the committee is currently reviewing survey responses to several proposed options. Approximately 30% of faculty completed the survey and most indicated that they do not support an option involving a single Sunday examination date. They expect to make a recommendation to Senate in October.

7. **Changes in Faculty Representation on Campus.** Bryan Tolson provided information about three groups of faculty that aren’t currently represented by FAUW:
   - There are currently 35-40 research faculty appointments on campus. They are definite term contracts, usually financed by “soft money,” and are currently unrepresented. In theory they conduct research only, but in practice many have teaching and service responsibilities. They have expressed interest in exploring FAUW representation and a working group has been created comprised of three research professors and three FAUW representatives to investigate the process and potential changes to the Memorandum of Agreement that would be required.
   - Faculty at Renison University College have now formed their own association: the Renison Association of Academic Staff (RAAS). They represent approximately 40 faculty and have just elected their first executive committee. Discussions are underway about negotiating a formal service agreement with FAUW.
   - Further discussion around whether FAUW should seek to represent sessional lecturers has been temporarily put on hold while issues with the other groups above are explored.

In discussion, members heard that academic librarians asked FAUW to wait re: considering representation due to the hiring of a new University librarian, and postdoctoral fellows are officially considered to be staff.

8. **Open Feedback Session and Other Business.** Discussion focused on:
Changes to immigration interpretation for foreign graduate students. A member reported that a new interpretation of rules re: internships came into effect March 12 without notice and is causing challenges for faculty and students.

Salary top-up for new leaves. In response to a question about whether salary top-ups will be offered for the new types of leave introduced under the Employment Standards Act, such as compassionate care leaves, Tolson reported that the issue is potentially on the table in Policy 14 negotiations and that the extension of parental leave will not be topped up.

Accommodations. Members heard that where employee accommodations are paid from (i.e. department, Faculty or central budget) remains an issue. The Ontario Human Rights Commission says they should be paid for at the highest level. Tolson reported that FAUW requested and FRC has approved creation of a new policy on employee accommodations, but we don’t know when the committee will be formed yet.

The meeting adjourned.
THE FACULTY ASSOCIATION OF THE UNIVERSITY OF WATERLOO

FINANCIAL STATEMENTS

FOR THE YEAR ENDED APRIL 30, 2018
<table>
<thead>
<tr>
<th>Financial Statement</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statement of Financial Position</td>
<td>4</td>
</tr>
<tr>
<td>Statement of Changes in Net Assets</td>
<td>5</td>
</tr>
<tr>
<td>Statement of Revenues and Expenditures</td>
<td>6</td>
</tr>
<tr>
<td>Statement of Cash Flows</td>
<td>7</td>
</tr>
<tr>
<td>Notes to the Financial Statements</td>
<td>8 - 12</td>
</tr>
</tbody>
</table>
INDEPENDENT AUDITOR'S REPORT

To the members of: The Faculty Association of the University of Waterloo

We have audited the accompanying financial statements of The Faculty Association of the University of Waterloo, which comprise the statement of financial position as at April 30, 2018 and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not for profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Opinion
In our opinion, these financial statements present fairly, in all material respects, the financial position of The Faculty Association of the University of Waterloo as at April 30, 2018 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not for profit organizations.

Kitchener, Ontario
September 13, 2018
Chartered Professional Accountants
Licensed Public Accountants
### THE FACULTY ASSOCIATION OF THE UNIVERSITY OF WATERLOO

**STATEMENT OF FINANCIAL POSITION**

**AS AT APRIL 30, 2018**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CURRENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$349,465</td>
<td>$408,108</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>15,905</td>
<td>12,713</td>
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<tr>
<td>Prepaid expenses</td>
<td>1,144</td>
<td>1,144</td>
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<tr>
<td>Current portion of investment in bonds (note 9)</td>
<td>46,824</td>
<td>100,830</td>
</tr>
<tr>
<td>Current portion of guaranteed investment certificates (note 6)</td>
<td>20,000</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td>433,338</td>
<td>572,795</td>
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<tr>
<td><strong>INVESTMENT IN BONDS</strong> (note 9)</td>
<td>97,522</td>
<td>142,916</td>
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<tr>
<td><strong>CAPITAL ASSETS</strong> (note 4)</td>
<td>10,688</td>
<td>12,150</td>
</tr>
<tr>
<td><strong>GUARANTEED INVESTMENT CERTIFICATES</strong> (note 6)</td>
<td>534,000</td>
<td>300,000</td>
</tr>
<tr>
<td></td>
<td>$1,075,548</td>
<td>$1,027,861</td>
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<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CURRENT</strong></td>
<td></td>
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</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>$3,360</td>
<td>$52,530</td>
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<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>GENERAL FUND</strong></td>
<td>1,072,188</td>
<td>975,331</td>
</tr>
<tr>
<td></td>
<td>$1,075,548</td>
<td>$1,027,861</td>
</tr>
</tbody>
</table>

**APPROVED ON BEHALF OF THE BOARD:**

_____________________________ Director

_____________________________ Director

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See notes to the financial statements
# Statement of Changes in Net Assets

For the Year Ended April 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Assets, beginning of year</strong></td>
<td>$975,331</td>
<td>$932,128</td>
</tr>
<tr>
<td>Net surplus for the year</td>
<td>96,857</td>
<td>43,203</td>
</tr>
<tr>
<td><strong>Net Assets, end of year</strong></td>
<td>$1,072,188</td>
<td>$975,331</td>
</tr>
</tbody>
</table>

See notes to the financial statements
THE FACULTY ASSOCIATION OF THE UNIVERSITY OF WATERLOO

STATEMENT OF REVENUES AND EXPENDITURES

FOR THE YEAR ENDED APRIL 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>2018 Budget (Unaudited)</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>REVENUES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership fees</td>
<td>$ 973,633</td>
<td>$ 980,302</td>
<td>$ 936,186</td>
</tr>
<tr>
<td>Investment income</td>
<td>13,000</td>
<td>17,714</td>
<td>7,480</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>986,633</td>
<td>998,016</td>
<td>943,666</td>
</tr>
<tr>
<td>EXPENDITURES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and related benefits</td>
<td>297,500</td>
<td>307,224</td>
<td>290,609</td>
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<tr>
<td>OCUFA fees</td>
<td>240,000</td>
<td>219,984</td>
<td>210,870</td>
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<tr>
<td>CAUT fees</td>
<td>224,000</td>
<td>219,375</td>
<td>213,189</td>
</tr>
<tr>
<td>Course buyout costs</td>
<td>63,000</td>
<td>58,715</td>
<td>21,500</td>
</tr>
<tr>
<td>Daycare support (note 7)</td>
<td>30,000</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Travel and professional development</td>
<td>12,000</td>
<td>16,030</td>
<td>7,667</td>
</tr>
<tr>
<td>Functions</td>
<td>12,000</td>
<td>14,299</td>
<td>7,667</td>
</tr>
<tr>
<td>Public lectures</td>
<td>10,000</td>
<td>8,255</td>
<td>8,297</td>
</tr>
<tr>
<td>Donations</td>
<td>5,000</td>
<td>7,300</td>
<td>5,000</td>
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<tr>
<td>Audit</td>
<td>5,300</td>
<td>6,780</td>
<td>5,198</td>
</tr>
<tr>
<td>Status of women and equity committee</td>
<td>9,500</td>
<td>4,819</td>
<td>9,500</td>
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<tr>
<td>Office</td>
<td>5,000</td>
<td>3,440</td>
<td>4,321</td>
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<tr>
<td>Insurance</td>
<td>3,000</td>
<td>2,700</td>
<td>2,700</td>
</tr>
<tr>
<td>Amortization</td>
<td>0</td>
<td>1,912</td>
<td>848</td>
</tr>
<tr>
<td>Mediation/arbitration/legal fees (note 8)</td>
<td>50,000</td>
<td>326</td>
<td>80,996</td>
</tr>
<tr>
<td>Renovations</td>
<td>0</td>
<td>0</td>
<td>75</td>
</tr>
<tr>
<td></td>
<td></td>
<td>966,300</td>
<td>901,159</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>900,463</td>
</tr>
<tr>
<td>NET SURPLUS for the year</td>
<td>$ 20,333</td>
<td>$ 96,857</td>
<td>$ 43,203</td>
</tr>
</tbody>
</table>

See notes to the financial statements
# Statement of Cash Flows

## For the Year Ended April 30, 2018

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Provided by (Used in) Operating Activities</strong></td>
<td></td>
</tr>
<tr>
<td>Net surplus for the year</td>
<td>$96,857</td>
</tr>
<tr>
<td>Adjustments to reconcile net income to net cash provided by operating activities:</td>
<td></td>
</tr>
<tr>
<td>Amortization</td>
<td>1,912</td>
</tr>
<tr>
<td>(Increase) decrease in market value of investment in bonds</td>
<td>(600)</td>
</tr>
<tr>
<td></td>
<td>98,169</td>
</tr>
<tr>
<td>Changes in non-cash working capital</td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>(3,192)</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>(49,170)</td>
</tr>
<tr>
<td></td>
<td>45,807</td>
</tr>
<tr>
<td><strong>Total Cash Provided by Operating Activities</strong></td>
<td>45,807</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Provided by (Used in) Investing Activities</strong></td>
<td></td>
</tr>
<tr>
<td>Investment in bonds</td>
<td>0</td>
</tr>
<tr>
<td>Additions to capital assets</td>
<td>(450)</td>
</tr>
<tr>
<td>Investment in guaranteed investment certificates</td>
<td>(254,000)</td>
</tr>
<tr>
<td>Proceeds from maturities of bonds and guaranteed investment certificates</td>
<td>150,000</td>
</tr>
<tr>
<td></td>
<td>(104,450)</td>
</tr>
<tr>
<td><strong>Total Cash Provided by Investing Activities</strong></td>
<td>(104,450)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Decrease in Cash and Cash Equivalents</strong></td>
<td>(58,643)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Cash and Cash Equivalents, Beginning of Year</strong></td>
<td>408,108</td>
</tr>
<tr>
<td><strong>Net Cash and Cash Equivalents, End of Year</strong></td>
<td>$349,465</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash and Cash Equivalents Consists of:</strong></td>
<td></td>
</tr>
<tr>
<td>Bank</td>
<td>$138,487</td>
</tr>
<tr>
<td>Savings accounts</td>
<td>210,978</td>
</tr>
<tr>
<td><strong>Total Cash and Cash Equivalents</strong></td>
<td>$349,465</td>
</tr>
</tbody>
</table>

See notes to the financial statements
1. **NATURE OF ORGANIZATION**

The Faculty Association of the University of Waterloo has been organized to promote scholarship and academic freedom at the University of Waterloo while regulating employment relations between Association members and the university.

Membership in the Association is available primarily to faculty members of the University of Waterloo. The Association maintains its office on university premises without paying rent, and the Association depends upon the university's administrative resources.

As an unincorporated, not-for-profit organization, the income earned by the Association is exempt from income tax.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) **REVENUE RECOGNITION**

The Association follows the deferral method of accounting for contributions.

The organization derives its revenue from its members who are primarily faculty members of the University of Waterloo. Membership fees are based upon the academic classification of faculty members with higher levy rates being applied to higher ranking faculty classifications.

Membership fees are collected and remitted to the Association through the payroll systems of the University of Waterloo. Revenue from membership fees is recorded in the period in which the related salaries are earned.

Investment income is accrued over the period earned and includes interest and changes in fair value.

(b) **CASH AND CASH EQUIVALENTS**

The Association’s policy is to disclose bank balances under cash and cash equivalents, including savings accounts and term deposits with a maturity period of three months or less from the date of acquisition.

(c) **CAPITAL ASSETS**

Capital assets are recorded at cost and amortized on the basis of their estimated useful life using the following methods and rates:

- **Computer equipment**
  - 5 years straight line basis
- **Furniture and office equipment**
  - 10 years straight line basis
- **Office renovations**
  - 10 years straight line basis
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles for not for profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

(e) FINANCIAL INSTRUMENTS

Measurement of financial instruments
The Association initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in bonds, which are measured at fair value. Changes in fair value are recognized in the statement of revenues and expenditures.

Financial assets measured at amortized cost include cash and cash equivalents, guaranteed investment certificates and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Impairment
Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. If an impairment has occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted future cash flows expected or the proceeds that could be realized from the sale of the financial asset. The amount of the write-down is recognized in net surplus. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of revenues and expenditures.

Transaction costs
The Association recognizes its transaction costs in the statement of revenues and expenditures in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

3. FINANCIAL INSTRUMENTS

Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, credit, currency, liquidity, or other price risks arising from the financial instruments.

The extent of the Association's exposure to these risks did not change in 2018 compared to the previous period.

The Association does not have a significant exposure to any individual customer or counterparty.
4. CAPITAL ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Cost 2018</th>
<th>Accumulated Amortization 2018</th>
<th>Net Cost 2018</th>
<th>Net Cost 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer equipment</td>
<td>$2,768</td>
<td>$1,169</td>
<td>$1,599</td>
<td>$1,876</td>
</tr>
<tr>
<td>Furniture and office equipment</td>
<td>$12,394</td>
<td>$3,305</td>
<td>$9,089</td>
<td>$10,274</td>
</tr>
<tr>
<td>Office renovations</td>
<td>$3,252</td>
<td>$3,252</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$18,414</strong></td>
<td><strong>$7,726</strong></td>
<td><strong>$10,688</strong></td>
<td><strong>$12,150</strong></td>
</tr>
</tbody>
</table>

5. EMPLOYEE FUTURE BENEFIT OBLIGATION

This obligation represents the estimated future costs of sick leave benefits relating to current employees of the Association. The obligation does not vest or accumulate upon an employee's retirement or termination. Because of this, as at April 30, 2018, the obligation is estimated to be $nil (2017 - $nil). The actual value of the obligation may differ materially from the amount reported if the sick leave obligation occurs in the future.

The University of Waterloo has acknowledged responsibility for all benefit costs that will arise after the date of retirement of an employee of the Association. Because the university has acknowledged its responsibility in this regard, the Association has not recorded any liability for post-retirement employee benefit costs.

6. GUARANTEED INVESTMENT CERTIFICATES

<table>
<thead>
<tr>
<th>Certificate Description</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Bank of Canada Guaranteed Investment Certificate, 2.4%, maturing December 7, 2017</td>
<td>$0</td>
<td>$50,000</td>
</tr>
<tr>
<td>Homequity Bank Guaranteed Investment Certificate, 2.15%, maturing August 21, 2020</td>
<td>51,000</td>
<td>51,000</td>
</tr>
<tr>
<td>ICIC Bank (Canada) Guaranteed Investment Certificate, 2.21%, maturing June 17, 2019</td>
<td>48,000</td>
<td>48,000</td>
</tr>
<tr>
<td>Equitable Bank Guaranteed Investment Certificate, 2.1%, maturing June 17, 2020</td>
<td>49,000</td>
<td>49,000</td>
</tr>
<tr>
<td>Canadian Western Bank Guaranteed Investment Certificate, 1.95%, maturing April 20, 2022</td>
<td>49,000</td>
<td>49,000</td>
</tr>
<tr>
<td>Laurentian Bank of Canada Guaranteed Investment Certificate, 1.8%, maturing April 20, 2021</td>
<td>52,000</td>
<td>52,000</td>
</tr>
<tr>
<td>Equitable Bank Guaranteed Investment Certificate, 1.98%, maturing April 20, 2022</td>
<td>51,000</td>
<td>51,000</td>
</tr>
<tr>
<td>National Bank of Canada Guaranteed Investment Certificate, 1.05%, maturing July 11, 2018</td>
<td>20,000</td>
<td>0</td>
</tr>
</tbody>
</table>
6. **GUARANTEED INVESTMENT CERTIFICATES** (continued)

<table>
<thead>
<tr>
<th>Bank</th>
<th>Interest Rate</th>
<th>Maturity Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Bank of Canada</td>
<td>1.25%</td>
<td>July 11, 2019</td>
<td>21,000</td>
</tr>
<tr>
<td>HSBC Bank of Canada</td>
<td>1.4%</td>
<td>July 13, 2020</td>
<td>20,000</td>
</tr>
<tr>
<td>Manulife Bank of Canada</td>
<td>1.6%</td>
<td>July 12, 2021</td>
<td>20,000</td>
</tr>
<tr>
<td>Laurentian Bank of Canada</td>
<td>2.2%</td>
<td>July 11, 2022</td>
<td>20,000</td>
</tr>
<tr>
<td>Laurentian Bank of Canada</td>
<td>2.75%</td>
<td>January 9, 2023</td>
<td>23,000</td>
</tr>
<tr>
<td>Manulife Bank of Canada</td>
<td>2.75%</td>
<td>January 9, 2023</td>
<td>80,000</td>
</tr>
<tr>
<td>Canadian Western Bank</td>
<td>2.91%</td>
<td>March 14, 2023</td>
<td>50,000</td>
</tr>
</tbody>
</table>

| Total                              |               |              | 554,000 |

<table>
<thead>
<tr>
<th>Less current portion:</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(20,000)</td>
<td>(50,000)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Total                              | 534,000       | 300,000      |

7. **COMMITMENTS**

In the year ended December 31, 2010, the members of the Association agreed to provide financial assistance in the total amount of $600,000 to the University of Waterloo for the construction of a new daycare facility, Bright Starts Co-operative Early Learning Centre. As of August 2015, the Association is bound by a written contract with University of Waterloo to disburse $300,000 in a lump sum payment and $30,000 per year over ten years ending in 2024. As of the end of this fiscal period, $420,000 has been disbursed.

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$30,000</td>
</tr>
<tr>
<td>2020</td>
<td>30,000</td>
</tr>
<tr>
<td>2021</td>
<td>30,000</td>
</tr>
<tr>
<td>2022</td>
<td>30,000</td>
</tr>
<tr>
<td>2023</td>
<td>30,000</td>
</tr>
<tr>
<td>Thereafter</td>
<td>150,000</td>
</tr>
<tr>
<td></td>
<td>30,000</td>
</tr>
</tbody>
</table>

| Total    | $180,000 |
8. CONTINGENCIES

Negotiation costs
The Association has entered into an agreement with the University of Waterloo under which mediators may be appointed to assist in negotiations concerning annual salary changes and grievances. The expenses of any mediator or arbitrator at a stage one grievance shall be borne equally by the parties to this agreement. The expenses of any mediator or arbitrator at a stage two grievance shall be borne 80% by the Association and 20% by the member involved in the legal matter. As both the frequency and cost of such activities are contingent upon future events, the amount of any such potential future liability is not determinable. Any mediation or arbitration payments made in the future will be charged as an expense in the period paid. Due to the nature of the activities of the Association, legal actions against the Association may take place. At April 30, 2018 one grievance was in progress, however, the future potential liability is not determinable.

9. INVESTMENT IN BONDS

<table>
<thead>
<tr>
<th>Bond Type</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank of Montreal 2.24%, maturing December 11, 2017 at $50,000</td>
<td>$0</td>
<td>$50,373</td>
</tr>
<tr>
<td>CIBC Deposit Notes 2.22%, maturing March 7, 2018 at $50,000</td>
<td>0</td>
<td>50,457</td>
</tr>
<tr>
<td>HSBC Bank Canada 2.491%, maturing May 13, 2019 at $50,000</td>
<td>50,120</td>
<td>51,157</td>
</tr>
<tr>
<td>Laurentian Bank Canada 2.75%, maturing April 22, 2021 at $48,000</td>
<td>47,402</td>
<td>49,224</td>
</tr>
<tr>
<td>Home Trust Co 3.4%, maturing December 10, 2018 at $47,000</td>
<td>46,824</td>
<td>42,535</td>
</tr>
<tr>
<td>Current portion of investment in bonds</td>
<td>(46,824)</td>
<td>(100,830)</td>
</tr>
<tr>
<td></td>
<td>$97,522</td>
<td>$142,916</td>
</tr>
</tbody>
</table>
Academic Freedom & Tenure Committee Report

Lori Curtis, AF&T Chair

December 2018

The Academic Freedom & Tenure (AF&T) Committee provides confidential advice and support to faculty members with their concerns or questions about any terms and conditions of employment, tenure and promotion, annual performance reviews, disability accommodations and pension and benefits issues. The members of the AF&T Committee are senior tenured faculty from across the University who are knowledgeable about University policy and who help ensure that University procedures are upheld and are consistent with the Memorandum of Agreement (MOA).

As the new Chair of AF&T, I have been in the position for less 6 months. I want to thank Christopher Small, outgoing Chair, for the excellent orientation period in the year prior to my taking on the position. I would also like to recognize the great work of Katie Damphouse AF&T policy officer. I think both Katie and I would say it has been a very busy start to my tenure as AF&T Chair with over 65 cases (July-November) since I took over from Christopher. The total number of cases for 2018 is 120 + cases.

Special thanks is also owed to the continued dedication and work of the AF&T Committee members. Over the year, they have accompanied faculty as academic colleagues through various processes such as tenure and promotion reviews, disciplinary investigations, workplace accommodations and leaves, amongst a host of other employment equity issues. Unfortunately, we are seeing an increase in the number of member-member issues which are typically complicated, lengthy and difficult to resolve. We are now entering the tenure and promotion process at the university and are seeing our first faculty members who have had issues with the process.

Faculty members who have any questions or issues are encouraged to contact me, Lori Curtis, or Katie Damphouse, AF&T policy officer.
Equity Committee Report

Weizhen Dong, Chair
28 November 2018

The Equity Committee of FAUW is concerned with equity issues, in line with the protected grounds of the Ontario’s Human Rights Code. It engages in educational and advocacy activities as appropriate and liaises with other relevant committees of the University, OCUFA, and CAUT.

Our Committee discussed the main equity issues concerning faculty members, and identified our areas of focus in this academic year in September 2018.

Accessibility and Accommodation Working Group

- The group put forward a proposal for benefits increases to optimize support for those with disabilities. Given the remit for benefits to go to the broadest possible base, the committee supported the FAWU proposal for vision/eye-care. We continue to support the need for actuarial transparency in allocating the cost of potential benefits. The group also disseminated and supported the successful campaign to counter the federal government proposal to tax health care benefits.

- continue to consult on the creation of guidance for accommodations for faculty, and on the development of policy in the area of accommodations.

Racial and Cultural Minorities Working Group

- Collected Faculty members’ feedback on potential anti-immigrants speakers on campus, the following are the questions that have arisen -
  - How do faculty of colour and faculty who are immigrants experience their workplace when such anti-immigrant events, featuring known white supremacists as speakers, are held?
  - What is the University community’s role in having a dialogue about or responding to community events held on campus? How does the University community accommodate pluralistic views and possible responses? (Note on pluralism: The idea being that many people may be disturbed by such an event, but disagree about how to respond)
  - What is FAUW’s role in facilitating, coordinating, or encouraging faculty to mobilize? If FAUW is to play such a role, what mechanism is used to determine which events warrant a response?
  - Are “free speech” or “open inquiry” effective ways to respond to such events when they are held on campus? Does a “free speech” framework obscure equity issues?
  - How did FAUW’s GoFundMe Campaign speak to faculty members’ concerns about the anti-immigration event?

Award Working Group

Ric Soulis Award Our Committee lost our most active member, Dr. Ric Soulis, in June 2018. Ric set a new standard of volunteerism and served with compassion for us all. His untimely passing is a big loss. We wish to carry on his unfinished work and keep his spirit alive in our committee by setting up an Award in his honour.

Our other working groups have also been actively working on the issues of their focus, such as healthy workplace, sexual violence and relevant UW policies, communication/outreach and website updates.
1) The lecturer’s Committee welcomed three new members as of September, 2018: Allyson Giannikouris (Engineering), Dorothy Hadfield (English), and Paul McGrath (Math). Jason Grove (Engineering) and Peter Wood (Math) completed their terms. As such, the committee would like to thank them for their important contributions over the past 3 years.

2) The lecturer’s committee retreat took place in September in order to welcome new members, identify and prioritize potential projects for the coming year, and to learn more about how governance works at the university. Some of the issues members have been working on include:
   - Service opportunities for lecturers.
   - Professional development opportunities.
   - Student perception surveys.
   - TOMPA scores (Math Faculty).
   - Online courses.
   - Better utilization of FAUW communication channels.

3) Committee members have been contributing to the Lecturer’s page on the FAUW board website, which will be a resource for new and existing teaching focused faculty.

4) Terms of Reference for the Lecturer’s Committee is available for viewing here: https://uwaterloo.ca/faculty-association/lecturers-committee

5) Lecturers with questions or concerns related to their role at the university are encouraged to contact members of the committee. Contact information is available through the following link: https://uwaterloo.ca/faculty-association/lecturers-committee
Pension & Benefits report to the FAUW Fall General Meeting of December 4, 2018

Alan Macnaughton, P&B Liaison (other FAUW appointees: Ranjini Jha, David Saunders)

Dental Benefits Enhanced Effective January 1

The most important component of our dental plan is the coverage of basic costs—preventative treatments such as regular oral examinations, x-rays, fillings, extractions, root canals, and periodontal scaling. The dental plan enhancement raises the reimbursement rate of these costs from 80% to 95%, and the base to which this rate is applied will be the current fee guide instead of the 2-years-old fee guide. This should raise the effective reimbursement rate from about 75% to about 95% (i.e., $20 per $100 of dental cost), effective for treatments starting in January 2019. This dental plan enhancement was the result of the 2018-2021 salary settlement between the University and FAUW providing funds for an approximately 15% increase in spending on health and dental. Other employee groups then followed our lead, so all UW employees are affected.

Some people would have preferred that the Pension and Benefits Committee spend the money in other ways, such as on vision care. But Committee deliberations are about finding an outcome that will command majority support, and in the end, the decision on dental plan increases was unanimous. FAUW appoints 3 of the 13 members of this Committee.

Review of Pension and Benefit Plans

The P&B committee is starting a holistic review of all provisions of the UW pension and benefit plans. A subcommittee, on which the FAUW person is David Saunders, is working on this. The first task was a benchmarking analysis in which it compared UW’s pension and benefit plans to those offered by comparator organizations. The dental plan enhancement raises our standing vs. the comparator group: for the dental plan, from average to 25% above average; for health and dental combined, from 4% below average to 5% above average; and for all pension and benefits, from 8% above average to 10% above average.

Responsible Investing Working Group (RIWG)

The Board of Governors established the RIWG to recommend whether and how to incorporate environmental, social and governance (ESG) factors into decision making for the investment of UW’s endowment and pension funds. I represented FAUW on the RIWG. The RIWG unanimously recommended that ESG factors start to be used, which they had not been before, and the Board of Governors accepted this recommendation in June. Advocates of fossil-fuel divestment wanted more aggressive action, but generally saw this as a useful first step.

Funded Status of the Pension Plan

The pension plan is not fully funded, but it is getting better. On a solvency basis, the fund’s assets cover 90% of its liabilities as of January 1, 2018 (as compared to 87% one year before). The university continues to make special payments required by law to fill the gap.
Rension Association of Academic Staff and
Faculty Association of the University of Waterloo
SERVICE AGREEMENT

Motion: To enter into the attached Service Agreement with the Renison Association of Academic Staff

Background & Rationale: Renison University College is one of four institutions formally affiliated with
the University of Waterloo. It is a separate legal entity, but its students receive University of Waterloo
degrees. This type of arrangement exists at several Canadian universities. Renison faculty members are
employed by Renison, but have teaching status at the University and are often associated with
University of Waterloo departments and programs in addition to Renison departments and programs.

The Faculty Association of the University of Waterloo (FAUW) has historically represented Renison
faculty in their relationship with the University, but does not have status to represent them in their
employment relationship with Renison University College. As a result, Renison faculty voted to form a
new employee association in February 2018 to meet this need.

Instead of hiring its own staff, the RAAS Executive Committee and FAUW Board wish to enter into a
service agreement whereby the two associations become affiliated and FAUW will provide support to
RAAS in exchange for a portion of RAAS membership dues.

Major terms of the proposed agreement, which will take effect Jan 1, 2019 include:

- Once agreement is reached with Renison, RAAS membership dues will be remitted directly to
  FAUW. FAUW will retain a portion equal to the fees it charges to its own members, submit fees
  on behalf of RAAS to CAUT and OCUFA, and then remit the remainder to RAAS to cover its
  administrative expenses. FAUW will provide financial reporting to RAAS on these funds and they
  will be reflected in FAUW’s annual audit by RLB LLP.
- FAUW has committed startup funds to RAAS of $7,500 and a loan of $20,000 to be drawn upon
  as needed.
- RAAS members will be recognized as affiliate members of FAUW, entitled to receive
  communications, access services, and serve on FAUW committees.
- The RAAS president shall be a non-voting member of the FAUW Board of Directors and the
  FAUW president shall be a non-voting member of the RAAS Executive Committee.
- Other services provided by FAUW will include: expertise and advice relating to contract and
  salary negotiations, policy development, member support (including dispute resolution and
  grievances), communications support, and conducting elections.
- RAAS will maintain carriage of grievances relating to RAAS members, but FAUW will provide
  access to support representatives and staff, as well as financial support for association-side
  costs of grievance arbitrations that the FAUW Board votes to support as follows: 85% of the first
  $10,000 and 100% of amounts greater than $10,000.

The agreement was ratified by members of RAAS on November 19, 2018.
Service Agreement

Between the Renison Association of Academic Staff (hereinafter called RAAS) and the Faculty Association of the University of Waterloo (hereinafter called FAUW)

The parties agree to the following terms:

1. **Effective Date.** This Agreement shall take effect on the 1st day of January, 2019 (the “Effective Date”).

2. **Affiliation**

   2.1. As of the Effective Date, RAAS and FAUW accept affiliation within the meaning of their respective Constitutions.

   2.2. RAAS members will be recognized as affiliate members of FAUW, entitled to receive communications, access services, participate in events and workshops, and serve on FAUW committees or as FAUW appointees to committees where permitted by their terms of reference. However, RAAS members will not have voting rights in FAUW or be eligible to serve as voting members of the FAUW Board.

   2.3. Individuals will not be permitted to concurrently be full voting members of both RAAS and FAUW. As such, any person who is charged dues by RAAS will not be eligible for regular voting membership in FAUW.

   2.4. The RAAS president or their delegate shall be a non-voting member of the FAUW Board of Directors.

   2.5. The FAUW president or their delegate shall be a non-voting member of the RAAS Executive Committee.

3. **Constitutions.** The Constitutions of RAAS and FAUW shall remain in effect and be applicable to their respective members, and shall be amended at the absolute discretion of the respective parties.

4. **Assets and Liabilities.** The assets and liabilities of RAAS and FAUW as at the Effective Date shall remain the assets and liabilities of the respective parties. Subsequent to the Effective Date, any assets obtained from funds of RAAS shall remain the property of RAAS; assets obtained from funds of FAUW shall remain the property of FAUW.

5. **Collection and Use of Dues**

   5.1. Members of RAAS shall pay dues and assessments at rates determined in accordance with RAAS’s Constitution.

   5.2. RAAS shall cause Renison University College to remit on a monthly basis to FAUW the full amount of dues charged by RAAS to its members, as determined by RAAS from time to time in accordance with its Constitution (the “RAAS Dues”) together with a list of the members from whom dues were deducted and the amount deducted from each.
5.3. FAUW shall deduct from the RAAS Dues an amount equal to the dues that FAUW charges to its members, as determined by FAUW from time to time in accordance with its Constitution. FAUW shall remit any remaining portion of the RAAS Dues to RAAS on a monthly basis together with a list of the members from whom dues were deducted and the total amount deducted from each.

5.4. Out of the portion of RAAS Dues retained by FAUW, FAUW shall remit dues on behalf of RAAS members directly to CAUT and OCUFA.

5.5. Should RAAS join, belong to, or otherwise commit to paying regular dues or similar payments to any other organization(s), then RAAS may direct FAUW to remit such dues directly to such organization(s). If these payments are deemed significant by FAUW then FAUW may request additional funds from RAAS to compensate for the additional expenditure.

5.6. This section 5 will take effect as of (i) the Effective Date of this Agreement or (ii) the date negotiated between RAAS and Renison University College to commence remitting the RAAS Dues (the “Remittance Date”), whichever is later. If the Remittance Date is later than July 1, 2019, FAUW may opt to terminate this Agreement without further Notice or to require renegotiation by the parties.

6. RAAS Funds

6.1. From the funds remitted to RAAS, RAAS shall cover its own administrative expenses, insurance expenses, any expenses related to interest arbitration (i.e. arbitration arising from the process of negotiating compensation or collective bargaining), any and all expenses related to its participation in CAUT and OCUFA events and other such activities, and any contributions, donations, or other expenditures not otherwise stipulated in this agreement that RAAS might elect to make.

6.2. RAAS shall cover its own legal and professional expenses subject to the Arbitration Procedures set out below. At its absolute discretion, FAUW may cover up to 100% of the expenses associated with legal or other professional advice deemed necessary by RAAS, retroactively or prospectively.

7. Directors and Officers Liability Insurance. FAUW will seek to have RAAS added to its directors and officers liability insurance policy as a named insured. If accepted by FAUW’s insurer, RAAS will be responsible for any increase in premiums related to its addition to the policy. If either RAAS or FAUW makes a claim against the policy, the party making the claim will be solely responsible for the deductible incurred. If FAUW’s insurer is not willing to add RAAS to the FAUW policy, RAAS will obtain independent directors and officers liability insurance.

8. FAUW Services to RAAS. The services provided by FAUW to RAAS shall include, but not be limited to:

- employment relations expertise and advice primarily as it relates to contract negotiations, policy development, and member support (including dispute resolution and grievances);

- assistance with conducting surveys of RAAS members and other communications activities as described in section 12 below;
- assistance conducting elections of RAAS Executive and facilitating electronic votes of the RAAS membership as needed.

9. **Negotiations**

9.1. RAAS will name and maintain its own chief negotiator and negotiating team.

9.2. RAAS will appoint its own representatives to policy development committees within Renison University College.

9.3. FAUW shall provide RAAS with salary negotiation and policy development support as needed, including consultation and advice from FAUW representatives and staff, subject to availability.

10. **Grievances**

10.1. RAAS will name its own grievance officer. FAUW shall provide RAAS with contract dispute resolution/grievance representatives and staff support, as needed but subject to availability.

10.2. The RAAS grievance officer will be a member of FAUW’s Academic Freedom & Tenure Committee.

10.3. Rights and obligations of carriage in matters of grievance and arbitration relating to RAAS members shall be retained by RAAS and not shared by FAUW.

10.4. If a RAAS member contacts FAUW for assistance with any matter relating to their employment at Renison University College, FAUW will refer the individual to the RAAS grievance officer. If desired, RAAS may engage FAUW support, subject to availability as per section 10.1 above.

11. **Grievance Arbitration Procedures**

11.1. Should any arbitration arise from grievances filed against Renison University College, the parties agree that the decision to advance a grievance to arbitration shall be made jointly by the FAUW Board and RAAS Executive Committee, subject to the quorum and approval requirements of each committee.

11.2. The process for advancing a grievance to arbitration will begin with a recommendation from RAAS’s grievance officer to the RAAS Executive that a particular grievance be advanced to arbitration. The RAAS Executive will then consult externally and with the FAUW leadership as appropriate. There will then be a joint meeting of the Executive Committee of RAAS and the FAUW Board to discuss the case and arrive at a decision. Those deliberating shall not act in a discriminatory or arbitrary manner, or in bad faith.

11.3. If both FAUW and RAAS decide to advance the grievance to arbitration, subject to the limitations described in section 11.4 below, the association-side costs associated with that arbitration shall be divided between the parties as follows: RAAS, 15% of the first $10,000; FAUW, 85% of the first $10,000, and 100% of amounts greater than $10,000.
11.4. The parties understand and acknowledge that pursuant to its Memorandum of Agreement with the University of Waterloo, FAUW does not have carriage of individual member grievances. FAUW provides financial support for individual and/or group grievances on a case by case basis in accordance with the “FAUW Process and Criteria for the Financial Support of Grievance Cases” (the FAUW Process) attached to this agreement as Appendix A.

FAUW’s financial support to RAAS for individual and/or group grievances by RAAS members will be subject to the limits contained in the FAUW process, as it may be amended from time to time. This is to ensure that FAUW and RAAS members are entitled to the same levels of financial support from FAUW. This clause does not prevent RAAS from offering greater financial support from its independent funds. The FAUW Process and limits do not apply to association grievances.

11.5. Notwithstanding s.11.1, In the event that the RAAS Executive Committee wishes to advance a grievance to arbitration but the FAUW Board is opposed to advancing it, or for any other reason, RAAS may do so unilaterally, but must then assume responsibility for any and all charges, expenses and liability relating to that action.

11.6. At its absolute discretion, FAUW may cover up to 100% of the expenses associated with any RAAS arbitration, retroactively or prospectively.

12. Communications. RAAS and FAUW will work cooperatively to develop a communication plan such that social media, websites and other means of communication to members are appropriately accessible to both parties.

13. CAUT Council. RAAS shall retain its right to send a delegate to CAUT Council at RAAS’ expense and shall also retain its right to petition CAUT directly for such assistance or relief as may be available to defray the costs of attending Council. The RAAS shall maintain a similar political independence with respect to OCUFA and all other organizations with which it may be affiliated or allied.

14. Term of the Agreement

14.1. The Agreement shall be binding and remain in effect from the Effective Date until and including the 31st day of December, 2021. All provisions of this Agreement shall, unless otherwise stated, be effective from the date of the signing of this Agreement.

14.2. This Agreement shall continue from year to year after the 31st day of December, 2021 unless either party gives the other party Notice that it desires termination or renegotiation of the Agreement.

14.3. Should either FAUW or RAAS be certified as a labour union by the Ontario Labour Relations Board, this Agreement shall continue unless either party gives the other Notice that it wishes to terminate or renegotiate.

14.4. Either party may terminate this Agreement for reason or for no reason with Notice, or if prior to such action, the other party materially breaches any of its representations, warranties or obligations under this Agreement. Except as may be otherwise provided in this Agreement, such breach by either party will result in the other party being responsible to reimburse the non-defaulting party for all costs incurred directly as a result of the breach of this Agreement,
and shall be subject to such damages as may be allowed by law including all legal fees and costs of enforcing this Agreement.

14.5. Notice under this section shall be delivered to the other party in writing no less than 90 calendar days in advance unless otherwise agreed by both parties.

14.6. In the event that this Agreement is terminated for any reason, both parties will use best efforts to ensure that FAUW and RAAS members retain uninterrupted access to core services, particularly relating to grievances and dispute resolution, and will negotiate in good faith to facilitate a smooth transition.

15. Record Keeping

15.1. FAUW shall keep a record of services provided to RAAS. This record shall include both monetary expenditures and the approximate time spent by FAUW officers, volunteers, and staff on RAAS’s behalf. This information shall be shared between the parties on an annual basis.

15.2. RAAS shall maintain its own financial and other records, and shall be responsible for meeting any audit or other requirements applicable to it under law.

16. Confidentiality. The parties understand that the nature of this agreement necessarily involves the sharing of confidential and sensitive information about both parties and their members that could be harmful if disclosed. During the term of this agreement and indefinitely thereafter, FAUW and RAAS shall not, and shall cause each of their directors, officers and representatives not to disclose any confidential information of the other or of their respective members, except as authorized by the other party or required by law.

17. Amendment. The Agreement may be amended from time to time by mutual agreement of the parties.

Dated at Waterloo, Ontario, this ____ day of ________, 2018.

Signed on Behalf of RAAS

____________________________ Kristina Llewellyn, President

Signed on Behalf of FAUW

____________________________ Bryan Tolson, President
Appendix A: FAUW PROCESS AND CRITERIA FOR THE FINANCIAL SUPPORT OF GRIEVANCE CASES

The following guidelines are intended to assist the FAUW Board handle situations in which Members request financial assistance for grievance cases.

Process for financially supporting grievance cases:

1. Using the criteria below, the AF&T Committee will recommend to the Board whether or not a case merits financial support.

   Cases that the FAUW could reasonably support financially would be cases that
   - have policy implications for faculty at U of W
   - have significant implications at the provincial and national level
   - have significantly flawed applications of policy
   - violate principles of Natural Justice
   - have been overly delayed by the administration

   Cases that likely would not be supported financially would be cases that
   - have already been dealt with in other venues such as the civil or criminal courts
   - are still working their way through non-binding internal proceedings in the University
   - the AF&T Committee concludes are weak or frivolous
   - are costly for a minor benefit
   - have been proceeding without the assistance of or knowledge of the AF&T Committee.

2. The AF&T Committee will then bring to the FAUW Board a proposal which outlines its reasons for supporting a case financially and which provides an estimate of the costs of the case. In the proposal every effort will be followed to maintain the anonymity of the grievor.

3. The FAUW Board will accept or reject the AF&T Committee’s proposal.

4. In cases accepted by the Board, the FAUW will assume up to 80% of the employee costs of legal and arbitration fees. The grievor will assume the remainder of the costs. The grievor normally will assume 50% of the employee costs of legal and arbitration fees. The grievor should deposit a minimum of $1,000 when the case is scheduled to go to arbitration.

   There will be a cap of $28,000 for the Association support of any case, including all costs associated with arbitration.

5. A condition for financial support by the Association is that the grievor and the Association have a written agreement regarding financial responsibilities.

6. Another condition is that members seeking and receiving financial assistance may hire only lawyers approved by the FAUW. The AF&T Committee will also participate in any consultations with the legal counsel, will receive the advice of legal counsel, and may attend all meetings and arbitration hearings.

The FAUW will not financially support a case unless the individual or group has consulted with the AF&T Committee and provided the AF&T Committee with details of the grievance so that the AF&T Committee can assess the case.

Approved by the FAUW Board of Directors on November 8, 2007.
Draft New Policy 8 – Freedom of Speech

Draft policy preamble from the Secretariat:

On 30 August 2018, the Office of the Ontario Premier issued a news release directing universities across the province to develop and post free speech policies by 1 January 2019. The news release stated that there would be annual monitoring regarding compliance and penalties in the form of grant reduction for non-compliance.

After discussion with other universities and a review of the University of Waterloo’s policies against the directive, a determination has been made that a short policy statement is necessary to address the requirements fully. The University already has policies and agreements regarding the rights of employees and students to academic freedom, and freedom from undue interference, harassment, discrimination and physical harm. And, while the University has made statements about its commitment to free speech when controversial speakers have come to campus in the past, it does not have a formal policy on this point as required by the directive.

The draft policy is intended to fill this narrow gap without changing any existing rights or responsibilities of employees and students. It simply states that the University is committed to providing an environment in which individuals and groups can express themselves, provided the content or manner of that expression is not contrary to law, University governing documents, and does not interfere with free speech of others. Similarly, individuals and groups have the right to protest expression by others provided that the nature of protest does not interfere with the rights of others. The policy also affirms that existing policies and procedures for handling complaints will apply.

If you cannot attend the general meeting, please send written feedback to the University Secretary, Karen Jack, at kjack@uwaterloo.ca, and cc Laura McDonald at laura.mcdonald@uwaterloo.ca.
Draft New Policy 8 – Freedom of Speech

Established: TBD (DRAFT)
Class: G
Responsible/Originating Department: Office of the President
Executive Contact(s): President and Vice-Chancellor

1. Introduction
“The objects of the University are the pursuit of learning through scholarship, teaching and research within a spirit of free enquiry and expression.” University of Waterloo Act, 1972, s.3 (the “University’s Objects”).

Capitalized terms used in this Policy are defined below.

The University has always been and will continue to be fully committed to providing an environment within which Members of the University and Visitors to University Property are able to engage in Free Speech.

2. Scope
The University expects that all Members of the University and Visitors will respect the rights of others to engage in Free Speech without Undue Interference.

Alleged breaches of this Policy by Members of the University will be managed in accordance with existing policies and agreements governing Members of the University.

Alleged breaches of this Policy by Visitors will be referred to the University Police Services. Visitors found in breach of this Policy may be banned from University Property or have conditions on their access to University Property.

3. Definitions
For the purposes of this policy, the following terms have the following meanings:

- “Canadian Law” means: legislation, regulations, by-laws, ordinances, and orders or decisions of tribunals or courts of competent jurisdiction, which govern Speech, including threats, violence, hate speech, defamation, discrimination and harassment.

- “Exclusions” means:
  a. Speech that is in breach of Canadian Law;
  b. Speech that is in breach of University Governing Documents; or
  c. Speech that constitutes Undue Interference.

- “Free Speech” means Speech, subject to the Exclusions, that is not subject to Undue Interference. Free Speech includes ideas that are considered offensive or disagreeable by some individuals or groups provided those ideas do not fall into an Exclusion; and Speech that analyzes, critiques, debates, questions, challenges, criticizes, protests or otherwise disagrees with the Speech of others, provided the foregoing does not constitute Undue Interference.
• “Speech” means communication of any idea, opinion, concept, data or other view by any means or through any medium.

• “Undue Interference” means Speech or actions or threat thereof, which prevent or substantially impair another individual’s or group’s ability to engage in Free Speech. Undue Interference includes: Speech or actions that prevent a speaker from being heard, disrupt University operations, or cause an event to be cancelled; or Speech or actions that raise reasonable concerns about the safety of individuals or groups or damage to University assets.

• “University Governing Documents” means the University of Waterloo Act, 1972, by-laws of the governing bodies of the University, written agreements with the affiliated and federated institutions of Waterloo, written agreements with the recognized representatives of the employee and students groups, as well as policies, procedures, and guidelines housed on the website of the Secretariat.

• “University Property” means all real property owned and under the operational control of the University.

• “Visitors” means individuals on University Property who are not University employees or students.