

MEMORANDUM OF UNDERSTANDING

between

THE BOARD OF GOVERNORS OF MOUNT ROYAL UNIVERSITY

(“The Board”)

and

THE MOUNT ROYAL FACULTY ASSOCIATION

(“The Association”)

Regarding Pay Equity

Schedule “A”

One-Time Payment Methodology

1. Recognizing that the Pay Equity Report (the “Report”) indicated the existence of a pay gap on the basis of gender based on the analysis salary data as of April 2019, the Board is prepared to make a one-time payment to compensate affected individuals reflecting historical pay differences experienced by full-time women faculty members at Mount Royal University.
 - a. Individuals who believe they have experienced additional salary inequity may apply for remedy through the Joint Salary Anomaly Committee.
 - b. Individuals who consent to receive a one-time payment will indicate that they will forego any additional lump-sum payment as remedy to a salary anomaly review (Schedule “B”) until the completion of another pay equity analysis (Schedule “C”).
2. The total funds to be distributed shall be \$504,716 to be distributed in one installment before 31 March 2023. This figure is derived from the average annual gender pay inequity (\$1,169) identified in the Report multiplied by the number of woman-identified faculty in the Report still employed at Mount Royal (157) reflecting the time (2.75 years) between the commencement of the current collective agreement (July 1, 2020) and 31 March 2023.
 - a. Funds will be distributed as a one-time addition to salary with normal deductions and contributions.

- b. The minimum one-time payment shall be \$500. Any calculated eligible payments below this amount will be redistributed according to the weighted methodology described below.
 - c. One-time payment amounts refused by eligible full-time women faculty members shall be added to the amount available for remedies in Schedule B for one year only.
- 3. Funds shall be distributed to affected full-time women faculty members weighted on the distance of their actual salary below the fitted salary according to a predictive model undertaken by Institutional Research and Planning using a methodology acceptable to designated representatives of the MRFA and Institutional Research and Planning using variables that reproduce, as closely as possible, the regression model in the Report.
 - a. Individuals whose actual average salary is above the fitted average salary predicted by the model shall not receive any payment.
 - b. This payment is not a retroactive salary adjustment but is rather a lump sum settlement.
- 4. The Board shall share with the MRFA and MRFA members an anonymized graph depicting the relationship between every individual's actual salary and fitted salary predicted by the regression.
- 5. The lump sum payments shall be made before the conclusion of the 2022/23 fiscal year (i.e., March 31, 2023).
 - a. Only individuals employed by Mount Royal in a full-time faculty role at the time of the lump sum payments shall receive a payment.

Schedule "B"

Salary Anomaly Review Process

Overview

1. A full-time academic staff member may request a salary review in order to address inequities in salary relative to other academic members within Mount Royal University.
2. A salary anomaly is a discrepancy arising at the point of hire where two individuals with the same credentials and equivalent prior experience (criteria in Article 13.1.5) received different initial salaries.
3. Salary anomalies may be addressed through one or more possible remedies, including but not limited to:
 - a. Adjustments to the current base salary
 - b. A lump sum payment
 - i. Lump sum payment remedies for salary anomalies related to an alleged pay gap on the basis of gender shall be only for those faculty who do not consent to receive the one-time payment distributed per Schedule "A".
4. The decision of the Provost shall be final and binding on the applicants, the Association, the President and the Board. Decisions shall not be open for appeal or subsequent application.

Resources

1. Starting in the 2023/24 fiscal year, the Board shall allocate a maximum of \$183,533 annually to be used in addressing salary anomalies.
 - a. For 2023/24 fiscal year only, these funds shall be supplemented with an amount equal to the Schedule A one-time payments refused by eligible faculty (see Schedule A, 2.c).
2. In the event that the funds are not fully used in any given year, they shall not roll over into the following year nor be used for any other purpose.

Factors for consideration include:

1. Highest credential;
2. Relevant experience (business/professional and/or teaching);
3. Resulting grid placement recommendation and salary on commencement; and
4. Any other information that the Joint Salary Anomalies Advisory Committee deems relevant.

Joint Committee to Review Alleged Salary Anomalies

1. A Joint Salary Anomalies Advisory Committee shall be formed with the following membership:
 - a. two members appointed by the Association; and
 - b. two members appointed by the Board.
2. All deliberations and recommendations of the committee shall be kept confidential, except insofar as members may inform the parties about any challenges (in aggregate) that emerge with the process described here so that these may be resolved through discussion between the parties.

Process

1. An eligible member of the academic staff may submit a salary anomaly application form through Faculty Affairs by 31 March 2023 or February 1st of each subsequent year for review of alleged salary anomalies by the Joint Committee.
2. Faculty Affairs shall assemble applications and provide them to the Committee by 15 April 2023 and March 1st of each subsequent year.
3. The Joint Committee shall meet at least annually beginning in the spring.
4. At the request of a member of the Joint Committee, Human Resources and Faculty Affairs shall compile anonymized comparable hiring files (i.e., other full-time faculty members hired around the same time in the same or similar discipline or department) and provide them to the Joint Committee, to assist with their analysis.
5. If the existence of a salary anomaly is confirmed, the Joint Committee shall provide a recommendation as to how to address it to the Provost and Vice-President, Academic no later than 15 May 2023 and May 1st in subsequent years
 - a. If the Joint Committee cannot reach consensus, it may report its differing perspectives to the Provost for the consideration of the Provost.
6. After receiving the recommendation, the Provost and Vice-President, Academic shall determine the appropriate remedy and shall communicate in writing no later than 15 June 2023 and June 1st subsequent years to the Dean, the Academic Staff member and the Joint Committee and shall include a written statement of the reasons for the decision, including a summary of the recommendation(s), in respect of the criteria set out.
7. Any salary adjustments shall take effect on July 1st.

Schedule "C"

Future Pay Equity Reviews

Pay equity reviews shall be conducted internally at least every five years, starting in the academic year of 2027/2028, using a methodology agreed upon by representatives of the parties using all available data relevant to possible vectors of discrimination as detailed in Article 22.1.1. The results shall be shared with the Mount Royal University community.



Chad London
Provost & Vice-President Academic
Board of Governors



Lee Easton
President
Mount Royal Faculty Association

February 14, 2023
Date