JUNE 3, 2012 11:30 PM WITHOUT PREJUDICE SETTLEMENT OFFER VIA MEDIATOR WITHDRAWN IF NOT ACCEPTED ON JUNE 3, 2012

MEMORANDUM OF SETTLEMENT

B E T W E E N:

THE GOVERNING COUNCIL OF THE UNIVERSITY OF TORONTO

( the “University”)

-and-

THE UNIVERSITY OF TORONTO FACULTY ASSOCIATION

(the “Association”)

The negotiating committees of the University and the Association have met and negotiated pursuant to the provisions of Article 6 of the Memorandum of Agreement, including in mediation with Kevin Burkett and in mediation/arbitration with William Kaplan, and have reached agreement on salary and benefits for Faculty and Librarians.

The negotiating committees agree to recommend this settlement unanimously to their respective principals.

The terms of this agreement are as follows:

1. TERM
The agreement is for three years commencing July 1, 2011 and ending June 30, 2014.

2. COMPENSATION

(a) Across-the-Board Salary Increases

i) Commencing July 1, 2011, an increase to the annualized salary for faculty members and librarians represented by UTFA of 1.0% plus a flat dollar increase of $1,000, prorated for part-time.

ii) Commencing July 1, 2012, an increase to the annualized salary for faculty members and librarians represented by UTFA of 1.0% plus a flat dollar increase of $1520, prorated for part-time.

iii) Commencing July 1, 2013, an increase to the annualized salary for faculty members and librarians represented by UTFA of 1.0% plus a flat dollar increase of $1815, prorated for part-time.
(b) PTR

Normal PTR in each year except:

$718 per FTE one-time-only special allotment to the PTR pool for tenured, tenure stream and CLTA faculty to be distributed on July 1, 2012; $505 per FTE one-time-only special allotment to the PTR pool for teaching stream faculty to be distributed on July 1, 2012; $468 per FTE one-time-only special allotment to the PTR pool for librarians to be distributed on July 1, 2012;

$428 per FTE one-time-only special allotment to the PTR pool for tenured, tenure stream and CLTA faculty to be distributed on July 1, 2013; $300 per FTE one-time-only special allotment to the PTR pool for teaching stream faculty to be distributed on July 1, 2013; $278 per FTE one-time-only special allotment to the PTR pool for librarians to be distributed on July 1, 2013;

No continuing obligation of the University to make further special allotments to the PTR pool;

Effective June 30, 2012 the PTR breakpoints and increments will increase by the percentage represented by the ATB salary increases set out in paragraph 2(a)(i) and effective June 30, 2013 will increase by the percentage represented by the ATB salary increases set out in paragraph 2(a)(ii) and effective June 30, 2014 will increase by the percentage represented by the ATB salary increases set out in paragraph 2(a)(iii)

(c) Per-Course Payments

Effective September 1, 2012 the minimum per course stipend rate payable to faculty teaching on overload and retired faculty to be increased to $15,900. This amount shall be increased to $16,200 effective September 1, 2013.

3. BENEFITS

Health Benefits

(a) Vision Care – Increase the per person maximum from $250 every 24 months to $300 every 24 months effective July 1, 2012 and to $350 every 24 months effective July 1, 2013.

(b) Physiotherapy, Chiropractic and Registered Massage Therapy – Increase the combined plan year maximum from $500 to $600 per person effective July 1, 2012 and to $700 effective July 1, 2013.

Dependant Scholarship Program
(c) Add the University Transitional Year Program and Academic Bridging Program to the dependant scholarship program.

Revise the entry requirement to 75%.

**UTFA Release Time Stipend**

(d) Effective July 1 2012 increase the current UTFA release of 2.5 FTE course release time to 3.0 FTE and effective July 1, 2013 increase the release time to 3.5 FTE.

**Librarian Research Days**

(e) The parties agree that the Joint Association Librarians and Administration Committee will make it a priority to discuss issues relating to librarians being able to take their existing research days entitlements.

**Research and Study Leave**

(f) Research and Study Leave

Effective July 1, 2013 compensation for 12 month Research and Study Leave will be at 90% for the following faculty and librarians only:

- For tenured faculty, the first research and study leave following a successful tenure review and promotion to associate professor;

- For teaching stream faculty, the first research and study leave following a successful promotion review and promotion to senior lecturer;

- For librarians, the first research leave following a successful permanent status review and promotion to Librarian III.

The existing option of Spreading Base Salary Over 24 Months in the Guidelines on Research and Study Leave will apply.

**PERA**

(g) The parties confirm that the PERA of $1,750 available for Pre-Tenure and Pre-Promotion Teaching Stream Faculty is also available for full-time continuing Pre-Permanent Status librarians. The parties further agree that, effective July 1, 2013, PERA will be $1600, except for Pre Tenure and Pre-Promotion Teaching Stream and Pre-Permanent Status Librarians for whom PERA will be $1850.

4. **PENSIONS**

**Member Contribution Increases**
(a) Annual required contributions to the University of Toronto Pension Plan (the “Plan”) shall be increased from the current rates set out in the Plan for academic staff and librarians who are members of the Plan (“Plan Members”) to the following:

July 1, 2013 5.55% of salary not in excess of the CPP maximum salary and 7.40% of salary in excess of the CPP maximum salary.

June 30, 2014 6.30% of salary not in excess of the CPP maximum salary and 8.40% of salary in excess of the CPP maximum salary.

The Plan Member’s “salary” is defined in the Plan and is currently subject to a maximum amount of $150,000.00 as provided in the Plan. The “CPP maximum salary” means the year’s maximum pensionable earnings under the Canada Pension Plan as at the beginning of the University year, as defined in the Plan.

CANSIM Interest Rate

(b) Effective July 1 2012 only the CANSIM interest rate*, as defined under the Pension Plan, will be used to credit interest on required member contributions.

*CANSIM is the yield of 5-year personal fixed term chartered bank deposit rates as published in the Bank of Canada Review (CANSIM series B14045).

First Year Indexation

(c) Establish a joint working group with other employee groups to find a cost neutral alternative to the first year indexation provision.

5. JOINT WORKING GROUPS

Joint Working Group on LTD Plan Design/Funding

The University and the Association have been engaged in discussion regarding the LTD plan, currently an ASO plan for all eligible University employees. The University must go to tender on the current ASO plan and is reviewing whether to remain ASO, move to a fully insured plan or some combination thereof.

The Association has indicated that the current plan does not meet the needs of their members in terms of plan design, including employee vs employer costs, taxability of the benefit payable, and maximum insurable earnings. The Association has also raised the option of shifting to 100% employee paid LTD premium payment.
As discussions have unfolded the possibility of separating the plan into Association / Admin-union staff members has been raised. The Association acknowledges that the employer is concerned that such an action may have significant implications for all other employee groups and may require negotiation and/or consultation with the relevant representatives. It may also have significant implications for the tendering process. In this respect, the Administration has agreed to include in the tender the option of a separate LTD plan for UTFA members.

The University acknowledges the Association’s view that the current benefit level may not provide sufficient income protection for many of its members and is willing to continue to explore alternatives.

The Joint Working Group will be comprised of up to 3 representatives of the University and up to 3 representatives of the Association. The University’s benefits consultant will assist the Joint Working Group as appropriate. The Association’s benefit consultant shall equally participate. The Joint Working Group will commence meetings immediately and will continue for a period of up to 6 months or a longer period if mutually agreed. The Joint Working Group is not charged with producing a report or other information, but if the parties agree it may publish information. The Joint Working Group will determine its own procedure.

The parties acknowledge that if this matter is not mutually resolved prior to the next round of bargaining, it may be the subject of bargaining and dispute resolution in that round.

**Joint Working Group on PTR**

The University and the Association agree to establish a Joint Working Group to review and make recommendations with respect to the PTR model. The Joint Working Group will be comprised of up to 3 representatives of the University and up to 3 representatives of the Association. The University and the Association may each utilize their respective advisors. The Joint working Group will commence meetings in September, 2012, and will continue for a period of up to 12 months unless the parties mutually agree to extend the time. The Joint Working Group is not charged with producing a report or other information, but if the parties agree it may publish information. The Joint Working Group will determine its own procedure.

DATED at Toronto this 3rd day of June, 2012

FOR THE UNIVERSITY  
FOR THE ASSOCIATION