

Academic Staff Compensation, Pensions and Benefits

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I. PHILOSOPHY

The compensation, pension, and benefits policies of the University of Ontario Institute of Technology are designed to ensure that recognition and reward programs for faculty members are consistent with the university's vision, mission, values, and strategic goals. The university's policy is to "pay the person" rather than "pay the job". Therefore, rewards will appropriately reflect the level of contribution delivered by each faculty member. The means for assessing contribution will be common across all academic disciplines, and all faculty members will be afforded the same opportunities to excel in and beyond their roles and to be rewarded appropriately. The university will strive constantly to reconcile the competing obligations to maintain internal equity while ensuring external competitiveness.

These policies are based on the following four guiding principles that provide a common framework for establishing compensation levels and targets and identify common criteria for the ongoing delivery of rewards.

1. Internal Equity and External Competitiveness

A key component of the university's compensation philosophy is the balance between internal equity and external competitiveness. Internal equity is the extent to which compensation programs apply uniformly across all faculty and/or academic disciplines, both horizontally and vertically. External competitiveness compares the university's rewards programs to competitors' programs in the same labour market.

The university recognizes that both internal equity and external competitiveness are important. Teamwork and collaboration are vital to the university's mission, and because every faculty member contributes to that enterprise, internal equity is an important consideration in developing and managing compensation programs. However, when the two objectives are in conflict, the university will give precedence to external competitiveness and will respond flexibly and proactively to market dynamics. Moreover, the university will actively monitor practices and procedures at comparable institutions to ensure that compensation levels in specific disciplines do not deteriorate.

2. Performance

The university's recognition and reward programs reflect appropriately the contribution each faculty member makes to the mission of the university. Accordingly, these programs are structured to deliver the most compensation to those individuals who deliver outstanding results in ways that reinforce the values and goals of the institution.

Performance has two dimensions: what is accomplished and how it is accomplished. The university's compensation programs are linked to the goals and expectations identified through the performance management process, and are the principal means through which the effectiveness of teaching, quality and quantity of research, service to the university, and growth and development are recognized.

3. Flexibility

The university's recognition and reward programs provide a consistent framework for all faculty members, but allow for differing amounts of pay to be delivered to individual faculty members. These differences may be based on the competitive labour market and/or a faculty member's level of contribution. Allowing for differentiation supports the university's mission as a market-driven institution and recognizes excellence in the facilitation of learning and value-added research.

4. Open Communication

The university's recognition and reward programs shall be openly communicated. Written materials describing all programs shall be clear and easy to understand. Leaders responsible for communicating with faculty members about programs and policies shall be encouraged and trained to do so in a manner that is open, honest, and respectful. The university's goals are to create an environment in which faculty members are comfortable asking questions about compensation programs and to ensure that faculty members' concerns, grievances, and suggestions will be heard and responded to in a timely way.

II. COMPONENTS OF RECOGNITION AND REWARD SYSTEM

1. Base Salary

Because base salary serves as the foundation of the university's total compensation package, it is particularly important to define its purpose and role clearly within the system of recognition and reward. In order to balance competitive needs with affordable wages, the university provides base salaries that will be targeted to be in the top one-third of Ontario Universities.

Base salary reflects the contribution a faculty member makes to the university as measured by her/his depth and breadth of knowledge, skills, experience, and ability.

Salary progressions reward faculty members for performing in ways that support the vision, mission, values, and goals of the university. Accordingly, the salary of each faculty member will be reviewed annually in the context of competitive compensation levels for faculty positions across all academic disciplines, ensuring that base pay targets remain competitive and sensitive to changing market conditions.

2. Salary Enhancements

Salary enhancements shall be granted in two forms:

Across the Board [ATB] Adjustments:

Each year an ATB adjustment budget shall be established by the President based on a review of inflation, market conditions, and the financial state of the university. ATB adjustments will be granted as a common percentage of base salary and will generally be provided to all faculty members. Faculty members who do not meet basic performance requirements, as defined by the university's performance management process, are not eligible to receive ATB adjustments.

Merit Adjustment:

Merit is the prevailing factor in all other recommended salary adjustments. Each faculty member shall be assessed annually with respect to:

The facilitation of learning

The facilitation of learning is a fundamental purpose of the university whereby faculty members convey information and techniques and foster critical and creative thinking

Research

Research is the second fundamental purpose of the university whereby faculty members make original contributions to their fields of learning which inform their teaching and enhance the academic reputation of the university.

Service

The service of faculty members, both as citizens of the university and of the society beyond, is critical to the effective functioning of the university.

3. Performance Assessment

In the spring of each academic year, each Dean will meet individually with every faculty member appointed in her/his School to establish performance objectives for

the following three years. Jointly with the Dean, each faculty member will establish objectives for teaching, research, and service to the university. These objectives will be articulated according to the following principles:

- In the understanding that the more clearly a goal is defined, the more likely it will be achieved; objectives will specify the result to be achieved, rather than the job or task to be performed.
- In the understanding that measurement is the foundation for ensuring that goals are fairly assessed, objectives will specify how successful outcomes will be recognized, describe how results will be quantified, and identify the observable events and behaviours that indicate when objectives have been achieved.
- In the understanding that agreed-upon goals ensure the coordination and commitment necessary to accomplish objectives within a specified performance period, the Dean may request more detailed or specific information.
- In the understanding that relevant goals are, by definition, those aligned with the university's goals, values, and mission, the Dean may require additional objectives.
- In the understanding that performance must be quantified, goals will be measured through ongoing review and with specific, scheduled milestones for progress against a schedule.

In the annual performance review, the faculty member and the Dean will discuss the faculty member's performance in the preceding year relative to previously stated objectives. To assist the Deans in this process, the university requires a multi-source performance assessment. The guidelines for this process apply in the understanding that in order to maintain maximum objectivity, it is important that those in the best position to evaluate performance against specific goals participate in the process. Therefore:

- Teaching will be assessed in the context of formal student evaluations;
- Research will be assessed in the context of peer evaluation of quality of research, publication, and creative professional practice.
- Service will be assessed in the context of feedback from relevant sources, potentially including the President, Provost, Dean, and other colleagues.

It is anticipated that the weighting of these three factors in evaluation of merit will be 40%, 40% and 20%.

4. Merit Program Funding

The merit budget pool shall be established annually by the President. In establishing this budget, the President will consider the expected performance levels of all faculty members, market conditions, such as "hot skills", not addressed by the ATB adjustment, and affordability. Normally, the merit budget pool shall be in the range of two to three per cent of the academic salary budget.

5. Salary Progression Framework

A salary floor, or minimum, will be reviewed and, if necessary, updated, annually. The floor will be based on the current market rate for a newly graduated Ph.D., and may vary by academic discipline.

6. Variable Pay

Variable pay is the primary means of reinforcing the university's market focus and entrepreneurial spirit. In contrast to the objectives for base salary, the variable pay programs serve a different function. Variable pay:

- Recognizes the risk associated with joining a new academic institution by providing a better-than-competitive total compensation opportunity, including the provision of above-market rewards for performance linked to helping build the university.
- Stimulates and rewards the contribution that contract research makes to the infrastructure costs of the university. Variable pay is designed to motivate faculty members to secure and conduct contract research in ways that are consistent with the values of the institution.
- Shares success by recognizing collaborative efforts and ensuring that all collaborators share the rewards of these efforts appropriately. Variable pay also allows the university to recognize individual successes that reinforce the institution's collective mission and goals.

Under the university's variable pay program, faculty members have the opportunity to earn an additional amount up to 25% of annual base salary (i.e. the equivalent of three months' pay).

The program will be funded from external sources by structuring one or more research contracts to include a fee component that will be paid directly to the faculty member(s) securing the contract.

III. PENSION

The university will administer a defined contribution pension plan registered under the Pension Benefits Act (Ontario).

Eligibility

Every faculty member is required to join the plan on the date of hire. Both the University and faculty members shall continue to make contributions in accordance with the Pension Plan requirements as set out in this section for those faculty members who have postponed their retirement beyond their Normal Date of Retirement (NDR), which is the June 30th following a staff member's 65th birthday. However, pursuant to the Income Tax Act, faculty members will be required to commence pension benefits no later than the end of the calendar year in which a

faculty member attains age 71 or at such other date as may be required by the Income Tax Act (the required pension start date).

Pensionable earnings

Pensionable earnings include base salary, stipends, and any variable pay paid by or through the university.

Member contributions

Every plan member will be required to contribute 3% of pensionable earnings to the plan and may make voluntary contributions of up to a further 3% of pensionable earnings.

University contributions

The university will contribute a total of 8% of pensionable earnings to the plan, with two components:

- A basic contribution of 6% of pensionable earnings;
- A supplemental contribution of 2% of pensionable earnings.

Each plan member will make an election each year in advance to direct part or all of her/his supplemental contributions to the Defined Contribution Pension Plan or to the Health Care Expense Account (HCEA).

Vesting

University contributions to the plan vest immediately.

Investment options

Faculty members will direct the investment of both university and member contributions. A wide range of investment options will be offered.

Supplemental Retirement Arrangement

University contributions above the Income Tax Act (ITA) limit* on combined contributions to a registered pension plan will be directed to a Defined Contribution Supplemental Retirement Arrangement (DC SRA).

The university will set aside funds as a reserve. However, assets cannot be held in trust without becoming taxable.

*ITA contribution limit for 2012 is \$23,820 and this is subject to change year over year as determined by the Canada Revenue Agency.

IV. BENEFITS

The University provides to every faculty member from date of hire benefits programs that are competitive with those provided by other universities and have the added advantage of flexibility. Faculty members who have not reached their NDR shall be eligible for all the benefits as set out in the Group Benefits booklet posted on the University's Human Resources web site. Faculty members who choose to work beyond their NDR in accordance with *s.1.9 of the Academic Staff Employment Policy* shall be entitled to the benefits outlined in the schedules until their postponed retirement date or the end of the calendar year in which the faculty member attains age 71 the required pension start date under the *Income Tax Act*) whichever comes first with the exception of basic and optional life insurance; and long term disability coverage. Basic and Optional life insurance shall cease at age 69 and long term disability coverage shall cease at the faculty member's NDR.

Benefits include: semi-private hospital accommodation, prescription drugs, vision care, hearing aids, paramedical practitioners, private duty nursing, out-of-country emergency, dental care, long-term disability, and life insurance. The details of the specific plan coverage may be found in the Group Benefits booklet posted on the University's Human Resources web site.

If a faculty member continues in employment beyond age 71 (the required pension start date under the *Income Tax Act*), he or she shall be entitled to a cumulative total of twenty six (26) weeks of short term disability coverage for all illnesses.

When an active faculty member's benefits cease or upon retirement from the university, if the faculty member has ten (10) years of service with the university and has attained age 60, the university will deposit \$1,000 per annum in the individual's HCEA. The HCEA shall be used for the reimbursement of eligible health care expenses as defined by the *Income Tax Act*. This allocation shall be made on a calendar year basis and shall be pro-rated for retirements during the calendar year.

Benefits - Disability

Short-Term Disability

A full-time faculty who is unable to perform his or her responsibilities due to illness or accident is eligible to receive 100% salary for up to six months, followed by 75% of salary for up to an additional six months. At the expiry of this 12-month period, the faculty member is eligible to apply for Long Term Disability under the university's Plan.

In addition, the university offers the following benefit programs.

IV.a. Dependant Tuition Reimbursement Program (DTAP)

PURPOSE

As a benefit for full time continuing employees, the University assists in the costs of an undergraduate post-secondary education for an employee's spouse and dependants.

POLICY

Under the provisions of the Dependant Tuition Assistance Program (DTAP) the University of Ontario Institute of Technology (UOIT) will provide funding to defray the cost of tuition for an eligible employee's spouse and/or dependant(s) who is/are enrolled in a full time undergraduate program of study at an Ontario post-secondary institution.

SCOPE AND AUTHORITY

Definitions

Eligible Student is a student who is:

- i. the dependant or spouse of an eligible employee, and
- ii. enrolled as a full-time student in an eligible Program of Study at any recognized post-secondary institution in Ontario.

Eligible Employee is an employee of the University of Ontario Institute of Technology (UOIT) who:

- i. is employed in a full time continuing capacity, and
- ii. has completed six months of employment prior to the start of the first semester for which application for the DTAP benefit is made.

Dependant is a child who:

- i. is less than 25 years of age, and
- ii. is dependent for support on the eligible employee.

NOTE: The age restriction of 25 years does not apply to a Dependant with a physical or mental disability who had this disability before the age of 25 years.

Child includes:

- i. a child of the eligible employee, or
- ii. a step-child of the eligible employee, or
- iii. an adopted child of the eligible employee.

Spouse is:

- i. a person married to an eligible employee under any formal union recognized by law, or
- ii. a partner of the eligible employee who is of the opposite sex or of the same sex and who is publicly represented to be the spouse of the eligible employee.

Program of Study means:

- i. a full time Program of Study leading to an undergraduate degree or College certificate at any recognized post-secondary institution in Ontario, and
- ii. the first such Program of Study funded under the DTAP for the Dependant or spouse.

DTAP Benefit means:

- i. the partial reimbursement of tuition paid for a Program of Study of an Eligible Student.

PROGRAM

The University shall establish annually a fixed sum of money available for the DTAP. Eligible Employees will follow the procedure to apply for the DTAP benefit for a Program of Study for their Eligible Student.

Eligible Students are eligible to receive the DTAP benefit for a Program of Study in an amount of up to 50% of the tuition for a first year Bachelor of Arts (B.A.) program at UOIT for the semester(s) for which the application is being made.

Should the total value of all DTAP applications from all Eligible Students for the year exceed the fixed funds available, the amount of the DTAP benefit will be determined on a pro-rata basis such that there will be an equal sharing of available funds amongst all Eligible Students.

UOIT will pay the DTAP benefit to the Eligible Student following the latest Program of Study withdrawal date in effect at UOIT. UOIT will provide the Eligible Student with a T4A for the amount of the DTAP benefit.

In the event the employment of the eligible employee is terminated for any reason during the time in which the Eligible Student is receiving the DTAP benefit, the DTAP benefit shall continue for the duration of the academic semester in which the termination of employment occurs. The DTAP benefit is available for a maximum of up to four academic years in the Program of Study per Eligible Student. The value of the DTAP benefit per Eligible Student does not change in instances where the Eligible Student is the Dependant of more than one Eligible Employee.

PROCEDURES

The eligible employee will complete the DTAP Application Form and supply proof of the Eligible Student's enrolment in a Program of Study and proof of payment of tuition fees for the Program of Study to the Human Resources department by the dates designated by Human Resources.

IV.b. MATERNITY, ADOPTION AND PARENTAL LEAVE

The university wishes to ensure that full-time faculty members who choose to have children do not suffer financial disadvantage.

Under the Employment Standards Act (ESA,) the natural (birth) mother is eligible for an unpaid leave of up to 52 weeks, comprising a two week waiting period, 15 weeks' maternity leave and 35 weeks' parental leave. The natural father, or, in the case of adoption, either adoptive parent, is entitled to an unpaid leave of up to 37 weeks, comprising a two week waiting period and 35 weeks' leave.

Under the federal Employment Insurance Act (EI,) the natural (birth) mother is entitled to receive benefits under the Supplementary Unemployment Benefits Plan (SUB) for up to 50 weeks, comprising 15 weeks' maternity benefits and 35 weeks' parental leave benefits. Under this program, the natural father or, in the case of adoption, either adoptive parent, on a shared basis, is eligible for a maximum of 35 weeks' parental leave benefits. Under the SUB plan, the natural mother is eligible to receive the difference between the unemployment insurance benefit and 93% of her annual salary for a maximum of 50 weeks.

The Compensation, Pension and Benefit Programs Policy was approved by the Board of Governors on December 11, 2002 and was amended on November 10, and November 8, 2006.