

# TENTATIVE FOR RATIFICATION

## Memorandum of Agreement

between the  
University of Waterloo Staff Association  
and the  
University of Waterloo



*The University of Waterloo acknowledges that much of our work takes place on the traditional territory of the Neutral, Anishinaabeg and Haudenosaunee peoples. Our main campus is situated on the Haldimand Tract, the land granted to the Six Nations that includes six miles on each side of the Grand River.*

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# Memorandum of Agreement between University of Waterloo Staff Association and University of Waterloo

## 1. Preamble

### 1.1. General

- 1.1.1. The Parties to this agreement are the University of Waterloo Staff Association and the University of Waterloo, hereafter referred to as the Association and the University respectively. Association members will hereafter be referred to as Members.
- 1.1.2. The University recognizes the Association's By-laws, hereafter referred to as the By-laws, as the sole governing rules of the Association.
- 1.1.3. The University recognizes the Association as the sole representative of University staff, as defined in subsection 2.1, hereafter referred to as Staff, for matters relating to the terms and conditions of their employment.
- 1.1.4. The work of the Association is critical to the development and preservation of a healthy working environment and collegial relationship between Staff and the University's senior administration. The University has a history of cordial and productive staff relations that has resulted in collaboration to ensure we have fair and equitable policies and problem resolution processes. The Association has been pivotal to building and maintaining this relationship.
- 1.1.5. Recognition of the Association under this Agreement does not constitute voluntary recognition equivalent to certification.
- 1.1.6. This Agreement is a "special plan" agreement negotiated between and ratified by the Parties.
- 1.1.7. In this Agreement:
  - 1.1.7.1. "Last Amended Date" means October 25, 2022.
  - 1.1.7.2. "Legacy Staff" means Staff employed before October 26, 2022.
  - 1.1.7.3. "Effective Date" means [the date on which this Agreement takes effect].
  - 1.1.7.4. Any dates (except for May 1) in Section 8 or 9 relating to compensation, compensation negotiations, or mediation-arbitration related to compensation shall be interpreted as the corresponding date immediately preceding the salary year commencing May 1.

1.1.8. Except as expressly provided in this Agreement, rights and obligations accrued under the Agreement effective as of the Last Amended Date are preserved and continue without interruption.

**1.2. This Agreement has the following purposes:**

- 1.2.1. to foster a mutually beneficial relationship for the betterment of both Parties;
- 1.2.2. to describe principles and general approaches for developing University Policies and guidelines concerning terms and conditions of employment; and
- 1.2.3. to define and describe the relationship between the University and the Association, to provide for regular communication and consultation between the University and the Association, and to provide a means for resolving differences which may arise between them.

**1.3. The University and the Association agree:**

- 1.3.1. to encourage within the University community a climate of collegiality, responsibility, and mutual respect;
- 1.3.2. to foster harmonious relations and a working environment that enables individual Staff to achieve the goals and objectives of the University; and
- 1.3.3. to ensure the equitable treatment of individual Staff through fair procedures and practices.

**2. Recognition and Rights of the Association**

**2.1. Definition of Staff**

- 2.1.1. For the purposes of this Agreement, Staff shall include all employees who are assigned a University Support Group (USG) job grade, with the exception of those positions listed in subsection 2.1.3 below.
- 2.1.2. Executive, governance, human resources, and other employer-representative roles carry confidential and institutional responsibilities, including substantial decision-making authority and autonomy, that directly influence matters the Staff Association may advocate for, creating unavoidable conflicts of interest. Excluding these roles maintains confidentiality, protects institutional integrity, and preserves the independence and credibility of the Staff Association.
- 2.1.3. University staff members in the following functional groups are therefore excluded from the definition of Staff, are not eligible for Association membership, and dues shall not be deducted from their salaries:

- 1. Members of the University Executive Council
- 2. Associate Vice Presidents
- 3. Associate Provosts

4. Finance Directors
5. Director, Special Constables
6. Positions at USG 16 and above
7. All staff in the following offices:
  - a. Office of the President
  - b. Secretariat
  - c. Legal and Immigration Services
  - d. Office of Faculty and Academic Life
  - e. Human Resources
8. Positions within Vice-President Offices that directly report to Vice-Presidents or that otherwise have responsibilities which may put them in a conflict of interest regarding Association matters. For clarity, positions that are part of sub-units that report into Vice-President Offices but are not part of the Vice-President Office itself, are not excluded from Association membership (unless otherwise excluded above).

## **2.2. Facilities**

- 2.2.1. The University shall provide the following to the Association, without charge: a centrally located, sufficiently sized set of offices suitably serviced and maintained; use of the University's internal postal service; bookable meeting rooms booked through the room-booking procedures applicable to academic departments; and other such facilities that are normally available to University departments. The University may, for operational reasons, reasonably reassign space or adjust access to services upon ninety (90) days' notice, or within such other period as the parties may agree in writing, and shall consult with the Association where feasible.
- 2.2.2. The University shall provide the Association with reasonable access, on the same basis and at the same rates as for departments, to other internal services such as telephone, computing, reproduction, and audio-visual services.
- 2.2.3. The University agrees to take appropriate measures to uphold the security and privacy of the Association and agrees that all Association information and data in the possession of the University are the sole property of the Association. This includes Association data stored on University internal services, such as email, file storage, web services, and document storage.

## **2.3. Release Time**

- 2.3.1. The University recognizes and supports the need for time away from a Member's regular University position to fulfill the duties required by the Association. Release time allows the President, incoming president-elect, the outgoing past president, and Association Directors and Officers (as defined by the Association's By-laws) appropriate preparation time for meetings, research, discussion, and administration of their role as the official representatives of Staff in the University. The work of Association Directors and Officers who serve on University Committees and on Association business requires a variety of skills and experience that complement and enhance their personal and professional development. For those granted Release Time, the Chief Human Resources Officer (CHRO) or designate shall inform the head of the Member's department in writing that this person is granted this time and that their duties should be commensurately reduced, and emphasize the value of this service to the University.

2.3.2. Release time shall be taken at the discretion of the Member and should be taken so that their regular University position is affected as minimally as possible.

2.3.3. Directors and Officers receive Release Time as determined by the Staff Relations Committee (SRC) and outlined in the UWSA Board of Directors University Service Guideline.

## **2.4. The President**

2.4.1. The President shall be granted 100% Release Time from their regular University position and the University agrees to support and formally acknowledge this release time by means of a letter to the head of the President's originating department.

2.4.2. The University agrees to fund 50% of the salary of the President, to a maximum of \$70,000, subject to annual Salary Range adjustments. The remainder of the Association President's salary shall be paid by the Association.

2.4.3. The President shall receive a stipend in accordance with the UWSA President's stipend guideline, funded by the Association.

2.4.4. Any salary increases or other adjustments applied to Staff during the President's term will apply to the President.

2.4.5. The employer-paid portion of the President's benefits will continue to be funded by the University.

2.4.6. At the end of the President's term they will return to the same position they previously held.

2.4.7. The President's performance will be assessed solely by the Association Board of Directors.

## **2.5. Membership in the Association**

2.5.1. Membership in the Association is not a condition of employment. However, an amount equal to Association dues will be deducted from wages of Staff except those excluded under subsections 2.1.3 and 2.6.4.

2.5.2. Staff, as defined in subsection 2.1.1, have the right to join the Association and participate in its activities.

2.5.3. The University shall not interfere with the participation of Members in Association meetings, including committee meetings, or other Association business or activities, provided that such participation does not unreasonably interfere with the performance of a Member's duties and other responsibilities to the University, or with University operations.

2.5.4. Special consideration shall be granted to Members to allow them to attend Annual and Special Meetings of the Association and Area Representative meetings.

2.5.5. Members in good standing are entitled to all the rights and privileges of the Association.

2.5.6. Staff who are not Members are entitled to a limited set of rights and privileges as defined by the Association's guidelines.

## **2.6. Dues and Payroll Deduction**

2.6.1. The Association's membership dues are set by the Association in accordance with its By-laws.

2.6.2. Subject to applicable law and to the legacy provisions in subsection 2.6.4, the University shall deduct Association dues from the wages of all Staff who meet the definition of Staff in subsection 2.1.1 and shall remit such dues to the Association.

2.6.3. The University agrees that, for each taxation year covered by this Agreement, it will accurately record and report all association membership dues deducted from employees' pay within the appropriate box on the employees' annual tax slips, in accordance with applicable Canada Revenue Agency (CRA) requirements.

2.6.4. Legacy Staff are not required to pay Association dues unless and until a Legacy Staff member signs a new Staff employment contract (whether temporary or ongoing) following a temporary contract, or they elect to pay dues under subsection 2.6.5.

2.6.5. Subject to the requirements of the *Employment Standards Act, 2000*, Legacy Staff who wish to voluntarily pay dues and become a Member may do so by providing written consent to join the Association. The Association is responsible for collecting such written consents and providing copies to Human Resources. The University shall commence deductions within the normal payroll cycle following receipt.

2.6.6. The University shall include a dues deduction clause in:

2.6.6.1. all new hire employment contracts for Staff as defined in subsection 2.1; and

2.6.6.2. all new Staff employment contracts following existing temporary appointments not including a dues-deduction clause.

2.6.7. A Staff member may claim an exception to paying Association dues with a bona fide religious objection. To do this, they must file with the Association a sworn affidavit explaining the objection. The application will be considered by the Association and decided on within 20 business days. The Association's decision to grant or refuse the exception shall be final.

2.6.8. Where an exception to paying Association dues has been granted by the Association, an amount equivalent to the Association dues must still be collected by the University; however, the dues shall be remitted to a registered Canadian charity mutually agreeable to the Association and the employee, as set out in a written direction signed by the Staff member, to

be obtained by the Association and provided to Human Resources so as to form part of their employment file.

- 2.6.9. The Association shall advise the University in writing of the amount of its dues and shall provide the University with at least one month's written notice of any change to such amounts.
- 2.6.10. The University shall remit the amounts deducted no later than the 15th day of the following month in which the deduction was made. At the same time, the University shall inform the Association in writing of the name of each person from whose salary an amount was deducted, the dollar value of that amount, and where the amount is being remitted to.
- 2.6.11. The University shall allow audit of payroll deductions when requested by the Association. The selected auditor shall be mutually acceptable to the University and the Association. The Association shall bear the costs of any such audit.

### **3. Correspondence and Information**

#### **3.1. General**

- 3.1.1. The University and the Association recognize that both Parties require access to information for the proper administration of this Agreement, and agree to use discretion in dealing with such information. Information sharing under this Section is subject to applicable privacy law and University policy.
- 3.1.2. The University agrees to facilitate communication about employment related matters in a timely manner to Staff who do not pay dues.
- 3.1.3. The University undertakes to provide the following information to the Association in a timely manner:
  - 3.1.3.1. any changes to standard Staff employment contract language;
  - 3.1.3.2. a monthly list of all Staff who paid dues in the previous month, including name, USG job grade, position, department, employee type, time type, userid, employee ID, email, hire date, continuous service date, Association dues paid, and contract end date;
  - 3.1.3.3. a monthly update giving the same data as in 3.1.3.2, noting the following changes in the previous month, for Staff who have paid or are expected to pay dues:
    - 3.1.3.3.1. new Staff hired,
    - 3.1.3.3.2. Staff with changes in employment status,
    - 3.1.3.3.3. Staff who change positions or USG job grade,
    - 3.1.3.3.4. Staff who are newly or no longer excluded under subsection 2.1.3;
  - 3.1.3.4. any new or revised guidelines related to staff employment or working conditions, including engagement with the Association; and

- 3.1.3.5. such other information as the Parties agree to from time to time, including ad hoc reports of anonymized data for all Staff.
- 3.1.4. The Association undertakes to provide the following information to the University in a timely manner:
  - 3.1.4.1. a copy of any public communication that relies on University-supplied data or affects operations to all Members prior to distribution;
  - 3.1.4.2. an up-to-date copy of the Association's By-laws within one month of their revision;
  - 3.1.4.3. an up-to-date list of the Association's Board of Directors and Officers within one month of any changes; and
  - 3.1.4.4. such other information as the Parties agree from time to time.

#### **4. Staff Relations Committee (SRC)**

##### **4.1. General**

- 4.1.1. The SRC is a Committee as defined in Policy 1.
- 4.1.2. The SRC is comprised of seven members appointed by the University and seven members appointed by the Association.
- 4.1.3. The President of the Association and the CHRO shall alternate as Chair on a monthly basis.
- 4.1.4. It is expected that the SRC will operate in a collegial manner with most decisions made by consensus rather than by formal vote.
- 4.1.5. The University shall provide a Secretary for meetings to act as a resource and record keeper.

#### **5. Memorandum of Agreement and Policies**

##### **5.1. General**

- 5.1.1. The relationship between the Parties, and between the University and Staff, is defined partly in this Agreement and partly in University Policies.
- 5.1.2. The SRC has responsibility for the development and recommendation for approval of Staff Class S Policies, and shared responsibility for the development and recommendation for approval of Faculty-Staff Class FS Policies. The Policy classifications and development and approval process are described in Policy 1. For clarity, pursuant to Policy 1, approval processes for FS policies shall be outlined in the terms of reference which are set by a joint meeting of the Faculty Relations Committee (FRC) and SRC.
- 5.1.3. Nothing in this Agreement is intended to prevent the development, amendment, or review of any University Policies in accordance with Policy 1 during the term of this Agreement.

##### **5.2. Policy Application and Changes**

- 5.2.1. Where there are differences between this Agreement and any Policy other than

a Class S or FS Policy, the provisions of this Agreement shall prevail.

- 5.2.2. Where there are differences between this Agreement and any S or FS Policy at the date this Agreement comes into effect, the provisions of this Agreement shall prevail, and the Parties agree to revise the existing Policies to harmonize them with this Agreement.
- 5.2.3. If a Class S or FS Policy is revised or a new Class S or FS Policy is developed in accordance with Policy 1 and goes forward for approval, the Parties agree to a limited opening of this Agreement at the request of either Party for the sole purpose of revising this Agreement to harmonize it with the new or revised Policy.
- 5.2.4. When Policies other than Class S or FS Policies are developed or updated, and where such Policies may reasonably be expected to relate to Staff working conditions, the University agrees to notify the Association.
- 5.2.5. Amendments to this Agreement made as a consequence of subsection 5.2.2 shall not require ratification by the Parties to take effect.
- 5.2.6. For clarity, a “difference” does not exist, within the meaning of subsection 5.2.1 or 5.2.2, between this Agreement and a Policy, solely because a Policy grants rights to only certain categories of Staff or because certain categories of Staff are excluded from the operation of, or have more limited rights under, such Policy. The Parties acknowledge the definition of Staff in this Agreement is distinct from the definitions of “staff” used in other University Policies and this fact does not constitute a difference between this Agreement and such Policies.

### **5.3. Memorandum of Agreement Application and Changes**

- 5.3.1. This Agreement shall come into effect upon ratification by the Parties and approval by the appropriate University governance body, shall be binding on both Parties, shall remain in effect for two years, and may not be opened prior to that date except by mutual consent of the Parties.
- 5.3.2. After the initial two-year period, this Agreement shall automatically renew itself for successive one-year periods unless either Party provides written notice to the other that it wishes to terminate or revise the Agreement.
- 5.3.3. Termination or revision of this Agreement shall not take place until at least one year after notice unless there is mutual agreement by both Parties.
- 5.3.4. Amendment of this Agreement may be made by the Parties at any time in accordance with the provisions of Section 5.
- 5.3.5. If the proposed change is deemed by the President of the Association and the CHRO to be minor, approval of the change by the SRC is solely required for it to take effect. The Secretariat will provide guidance on the extent of the change.

## **6. Discipline**

### **6.1. General**

- 6.1.1. The University shall follow Policy 18 – Staff Employment for all matters of discipline or performance development.
- 6.1.2. In all matters of performance improvement, including discipline coaching or

progressive discipline, Staff are entitled and should be encouraged to seek assistance from the Association. In matters of discipline or progressive discipline, Staff are also entitled to be accompanied by an Association support person or a colleague who, if requested, can aid in presenting the Member's position.

## **7. Grievances**

### **7.1. General**

- 7.1.1. This section establishes procedures for the resolution of disputes concerning the interpretation, application, administration, or alleged violation of this Agreement or University policies, procedures, or guidelines affecting Staff terms and conditions of employment.
- 7.1.2. The parties to a grievance shall be the Grievor and the Respondent. The Grievor may be a Staff member, a group of Staff, or the Association. The Respondent may be an individual employee or the University.
- 7.1.3. There are two distinct grievance processes:
  - 7.1.3.1. Individual and Group Grievances, governed by University Policy 36 (Dispute Resolution for University Support Staff) or, where applicable, the formal complaint process under University Policy 33 (Ethical Behaviour).
  - 7.1.3.2. Association Grievances, governed exclusively by the procedures set out in this Agreement.
- 7.1.4. An Individual Grievance is a grievance filed by a single Staff member concerning matters that affect that Staff member's own terms and conditions of employment.
- 7.1.5. A Group Grievance is a grievance filed jointly by two or more Staff members where the same issue affects them in a similar manner.
- 7.1.6. An Association Grievance is a grievance filed by the Association concerning any of the following:
  - 7.1.6.1. Alleged violation, misinterpretation, misapplication, or improper administration of this Agreement or University policies that affects Staff terms and conditions of employment;
  - 7.1.6.2. Matters of general interpretation or systemic impact, or issues likely to recur; and,
  - 7.1.6.3. Matters concerning the rights, obligations, or functioning of the Association under this Agreement or University policy.
- 7.1.7. An Association Grievance shall not normally include matters that are properly the subject of an Individual Staff grievance. However, the Association may file the matter as an Association Grievance where it directly affects the Association's rights or obligations under this Agreement, or where an issue arising from a single Staff member raises issues of interpretation, application, systemic impact, or likely recurrence.
- 7.1.8. The University and the Association agree to use every reasonable effort to encourage informal and prompt resolution of grievances. There shall be no

discrimination, harassment, coercion, or reprisals of any kind practiced against any person involved in the grievance process.

## **7.2. Individual and Group Grievances (Policies 33 and 36)**

- 7.2.1. Staff who are party to a grievance, or are likely to be, are entitled and should be encouraged to seek assistance from the Association. Staff are also entitled to be accompanied by an Association support person or a colleague who, if requested, can aid in presenting the Member's position.
- 7.2.2. Staff are encouraged to first discuss any potential grievance orally and informally with their immediate supervisor or other appropriate administrator at the lowest administrative level having the authority to address the issue, at the earliest opportunity, with a view of resolving the matter promptly and at a departmental level.
- 7.2.3. Staff are encouraged to seek the assistance of any or all of the following in an attempt to settle the potential grievance:
  - the Association
  - Human Resources
  - the Conflict Management Office
- 7.2.4. Formal Individual and Group grievances shall be filed, processed, and resolved exclusively through Policy 36 or Policy 33, as applicable.
- 7.2.5. These policies remain fully operative and are not displaced, restricted, or modified by this Agreement.

## **7.3. Association Grievances**

- 7.3.1. Association grievances shall be authorized by the Board of Directors of the Association and shall be presented by the Association President (or their delegate). The Respondent to an Association Grievance shall be the University.
- 7.3.2. Association Grievances may be filed on any matter defined as an Association Grievance under subsections 7.1.6 and 7.1.7.
- 7.3.3. The processing of an Association Grievance shall follow up to four stages: Informal Resolution, Formal Grievance Step 1, Formal Grievance Step 2, and mediation-arbitration, as outlined in this Section and Section 9.
  - 7.3.3.1. Nothing in this Section prevents the Parties from resolving an Association grievance at any stage of the process, including during the informal stage. A settlement reached and signed at any stage of the grievance process shall be recorded in writing and signed by the Association President and the University decision maker responsible for that stage. Once signed, the settlement is binding on both Parties and resolves the grievance in accordance with its terms. Any ambiguity in a settlement shall be interpreted in a manner that best gives effect to the Parties' expressed intentions.
- 7.3.4. The Parties may, by mutual written agreement, waive any step in the Association grievance process or extend any time limits set out in this Section. Any agreement to bypass steps shall not prejudice the Association's access to mediation-arbitration

or affect the timelines for referral unless otherwise mutually agreed in writing.

7.3.4.1. Notwithstanding the foregoing, no grievance shall be defeated by technical defects or minor procedural irregularities or inadvertent delay where there is no prejudice.

7.3.4.2. Except as provided above, where a grievance is not advanced within the prescribed time limits, it shall be deemed to be withdrawn.

#### 7.3.5. Informal Resolution Stage

7.3.5.1. The Association should first discuss any potential Association grievance orally and informally at the lowest administrative level having the authority to address the issue. Where mutually agreeable, the Association and the University may bring the matter to the SRC, in an attempt to settle the issue(s) informally.

7.3.5.2. Engagement in informal resolution processes shall not prejudice the Association's ability to proceed formally. The use of informal resolution processes shall not, without the written consent of the Association President and the CHRO or their delegate, extend the time limits for initiating a formal Association grievance.

#### 7.3.6. Formal Grievance – Step 1

7.3.6.1. Within twenty (20) business days from the date of the event giving rise to the grievance, or from the date on which the Association knew or reasonably ought to have known of the event, whichever is later, the Association may submit a formal Association grievance to the CHRO or their delegate. The grievance shall be signed by the Association President, and shall include:

- the date the grievance is presented;
- a description of the matters in dispute;
- the policies or sections alleged to have been violated; and
- the remedy sought.

7.3.6.2. The CHRO or their delegate shall meet with the Association within ten (10) business days of receipt of the grievance and shall make reasonable efforts to resolve the grievance.

7.3.6.3. If the grievance is not resolved, the CHRO or their delegate shall issue a written decision, including reasons, within the following ten (10) business days. Failure to issue a timely decision shall be deemed a denial of the grievance.

#### 7.3.7. Formal Grievance – Step 2

7.3.7.1. If the grievance is not resolved at Step 1, the Association may submit the grievance in writing to the Vice-President, Administration and Finance (VPAF) or their delegate within ten (10) business days of receipt of the Step 1 decision.

7.3.7.2. The VPAF or their delegate shall meet with the Association within ten (10) business days of receipt of the grievance, unless the Parties agree otherwise, and they shall make reasonable efforts to resolve the grievance.

7.3.7.3. If the grievance is not resolved, the VPAF or their delegate shall issue a written decision, including reasons, within the following ten (10) business days. Failure to issue a timely decision shall be deemed a denial of the grievance.

#### 7.3.8. Formal Grievance – Mediation-Arbitration

7.3.8.1. The Association may refer an Association Grievance to mediation-arbitration after Step 2 of the formal grievance process, or earlier by mutual agreement of the Association and the University, in accordance with Section 9 of this Agreement.

7.3.8.2. A referral under this section must be made within ten (10) business days of the Association's receipt of the applicable decision or expiry of the applicable timeline.

### 8. Compensation Negotiations

#### 8.1. General

8.1.1. This Section replaces and supersedes prior advisory or consultative mechanisms related to staff compensation; the Provost's Advisory Committee on Staff Compensation (PACSC) is dissolved and Policy 5 is amended, accordingly.

8.1.2. The scope of negotiations (the "Compensation Negotiations") under this Section is limited to (a) the annual Salary Range Adjustment in subsection 8.2.1; (b) the annual Compensation Envelope to be allocated to salary adjustments in Section 8.3.1.1; and (c) other compensation-related policies and practices listed in Section 8.5.

#### 8.2. Salary Range Adjustment

8.2.1. The University and the Association will use the annual change in the Canada Consumer Price Index (CPI) as a starting figure for the discussion of the annual **Salary Range Adjustment**. The magnitude of the Salary Range Adjustment is also influenced by other economic factors, relevant salary trends, and by the University's financial position. Salary Range Adjustments, expressed as a percentage change, apply each 1 May. For clarity, this percentage increase shall not apply directly to individual Staff salaries.

8.2.1.1. The salary ranges consist of USG job grades. Each USG job grade corresponds with a salary range, composed of a minimum (80%), a job value (100%), and a maximum (120%).

8.2.1.2. Each Staff position is assigned a USG job grade through an evaluation of the position's required skill, effort, responsibility, and working conditions. For clarity, market pay and employee performance are not factors in evaluating a position's USG job grade.

#### 8.3. Compensation Envelope

8.3.1. The University and the Association shall establish, for each fiscal year, an annual **Compensation Envelope** expressed as a percentage of total base salaries for eligible Staff. The envelope shall not be less than the annual Salary Range

Adjustment, but any additional amounts shall be subject to the University's financial position. The Compensation Envelope shall be allocated in accordance with the methodology set out below.

8.3.1.1. A defined portion of the annual Compensation Envelope (the "**Across-the-Board (ATB) Increase**") shall be applied as a percentage increase to the base salary of all eligible Staff on May 1. The ATB Increase shall be applied uniformly (calculated on the April 30 base salary) and shall not be subject to managerial discretion.

8.3.1.1.1. To be eligible for the ATB increase, Staff must:

- a) have been employed prior to January 1; and
- b) be employed in an indefinite-term position without an end date (including those who have transitioned temporarily from an indefinite-term position to a temporary appointment or secondment), or be employed in a definite-term position of 3 years or more.

8.3.1.1.2. An ATB Increase shall not apply to Staff whose employment commenced on or after January 1 or to those employed on contracts of less than 1 year. For clarity, Staff employed prior to January 1 in an ineligible position, but who transition to an eligible position after January 1, shall also not be eligible for an ATB Increase that year.

8.3.1.2. A defined portion of the annual Compensation Envelope (the "**Equity Pool**") shall be used to address internal salary equity and market alignment relative to job values through an **Individual Equity Adjustment** on May 1.

8.3.1.2.1. To be eligible for an Individual Equity Adjustment, Staff must: (a) meet the criteria outlined in subsection 8.3.1.1.1; and (b) have a base salary on April 30 which is under the May 1 job value.

8.3.1.2.2. Individual Equity Adjustments shall be applied to eligible Staff through the following central calculation and shall not be subject to managerial discretion:

- a) Equity Weights shall be calculated by the University using the formula:

$$\text{Equity Weight} = (\text{April 30 Job Value} - \text{April 30 Base Salary}) / \text{April 30 Job Value}$$

- b) Where the Equity Weight produces a negative value, the Equity Weight shall be deemed to be zero for the purpose of calculating Individual Equity Adjustments.

- c) The total Equity Pool shall be distributed proportionally among eligible Staff with positive Equity Weights, according to the formula:

$$\text{Individual Equity Adjustment} = (\text{Individual Equity Weight} / \text{Sum of All Positive Equity Weights}) \times \text{Total Equity Pool}$$

8.3.1.2.3. To ensure the orderly administration of Individual Equity

Adjustments, requests for job evaluation (reclassifications or career path advancement) received between January 1 to April 30 shall be deemed received on May 1. Requests received prior to January 1 will be processed normally.

- 8.3.1.3. A defined portion of the annual Compensation Envelope (the “**Flexible Increase Pool**”) shall be distributed to base salaries or as one-time lump-sum payments on May 1. The purpose of the Flexible Increase Pool is, for example, to support appropriate progression within established salary ranges, recognize sustained contribution and development in positions, and address pay positioning relative to the applicable salary range.
- 8.3.2. Where a base salary, as a result of the allocation of increases from the Compensation Envelope, would exceed 120% of the salary range for their position’s USG job grade, the base salary shall be capped at 120%. Any portion of the adjustment that would otherwise result in the base salary exceeding 120% shall instead be paid as a one-time lump sum payment and shall not be added to the employee’s base salary for the purpose of calculating future salary adjustments or pensionable earnings.
- 8.3.3. The allocation of increases to base salary resulting from implementation of the Compensation Envelope will be applied effective May 1 for those who are actively employed (including those on a fully/partially paid leave of absence, but excluding those with Long Term Disability employment status on May 1). For those on an unpaid leave (including those with Long Term Disability employment status on May 1), the increase shall be applied upon return from leave.
- 8.3.4. For any otherwise eligible Staff employee whose employment ceases, if the effective date of the salary increase(s) noted in subsection 8.3.3 falls after the applicable notice period under the *Employment Standards Act, 2000*, as amended from time to time, the employee shall not be entitled to the increase.
- 8.3.5. The University shall be solely responsible for the administration and payment of salary increases to eligible Staff within the annual Compensation Envelope distribution framework. Salary increases shall be effective May 1 but time required for administration and application may result in retroactive payments.
- 8.4. Staff employed prior to January 1 in a position with a contract of less than 3 years but more than 1 year may be eligible for the ATB Increase on May 1, subject to satisfactory performance and the affordability of such an increase to their department. If applicable, the department will initiate the ATB Increase through a request to Human Resources.
- 8.5. The University and the Association may propose changes to compensation-related University Policies or practices. If the proposed changes are quantifiable in nature but not approved through Policy changes or the applicable University Committee, the negotiated amount shall be awarded through an addition to a future annual Compensation Envelope, the timing of which shall be subject to the University’s financial position.
  - 8.5.1. Compensation-related University Policies and practices means the following:
    - Policy 5 – Salary Administration, University Support Staff (S)
    - Policy 6 – Vacation – Staff (S)

- Policy 16 – Overtime, University Support Staff (S)
- Policy 39 – Leaves of Absence for Staff Members (S)
- Staff Excellence Fund (SEF)
- Vacation Exchange Program
- Group Benefits Program plan design provisions and/or payroll deductions/contributions
- Any other mutually-agreed upon compensation-related University Policies and practices

## **8.6. Memorandum of Settlement**

- 8.6.1. The outcome of each cycle of compensation negotiations is a Memorandum of Settlement, which shall be subject to approval by the applicable University Committee.
- 8.6.2. The Memorandum of Settlement shall be for one year, two years, or three years. In the absence of agreement between the Parties on a longer period, the Memorandum of Settlement shall be for one year. The years in the Memorandum of Settlement shall begin on May 1 and end on April 30, coincident with the salary year.
- 8.6.3. Each Memorandum of Settlement shall specify the following:
- 8.6.3.1. The annual Salary Range Adjustment expressed as a percentage change each May 1.
- 8.6.3.2. The annual Compensation Envelope expressed as a percentage of total base salaries for eligible Staff and the defined portion of that envelope allocated to each of the following categories:
- ATB Increase
  - Equity Pool
  - Flexible Increase Pool
- 8.6.3.3. Any factors that enable the Flexible Increase Pool to be distributed on a differentiated basis across eligible Staff.
- 8.6.3.4. Proposed changes to compensation-related University Policies or practices, if applicable.
- 8.6.4. Other terms and conditions of employment remain governed by individual employment agreements, University Policies, and this Agreement.

## **8.7. Timelines**

- 8.7.1. By the August 15 immediately preceding the expiry date of the Memorandum of Settlement, each Party shall inform the other of the names of its Chief Negotiator and the other two members of its Negotiating Team.
- 8.7.2. Negotiations shall commence as soon as can be arranged by the two Chief Negotiators, and at the latest by October 1. The Chief Negotiator and at least one other member of each Negotiating Team shall be present at each negotiation

session.

8.7.3. By mutual agreement, the Parties may alter any of the dates specified in this section.

8.7.4. The Parties agree to negotiate in good faith and to make every reasonable effort to reach an agreement. If the Parties reach agreement, a Memorandum of Settlement shall be prepared and signed by the Chief Negotiators and at least one other member of each Negotiating Team.

8.7.5. If the Parties have not reached agreement by December 1, the Parties will proceed to mediation in accordance with Section 9 of this Agreement.

## **9. Mediation-Arbitration**

### **9.1. General**

9.1.1. This Section establishes the mediation-arbitration process applicable to Association Grievances under Section 7.3 and unresolved issues from Compensation Negotiations under Section 8 of this Agreement.

9.1.2. The Parties shall maintain a roster of mutually agreed upon mediator-arbitrators ("the Roster"). The Roster shall be used for the applicable processes under Section 7.3 and Section 8 of this Agreement, where applicable, unless the Parties mutually agree to make additions or amendments.

9.1.3. The Parties shall begin the process of establishing the Roster of at least three (3) mediator-arbitrators by the June 1 prior to Compensation Negotiations. The Parties shall review and update the Roster each time the Agreement is opened for Compensation Negotiations. All individuals on the Roster must be external to the University and acceptable to both the Association and the University.

9.1.4. Upon referral to mediation-arbitration, the Parties shall attempt to agree on a mediator-arbitrator from the Roster within ten (10) business days. If the Parties do not select a mediator-arbitrator by mutual agreement within the ten (10) business days, a mediator-arbitrator shall be selected at random from the Roster until one is available to serve.

### **9.2. Procedural Authority and Governing Principles**

9.2.1. Subject to the duty of procedural fairness, the mediator-arbitrator shall have the authority to determine their own procedure, including the manner in which evidence is presented, the format of the proceedings (in person, virtual, or hybrid), and the timelines for written submissions. The mediator-arbitrator may issue procedural directions to ensure a fair, efficient, and timely process.

9.2.2. Settlement discussions, proposals, and admissions made during mediation shall be without prejudice and inadmissible in arbitration or any other proceeding, except where required by law or mutually agreed in writing. The mediator-arbitrator shall not reference such communications in any arbitration award.

### **9.3. Mediation Stage**

9.3.1. For all matters referred to mediation-arbitration, the mediator-arbitrator shall first attempt to facilitate a mutually acceptable resolution through mediation.

9.3.2. Mediation Timelines for Compensation Negotiations under Section 8:

9.3.2.1. Mediation shall commence no later than January 15.

9.3.2.2. Mediation shall terminate by the earliest of February 15, the date on which an agreement is reached, or the date on which either the mediator-arbitrator or both Parties decide that further mediation would not be useful.

### **9.4. Arbitration Stage**

9.4.1. If mediation does not resolve all matters in dispute, the mediator-arbitrator shall proceed to arbitration. The mediator-arbitrator shall have full authority to determine the outcome of all matters properly before them and is not limited to selecting between the Parties' proposals.

9.4.2. The mediator-arbitrator shall issue a written award within thirty (30) calendar days of the close of the hearing or the receipt of final written submissions, whichever is later, unless the Parties mutually agree to extend this deadline.

9.4.3. In rendering an award for addressing unresolved issues from Compensation Negotiations under Section 8, the mediator-arbitrator shall consider:

9.4.3.1. The University's financial position and long-term fiscal sustainability; and

9.4.3.2. Economic indicators, including the annual change in the Canada Consumer Price Index and relevant salary trends.

9.4.4. The mediator-arbitrator shall have the authority to adjudicate all matters in dispute and shall have jurisdiction to issue such remedies as are fair and reasonable in the circumstances, consistent with this Agreement.

9.4.5. The mediator-arbitrator shall not have the authority to alter, amend, or add to the terms of this Agreement, nor render an award inconsistent therewith. However, the mediator-arbitrator may interpret ambiguous or conflicting terms or policies where necessary to resolve the grievance under subsection 7.3 or the unresolved issues from Compensation Negotiations under Section 8.

9.4.6. For Association Grievances brought under subsection 7.3, the mediator-arbitrator may award any remedy that is just and reasonable in the circumstances, including declaratory relief, orders for compliance, and monetary compensation. The mediator-arbitrator shall not award punitive or exemplary damages.

9.4.7. The mediator-arbitrator shall retain jurisdiction for sixty (60) calendar days following issuance of a mediated settlement or award for the sole purpose of resolving disputes concerning its interpretation, implementation, or calculation, unless extended by mutual agreement.

9.4.8. The Parties shall share equally the mediator-arbitrator's fees and expenses. The costs of presenting a case shall be borne by the respective Parties to the mediation-arbitration. Where the mediator-arbitrator determines that one Party acted in bad faith, the mediator-arbitrator may award costs.

9.4.9. The University shall provide suitable meeting or hearing space on campus.

## **10. Pension and Benefits**

10.1. The University of Waterloo has a common pension plan for all eligible employees, including eligible Staff.

10.2. The University of Waterloo has a group benefits program for all eligible employees, including eligible Staff.

10.3. The Pension and Group Benefits Plans are managed by the Board of Governors Pension and Benefits Committee as per their Resolution amended 2008-04-01. The University commits to having representation from the Association on the Pension & Benefits Committee.