Letter of Understanding

between

Grant MacEwan University

and

Faculty Association

Grant MacEwan University and the Grant MacEwan University Faculty Association agree to the following options for the January 1, 2011 implementation of the bi-weekly arrears pay cycle. These options apply to all current Continuing, Probationary, Sessional and Nurse Educator faculty members.

In order to transition from the current monthly payroll processing to a bi-weekly arrears payroll processing the University will provide the following options on a one time basis:

OPTION 1 Grandfathering Payment

- On Friday, January 14, 2011, the University will provide the member with a one time grandfathering payment equivalent to 10 working days pay.
- The bi-weekly arrears pay cycle will commence with payment on Tuesday, January 25, 2011 followed by payments thereafter every second Tuesday.
- By selecting this option of a one time grandfathering payment the member will receive 26 payments in 2011.
- The Friday, January 14, 2011 grandfathering payment (which represents a payroll payment) will be subject to all statutory deductions and all applicable University benefit deductions including Local Authorities Pension Plan deductions.
- Upon termination of employment, the member will be paid up to and including the final day of work. At that time, the member receiving the grandfathering payment will have their time and payments reconciled, so as to ensure the total payments from Saturday, January 1, 2011 to the termination of employment reflect the amount earned by the member for work performed.
- Effective January 14, 2011, any member who has received a

grandfathering payment and who subsequently goes on a leave from the University, resulting in not being paid on payroll, will be paid up to and including the last day of work prior to commencement of the leave. At that time the member receiving the grandfathering payment will have their time and payments reconciled, so as to ensure the total payments from Saturday, January 1, 2011 to the last day of work prior to commencement of the leave reflect the amount earned by the member for work performed. Upon the member's return from leave the member will be placed on the bi-weekly pay-in-arrears cycle. The member shall not be entitled to a further grandfathering payment.

- A member returning from a leave, who has previously received a grandfathering payment, will have the option to request an Advance of up to 10 days pay. Repayment of the Advance will be in equal installments over no more than the next 10 paydays. The member must make their request for an Advance to the Human Resources department prior to returning to work. This Advance is limited to the return from the employee's first leave
- The parties agree to meet within 36 months to review and discuss the administration of the grandfathering payment and the bi-weekly payroll processing.

OPTION 2 Payout of 2009/10 Vacation Carry Forward

- The University will allow the member to receive a payout of their remaining 2009/10 Carry Forward Vacation balance as of Friday, November 26, 2010 to a maximum of 10 days to be paid on Friday, January 14, 2011.
- The vacation payout of 2009/10 Vacation Carry Forward is not considered earnings for Local Authorities Pension Plan.
- A member who chooses a 2009/10 Vacation Carry Forward payout will not receive the grandfathering payment.
- Vacation accrued in 2010/11 shall not be available for payout.

OPTION 3 Transition Directly to New Bi-Weekly Arrears Payroll

- The member will be placed on the bi-weekly pay-in-arrears cycle.
- The member will receive their first pay period on Tuesday, January 25, 2011 (for the period January 1 15, 2011).
- By selecting this option the member will receive 25 payments in 2011.

ADMINISTRATION FOR CONTINUING, PROBATIONARY, SESSIONAL AND NURSE EDUCATOR FACULTY MEMBERS

The intent of this Letter of Understanding is to provide the members with some flexibility in respect to mode of transition to the bi-weekly pay-in-arrears cycle, while ensuring that all members receive full pay for time worked, but not more, regardless of which Option they chose.

Only one of the Option 1, Option 2 or Option 3 can be selected. There shall be no combination of the options.

Each member shall sign an option form indicating the member's selection and return it to the Human Resources Department no later than Friday, November 26, 2010.

Should no option form be received from the member by Friday, November 26, 2010 the member shall be considered to have selected Option 1.

All members hired on or after Saturday, January 1, 2011 will be placed on the bi-weekly pay-in-arrears cycle.

ADMINISTRATION FOR TERM FACULTY MEMBERS

Term members that have been identified as working 270 Instructional Hours in the 2010/11 academic year shall receive a one-time Advance of a \$2000 to be paid on Tuesday, January 14, 2011.

Term members that have been identified as working less than 270 Instructional Hours in the 2010/11 academic year shall receive a one-time Advance of a \$700 to be paid on Tuesday, January 14, 2011 (provided the information on course load is received in the Human Resources Department

by Monday, December 20, 2010).

Term members who receive an Advance shall pay the Advance in 7 equal installments starting Tuesday, January 25, 2011.

The repayment of the advance will be reconciled on the term member's final pay period for the 2011 Winter term.

All term members hired after Saturday, January 1, 2011 will be placed on the bi-weekly pay-in-arrears cycle.

Presiden, Faculty Association

President, Grant MacEwan University