THIS SETTLEMENT is made

Between

The University of Victoria
(hereinafter called the “University”)

And

The University of Victoria Faculty Association
(hereinafter called the “Association”)

The University and the Association (hereinafter called the “Parties”) agree as follows:

1.0 DEFINITION OF TERMS

In this Settlement:

“Big Salary Base” means the total salary and benefits of regular Faculty Members and continuing Librarians on June 30\textsuperscript{th} of each year plus a nominal salary and benefit cost of vacant regular Faculty Member and continuing Librarian positions, with a vacant position defined as one reasonably expected to be filled by June 30\textsuperscript{th} of the subsequent year. For Year 1 of this Settlement, the Big Salary Base, including thirty-one vacant faculty positions (each with a nominal salary of $57,000 and benefit costs of $8,550) and three vacant librarian positions (each with a nominal salary of $47,580 and benefit costs of $7,137), equals $59,923,655.

“Faculty Member” means a person holding a regular faculty member appointment at the University as a Lecturer, Senior Instructor, Assistant Professor, Associate Professor or Professor;

“Librarian” means a person holding a continuing appointment at the University as a Librarian;

“Salary Policy” means the Salary Policy for Faculty Members and Continuing Librarians;

“Settlement” means this Settlement.
2.0 TERM OF SETTLEMENT

The term of this Settlement is for a period of two years from July 1, 2002 to June 30, 2004.

3.0 DIFFERENTIATED MERIT-DRIVEN COMPRESSION ADJUSTMENT (DMDCA)

The Parties have recognized that compression issues have created retention problems. Salaries of newly hired Faculty Members and Librarians have been driven up by market forces, resulting in ongoing Faculty Member and Librarian salaries appearing to inadequately reflect years of professional experience and merit history. The Parties agree that adjustments based on recent merit performance are effective for retention purposes. Additionally, a realistic salary floor structure is essential for recruitment. The Parties have agreed to a differentiated compression adjustment based on merit and competitive floor and ceiling adjustments for Faculty Members and Librarians. The resultant adjustments also address gender disparities.

The University will make all reasonable efforts to include notification of the applicable salary adjustments for 2002-03 pursuant to this Settlement in the regular salary notices sent to Faculty Members and Librarians prior to July 31, 2002.

If the salary notice does not state both the DMDCA for Year One and Year Two of the Settlement, it will contain a statement of the DMDCA which will be added to salaries in Year One expressed as a percentage of the total value of the DMDCA over the two years of the Settlement to enable the Faculty Member or Librarian to calculate the value of the remaining DMDCA to be added to her or his salary in Year Two.

4.0 SALARY STRUCTURE FOR YEAR ONE

4.1 Differentiated Merit-Driven Compression Adjustment (DMDCA)

Effective July 1st, 2002, 1.755% of the Big Salary Base will be distributed differentially to Faculty Members and Librarians based on recent merit performance and a measurement of individual salary compression, in accordance with the model agreed to by the Parties.

4.2 Faculty and Librarian Career Progress Increment (CPI) and Merit Increment (MI) Structure

4.2.1 Faculty
(a) **Eligibility for CPI**

A Faculty Member whose salary is less than $108,600 is eligible to be awarded a CPI. A Faculty Member whose salary is greater than $107,800 but less than $108,600 is eligible to be awarded that portion of a CPI that will bring the Member's salary up to $108,600.

**Written Justification for Withholding a CPI**

With regard to:
- Senior Instructors who are within their first 16 years of service at the rank of Senior Instructor,
- Assistant Professors who are within their first 10 years of service at the rank of Assistant Professor,
- Associate Professors who are within their first 14 years of service at the rank of Associate Professor, and
- Full Professors whose salaries are less than $108,600,

a CPI may be withheld only where a Dean has provided written justification to the Vice-President Academic with a copy to the Faculty Member.

**Written Justification for Awarding a CPI**

With regard to:
- Senior Instructors, whose service in the rank of Senior Instructor exceeds 16 years,
- Assistant Professors whose service in the rank of Assistant Professor exceeds 10 years, and
- Associate Professors whose service in the rank of Associate Professor exceeds 14 years,

a CPI may be awarded only where a Dean provides written justification to the Vice-President Academic with a copy to the Faculty Member.

**Value of CPI**

The value of the CPI is $800.

(b) **Merit Increment (MI)**

**Number of Available MIs:**

The number of available MIs will be twice the number of full-time equivalent regular Faculty Members.

**Eligibility for MI:**

The following Faculty Members are eligible for an MI:

(a) Faculty Members who are recommended for a CPI, and
(b) Full Professors who are not eligible to receive a CPI because their salary is $108,600 or higher.
Maximum Number of Faculty Members who may be Awarded an MI:
No more than eighty-five percent (85%) of Faculty Members may be awarded an MI.

Maximum Number of MIs for an Individual Faculty Member:
An individual Faculty Member may be awarded a maximum of four MIs.

Value of MI:
The value of the MI is $695.

(c) Senior Instructor Merit Increments

After determining the recommendations for merit awards each year, the Dean of each Faculty will review and compare the average number of MIs awarded to Senior Instructors and the average number of MIs awarded to all other Faculty Members in the Faculty in the year.

If the difference in these numbers is greater than 0.2, the Dean shall submit to the Vice-President Academic, together with her or his recommendations, a justification for the difference.

The Vice-President Academic will report to the Association President her/his review of any differences greater than 0.2.

4.2.2 Librarians

(a) Eligibility for CPI

A CPI is available to all Librarians who have achieved satisfactory performance until they reach the 1\textsuperscript{st} Ceiling.

Value of CPI:
The value of the CPI is $620.

Salary progress beyond the 1\textsuperscript{st} Ceiling can only be achieved by receiving MIs.

Salary Floors and Ceilings:
Effective July 1\textsuperscript{st}, 2002 the salary floors and ceilings of the Librarian ranks will be:

<table>
<thead>
<tr>
<th>Rank</th>
<th>Floor</th>
<th>1\textsuperscript{st} Ceiling</th>
<th>2\textsuperscript{nd} Ceiling</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rank I:</td>
<td>$42,210</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rank II:</td>
<td>$44,510</td>
<td>$56,280</td>
<td></td>
</tr>
<tr>
<td>Rank III:</td>
<td>$51,390</td>
<td>$65,950</td>
<td>$81,352</td>
</tr>
<tr>
<td>Rank IV:</td>
<td>$60,680</td>
<td>$76,500</td>
<td>$81,352</td>
</tr>
</tbody>
</table>
(b) Merit Increment (MI)

Number of Available MIs:
The number of available MIs will be twice the number of full-time equivalent continuing Librarians.

Eligibility for MI:
All Librarians whose salaries are below the 2nd Ceiling for their rank are eligible for an MI.

Maximum Number of Continuing Librarians who may be awarded an MI:
No more than eight-five percent (85%) of Continuing Librarians may be awarded an MI.

Maximum Number of MIs for an Individual Continuing Librarian:
An individual Continuing Librarian may be awarded a maximum of four MIs.

Value of MI:
The value of the MI is $576.

5.0 SALARY FLOORS

5.1 Faculty Members
Effective July 1st, 2002, salary floors will be:

- Lecturer $48,000
- Senior Instructor $48,000
- Assistant Professor $48,000
- Associate Professor $64,035
- Professor $73,635

5.2 Librarians
Effective July 1st, 2002, salary floors will be:

- Librarian I $42,210
- Librarian II $44,510
- Librarian III $51,390
- Librarian IV $60,680
6.0 TUITION SCHOLARSHIP

Effective July 1\textsuperscript{st}, 2002, an annual contribution to enhance the scholarship fund shall be made by the University on behalf of Faculty Members and Librarians. This contribution will be equal to 0.15\% of the Big Salary Base as of June 30\textsuperscript{th} of the immediately preceding academic year.

The scholarships are tenable at the University of Victoria.

Subject to the approval of the Senate Committee on Awards and the University Senate, the revised terms of reference of the scholarship will provide:

**Amount:**
The value of the scholarship is equal to 50\% of the domestic base tuition for an undergraduate student to a maximum of 7.5 credit units per term (as of May 1\textsuperscript{st}, 2002 this was 50\% of 7.5 x 186.50 or $700).

The value of the scholarship for a graduate student is equal to 50\% of the domestic base tuition per term (as of May 1\textsuperscript{st}, 2002 the maximum was 50\% of 1,193 or $600).

All amounts will be rounded to the nearest $10.

The maximum value for Law is the same as the above undergraduate maximum value.

The maximum value for any program in the Faculty of Business is the same as the above undergraduate maximum value.

Coop term fees are not covered by this scholarship.

The maximum value of the scholarship is proportional to the credit units taken by a student who has less than a full-time term course load.

**Eligibility:**
The following persons are eligible to apply for and be awarded a scholarship from the fund:

(a) All Faculty Members and Librarians (including any Faculty Members and Librarians on Long Term Disability) and their spouses and dependent children;

(b) All retired Faculty Members and Librarians and their spouses and dependent children;

(c) Spouses and dependent children of deceased Faculty Members and Librarians.
Admission and Academic Standing Requirements:
Scholarship recipients must meet the University admission requirements and maintain an academic average of at least B- (undergraduate courses) and B+ (graduate level courses).

Scholarship Renewal:
A scholarship may be renewed up to a maximum of 72 undergraduate units, 18 units at the Master’s level and 45 units at the Ph.D. level for a maximum of two degrees.

In the event that applications for scholarships from the fund exceed the balance in the scholarship fund, scholarships shall be awarded on the basis of the academic standing of the applicants.

The University will provide the Association with an annual accounting of the contributions and disbursements from the scholarship fund, and the fund balance as of March 31st of each year. The University agrees to endeavour to provide such accounting by May 31st of each year or by such other date as the Parties may, in writing, agree.

7.0 SENIOR INSTRUCTOR DEVELOPMENT TERM COSTING

As agreed in a Letter of Understanding appended to the Framework Agreement in 2000, the Parties have costed the Development Term at 0.085% of the Big Salary Base. The Parties agree that no later than January 1st, 2004 they will review the “take-up” rate in 2002 and 2003 and calculate any surplus in accordance with Appendix A.

8.0 MATERNITY AND PARENTAL LEAVE BENEFITS

As agreed in a Letter of Understanding appended to the Framework Agreement in 2000, the Parties have costed additional maternity and parental leave benefits at 0.010% of the Big Salary Base.

9.0 COORDINATION OF DENTAL AND EXTENDED HEALTH BENEFITS

Effective January 1st, 2003, the Parties have agreed that coordination of benefit plans will be allowed under the conditions specified in Appendix B.
10.0 STUDY LEAVE SALARY CALCULATION

The Parties have agreed that effective July 1st, 2002 the calculation figure of $45,740 will replace the Assistant Professor salary floor in the formula that is used to calculate study leave salaries.

11.0 SALARY STRUCTURE FOR YEAR TWO

11.1 Big Salary Base Determination

For purposes of calculations for Year 2 of the Settlement, the Big Salary Base used is $61,731,743.

11.2 Differentiated Merit-Driven Compression Adjustment (DMDCA)

Effective July 1st, 2003, 1.514% of the Big Salary Base will be distributed differentially to Faculty Members and Librarians using the agreed upon DMDCA model.

11.3 Special Merit Increment for Faculty and Librarians (SMI)

A pool of Special Merit Increments shall be available for Faculty Members and Librarians in Year 2 to recognize achievement over a longer period of the Member’s career than is reviewed for the award of regular MIs.

The adjudication of Special Merit Increments for Members will be based on the period July 1st, 1993 through December 31st, 2002 at the University of Victoria or when a Faculty Member or Librarian has been hired since 1993, Special Merit will be based on the full period of their employment at the University of Victoria ending December 31st, 2002.

Special Merit Increments will not be prorated if the Faculty Member or Librarian has been hired since 1993.

11.3.1 Faculty Member SMIs

The total number of SMIs for Faculty Members will be 1281. The value of an SMI for a Faculty Member is $206.

The maximum number of SMIs that may be awarded to a Faculty Member is four. SMIs are awarded only in whole increments, i.e., 0, 1, 2, 3 or 4.

The percentage of Faculty Members who may be awarded one or more SMIs shall not be less than 80% or more than 90%.
**Allocation of SMIs to Faculty Members:**
The total number of SMIs shall be proportionally divided amongst Faculties that are subdivided into Departments or Schools and other Faculties in accordance with the total number of Faculty Members in those Faculties.

**Adjudication of SMIs:**
Once each Faculty has received its allotment of the total number of SMIs, the Dean shall adjudicate the awarding of SMI’s to his/her Chairs/Directors. The remaining SMIs shall then be proportionally divided by the Dean and given to each Department or School for adjudication by the Chair/Director or Committee as is the practice determined for awarding of MIs in units. If the Faculty is not divided into Departments or Schools, the Dean shall adjudicate the awarding of SMIs in accordance with the Faculty’s criteria for awarding MIs.

The criteria for awarding SMIs shall be the same as that for awarding MIs except the time period used for the assessment, will be July 1\textsuperscript{st}, 1993 through December 31\textsuperscript{st}, 2002 or the total length of employment at the University of Victoria, whichever is less, as stated above.

**11.3.2 Librarian SMIs**

The total number of SMIs for Librarians shall be 55.

The value of an SMI for a Librarian is $160.

The maximum number of SMIs that may be awarded to a Librarian is four. SMIs are awarded only in whole increments, i.e., 0, 1, 2, 3, or 4.

The percentage of Librarians who may be awarded one or more SMIs shall not be less than 80% or more than 90%.

The University Librarian shall adjudicate the awarding of SMIs.

The criteria for awarding SMIs shall be the same as that for awarding MIs except that the time period used for the assessment will be July 1\textsuperscript{st}, 1993 through December 31\textsuperscript{st}, 2002, or the total length of employment at the University of Victoria, whichever is less, as stated above.
11.4  **Faculty and Librarians Career Progress and Merit Increment Structure**

11.4.1 The increment structure for Year 2 of this Settlement consists of a Career Progress Increment, Merit Increments and Special Merit Increments. Salaries will be adjusted on July 1st, 2003 in accordance with this structure.

11.4.2 The terms and conditions for the Career Progress and Merit Increment structure and the values of CPIs and MIs for Faculty Members and Librarians will remain as set out in Article 4.2 of the Settlement, except as set out in this Article 11.4.

11.4.3 In Year 2, Faculty Members whose salary is above $108,600 will no longer be ineligible to receive a CPI. However, a Faculty Member whose salary is above $108,600 may only be awarded a CPI if recommended by a Dean to receive at least one MI or if a Dean provides written justification to the Vice-President Academic with a copy to the Faculty Member.

11.5  **Maximum Number of Faculty Members and Librarians who may be Awarded an MI**

In accordance with Appendix C, no more than ninety percent (90%) of Faculty Members, and no more than ninety percent (90%) of continuing Librarians, may be awarded an MI.

11.6  **Salary Floors and Ceilings (Librarians)**

The salary floors and ceilings (Librarians), which become effective July 1st, 2002 continue to apply.

11.7  **Senior Instructor Merit Increments**

The procedure for reviewing Senior Instructor Merit Increments will continue as set out in Article 4.2.1. The report of the Vice-President Academic will not continue beyond 2002-03.

12.0  **BENEFIT ENHANCEMENTS**

The Parties agree to implement any benefit enhancements in accordance with the terms of the letter in Appendix D effective January 1st, 2003 or, in any event, no later than February 1, 2003.
13.0 DIFFERENTIATED MERIT-DRIVEN COMPRESSION ADJUSTMENT (DMDCA)

The DMDCA will be implemented over Year 1 and Year 2 according to the following Implementation Protocol.

Effective July 1st, 2002:
1. The ceiling increase for Librarians will be implemented;
2. Any retention or market adjustments effective as of July 1st, 2002 will be included in the Member’s salary;

Effective for both July 1st, 2002 and July 1st, 2003:
3. The applicable portion of the DMDCA will be computed and added to the Member’s annual salary;
4. Where necessary, the salary will be adjusted to the applicable floor;
5. The award of regular CPI and MIs for the current year and any SMIIs (in 2003) will be added in.

14.0 ANOMALIES AND SPECIAL ADJUSTMENTS

An amount, which will not be less than $26,665 will be made available in each year of this Settlement for Salary Anomalies and Special Adjustments.

The funds for Salary Anomalies will be available to address such issues as equity and career-progression anomalies identified by self-application or by recommendation by a Chair, Director, Dean, University Librarian, or the Vice-President Academic.

The Parties agree that the following paragraph will be inserted into a document being prepared by the Vice-President Academic and the Chair of the Salary Anomalies Committee describing the Salary Anomalies process:

Nothing in this document requires the Vice-President Academic to accept the recommendation of the Salary Anomalies Committee, in whole or in part, in any particular case. When the Salary Anomalies Committee makes a recommendation to the Vice-President Academic to adjust a Faculty Member’s or a Librarian’s salary on the basis that it is anomalous, the Committee will make the appropriate recommendation and will not pro-rate any recommended adjustment based upon budget constraints. While budget constraints may be a reason for declining the recommendation the Vice-President Academic will not apply any pro-rating factor based upon budget constraints.
15.0 CONTINUATION PROVISION

Any provisions of this Settlement that have the effect of amending or modifying the Salary Policy for Faculty Members and Continuing Librarians will continue in effect until the Parties have negotiated and ratified a new Salary Policy, or have negotiated and ratified a new Salary Settlement containing modifications, or have otherwise agreed in writing.

In the event of conflict between this Settlement and the Salary Policy for Faculty Members and Continuing Librarians, this Settlement will govern.
Signed for the University of Victoria, July 2002

Signed for the Faculty Association, July 2002

Subject to approval by the University Board of Governors

Subject to ratification by the Faculty Association Membership

________________________________
Mary Anne Waldron,
Chief Negotiator

________________________________
William Pfaffengerber,
Chief Negotiator

________________________________
Mike Miller

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Mark Flaherty

________________________________
Andrew Rippin

________________________________
Jens Jahnke

________________________________
Peter Sanderson

________________________________
Kathleen Nelson

________________________________
Megan Sheppard

________________________________
Martin Smith

________________________________
Marnie Swanson

________________________________
Susan Taylor
LETTER OF AGREEMENT

Costing the Senior Instructor Development Term

The Parties have determined that over the expected 7-year cycle of eligibility for the Senior Instructor Development Term, the cost (assuming 100% take-up rate) will be $356,520. On average, therefore, the annual cost is $50,931.

However, it is possible that Senior Instructors will not “take-up” their entitlement to the term at a rate of 100% (although they may do so over the 7-year cycle).

The Parties agree to a cost of $50,931 per year against the next two years.

During those two years, the Parties will monitor the “take-up” rate defined as the number of Senior Instructors who apply divided by the number of Senior Instructors eligible to apply in each October. The application figure is used on the assumption that, even if some of the applicants have to delay the term for departmental reasons, they will take it at a later date. This figure will be computed for applications received in 2002 and 2003 for Development Terms to start May 2003 through January 2005 and will then be averaged over the two years.

The Parties will then re-calculate the average cost per year over the 7-year cycle, based upon the actual two-year average take-up rate and upon the replacement cost of two courses (or one course for part-time Senior Instructors) with Step 7 Sessionals. Twice the average annual cost computed by this method will then be subtracted from the costing of $101,862. Any surplus amount will be carried forward to be a credit against the next salary settlement, to be used as negotiated between the Parties at that time, with one possibility being the improvement of this benefit.

Date: ________________________

Mary Anne Waldron, William Pfaffenberger,
Chief Negotiator Chief Negotiator
University of Victoria Faculty Association
APPENDIX B

LETTER OF UNDERSTANDING
Between
The University of Victoria
And
The Faculty Association

Re: Coordination of Dental and Extended Health Benefits

The University and the Association agree that coordination of Dental and Extended Health Benefit Plans will take effect on January 1st, 2003, under the following conditions:

1. Prior to January 1st, 2003, the University will offer to each Faculty Association Member who qualifies for the Dental and Extended Health Benefits a one-time, unconditional opportunity to opt in or out of these Plans.

2. Effective January 1st, 2003, all new eligible Faculty Association Members will be required to participate in the Dental and Extended Health Benefits Plan.

3. At the time of enrolment (pursuant to paragraphs 1 or 2) Faculty Association Members will have the option of covering dependents. No further additions or deletions of dependents will be permitted without satisfactory proof of a change in married, common law partner or spouse or dependent status.

4. If Faculty Association Members choose to coordinate their University of Victoria Dental and/or Extended Health Plan coverage with another plan, claims must be coordinated to ensure that total benefits payable do not exceed one hundred percent (100%) of the eligible expenses.

Signed this 19th day of June, 2002.

_________________________  _____________________
William Pfaffenberger,   Mary Anne Waldron
Chief Negotiator    Chief Negotiator
Faculty Association    University of Victoria
APPENDIX C

LETTER OF AGREEMENT

The maximum number of Faculty Members and Librarians who can receive Merit Increments will be raised from 85% to 90% on the following terms:

- The change to 90% will be a two-year pilot project including the salary recommendations for 2003 and 2004 (the “pilot period”) during which time the Administration will monitor the distribution of the Merit Increments.

- For each year of the pilot period after the salary recommendations are finalized by the Vice-President Academic, the Administration will send to the Faculty Association the distribution of Merit Increments among Faculty Members by percentage of Faculty Members awarded 0, 1, 2, 3, or 4 MIs. An equivalent list will be sent for Librarians.

- At the end of the pilot period, the Administration will compare the distribution of Merit Increments awarded to Faculty Members during that period to the distribution of salary recommendations made in 2000 and 2001. For 2000 and 2001, 13.5% of Faculty Members received 4 MIs; 24.3% received 3 MIs; 28.7% received 2 MIs; and 19.5% received 1 MI.

- Should the two-year average for the pilot period of the percentage of Faculty Members receiving three or more MIs fall from the current figure of 37.8% to less than 35%, the Administration will have the right to revert to the 85% figure for the salary recommendations made in 2006.

- If the percentage is changed for Faculty Members, the same percentage will apply to Librarians.

The Parties may choose to renegotiate this Letter of Agreement when renegotiating the Framework Agreement and any Salary Settlement.

Agreed to and signed off May 30, 2002:

________________________________  _________________ ____________
Mary Anne Waldron,      William Pfaffenberger,
Chief Negotiator     Chief Negotiator
University of Victoria     Faculty Association
APPENDIX D

June 27th, 2002

Dear Dr. Dopp:

Re: Dental Plan Rate Review

This will confirm recent discussion and agreements reached during salary negotiations with the Faculty Association.

During these negotiations the Faculty Association expressed concern over the level of the dental plan premium. The Association also expressed as a benefits priority restoring the loss of MSP paid paramedical benefits (i.e. physiotherapist, chiropractor, naturopath, massage therapist, podiatrist), and eye examinations.

In the recent past the Parties have engaged in a process where the Continuing Advisory Committee on Health and Welfare Benefits (the Committee) reviewed claims experience and administrative costs from both a retrospective and prospective basis when the University was establishing premium rates.

The Parties have agreed that no later than December 2002 the Committee will meet to review the claims experience and administrative costs and premium levels. The Parties will consider the experience over the plan year (September 1st, 2001 – August 31st, 2002) as well as any anticipated/actual cost increases for the period September 1st, 2001 to June 30th, 2004. At the end of this review the Parties (Faculty Association Members on the committee and ex-officio administrative representatives on the committee) will evaluate whether there is within the current premium levels sufficient surplus to pay for some or all of the paramedical and eye examination benefits previously paid by MSP as noted above.

Where there is mutual agreement by the Parties that there is sufficient surplus to pay for some or all of the benefits for the duration of the Salary Settlement, these benefits will be implemented by January 1st, 2003, and in any event no later than February 1st, 2003. These benefits will be provided on a term certain basis and will expire June 30th, 2004. The added benefits may be the subject of future Salary Settlement negotiations.

Yours truly,

Peter J. Sanderson, Executive Director
Human Resources