University of Toronto TORONTO ONTARIO M5S 1A1

OFFICE OF THE GOVERNING COUNCIL

Memorandum to: Members of the Business Board

From: Rose M. Patten
                   Chair of the Governing Council

Date: January 5, 2007

Re: **Report of the Senior Salary Committee for 2005-2006**

A. Background

Policy Context

The following report covers activities of the Senior Salary Committee during the academic year 2005-2006. Under the *Policy on Appointments and Remuneration*, the Committee reviews the remuneration of University employees whose salaries are at or above a specified amount. In the past and until early this year, the senior salary threshold for faculty and librarians was set from time to time through the salary and benefit discussions with the University of Toronto Faculty Association (UTFA). In April of 2006, the Arbitration Award on salaries and benefits for faculty and librarians for 2005 and 2006 eliminated the Senior Salary category for those groups. The effect of this change is addressed in the sections that follow.

For the period July, 2005 to March, 2006, the threshold was $139,550 for members of the teaching staff and the Committee's decisions on individual compensation arrangements were informed by this reference point. Pursuant to the *Policies for Professional and Managers,* the threshold for members of the administrative staff was $120,000.

In light of the Committee's ongoing refinements to its practices, the development of executive and senior compensation frameworks by the President and his administration, and the requirements of the Arbitration Award, the Committee is planning to propose some revisions to the *Policy* (for Business Board approval) and relevant updates to its Regulation to be effective in the 2006-2007 academic year.

Committee Membership

In 2005-2006, the Committee comprised the following:

Chair, Governing Council	Ms Rose M. Patten
Vice-Chair, Governing Council	Mr. John F. (Jack) Petch
Chair, Business Board	Ms Jacqueline Orange
Member, Business Board	Dr. Alice Dong
Alumni Member, Governing Council	Mr. Stephen Smith
President	Professor David Naylor

The Secretary of the Governing Council serves as secretary of the Committee and maintains its files. When compensation of the President is discussed Committee members meet without the President.

Senior Salary Process

For persons in the senior salary category there is no entitlement to the across-the-board economic increase applicable to other members of the academic and administrative staffs. The invariable practice of the Senior Salary Committee is to award salary increases on the basis of merit alone. Until the Arbitration Award, the Vice-President and Provost, through the President, would seek approval for salary increases for all those individuals whose compensation was greater than 160% of the Senior Salary threshold and would provide the Committee with a report for information that outlined the proposed increases for members of the Senior Salary group. With the elimination of the Senior Salary category, decision-making on salary increases for all faculty, other than Principals and Deans, has been moved to the local unit level. Resulting modifications to reporting and approval needs are described in section (B) below. Attached as Appendix 1 are memoranda from the Provost outlining the terms of the Arbitration Award and the progress-through-the-ranks (PTR) and merit assessment and salary increase instructions.

For administrative staff in the senior salary category, the process and the evaluative categories are similar to those for faculty (see Appendix 2), except that the Provost and Vice-President, Human Resources, have responsibility for the material that is assembled and presented to the Committee.

Under the *Policy on Appointments and Remuneration*, the President assumes responsibility for recommendations for the Vice-Presidents. The Chair and the President evaluate the performance of the Secretary of the Governing Council and make a joint recommendation to the Committee. With respect to the President himself, the Chair initiates discussion with Senior Salary Committee colleagues to evaluate the President's performance once all other decisions are made.

B. Faculty

(1) Annual Reports from the President

Under the current *Policy*, the President would report annually on number and distribution of academic staff in the senior salary category, providing the Committee with a detailed list of the individuals, their performance assessments and their compensation. With the Committee's agreement in the context of the Arbitration Award, the President proposed to create a new report that will outline the distribution of ratings for all faculty, and present summary statistics regarding salary ranges and comparisons with peer institutions. The first such report will be presented to the Committee at a meeting in early spring; thereafter, it is expected that the reports will regularly be provided annually in the fall.

(2) Annual Adjustments for Vice-Provosts, Principals and Deans and the Chief Librarian

Under the *Policy*, the President was asked to refer to the Committee for its consideration proposals which would result in annual cash compensation exceeding 160% of the established senior salary threshold. Because of the change introduced by the Arbitration Award, the Committee received detailed compensation information on the Vice-Provosts, Principals and Deans and the Chief Librarian, and were asked to consider for approval annual adjustments for

members of those groups whose compensation exceeded $230,000, or 160% of the level that would normally have been the senior salary threshold ($143,750).

Members of this group who were in the Senior Salary category would previously have received flat amounts based on a pool that combined across-the-board (ATB) and PTR merit increments. Those not in the Senior Salary category received an increase that was a result of the combined ATB and PTR modeled on the Senior Salary category.

This year – that is, for adjustments effective July 1, 2006 – all members of this group were treated as a single pool with annual increases distributed solely on the basis of merit. The amount of available funds is based on the ATB and average merit allotment for faculty. This practice is consistent with that for the most senior Professional/Managers' group. The annual increase is based on the percentage amount for each rating level; the five-point evaluation scale is described in the Provost's memorandum included in Appendix 1. In previous years increases for members in the Senior Salary category were absolute amounts.

During the period of this report, the Committee was also asked to approve compensation proposals for initial appointments and for market adjustments. These are summarized in Table 2 in Section (4) below.

(3) Executive Compensation

The President is required by the *Policy* to bring to the Committee for consideration his recommendations on appointments for Vice-Presidents, Assistant Vice-Presidents, Vice-Provosts, and the Chief Financial Officer. Data on initial appointments, renewals and bonuses are summarized in Table 2. The President's recommendations for annual adjustments are also considered by the Committee and are based on the Vice-Presidents' reports to the President on achievement of their priorities for the year. Decisions on compensation, both at the time of initial appointment and subsequently, reflect market information on base salary, academic stipends, taxable benefits and considerations with respect to internal equity.

A recommendation for the President's annual adjustment is also considered by the Committee. Their decision takes into account a number of factors including both formal assessments of the President's performance as defined by his contract, consultation with members of the Governing Council and the University's academic and administrative leadership, and the performance of the executive team as a whole.

(4) Other Compensation Decisions

The *Policy* requires that the Committee consider the President's recommendations in several areas in addition to those described in Section (3) above. These include: initial compensation for senior University and divisional officers, revisions to compensation of administrators, in-year market or anomaly and performance-based bonuses. During the academic year 2005-2006, the Senior Salary Committee reviewed and approved various decisions for faculty and administrative staff in the senior salary category. Data on the number of these decisions is given in Table 2 below.

Table 2:

	Senior University and Divisional Officers – Initial Appointment	*Senior University and Divisional Officers – Renewed Appointment*	*Market/ Anomaly Adjustment*	*Special Bonuses**
2005-2006 Academic	8		2	
Non-academic	7			
2004-2005 Academic	6	3		4*
Non-academic	6	1		1*

    * These special awards were made in light of the transitional year and the extra and unusual demands made on particular individuals during that period.

Under the *Policy*, the Committee is to receive an annual report on market and anomaly adjustments. The Provost through the President submitted a comprehensive report as required, providing the Committee with the rationale for the adjustments and the impact they would have. The Committee received a report on a group market anomaly adjustment for the Department of History, Faculty of Arts and Science. In addition, the Committee was informed of individual adjustments arising as a result of administrative appointments (5), retention offers (0 reported, 1 considered for approval because it was over the 160% threshold) or in response to individual requests for salary review (1).

C. <u>Administrative Staff</u>

(1) Approval of Annual Compensation Adjustments

Members of the administrative staff – the Professionals / Managers Group – in the senior salary category are assessed annually for merit-only increases. Table 3 below summarizes the increases the Committee approved. The Committee receives a report on those individuals with the senior salary category, but below the 160% threshold.

Table 3:

Year	Number of Staff	Size of Group	Average Increase
Effective July 1, 2006	5	84	4.20%
Effective July 1, 2005	6	60	3.87%

The Committee also receives a report on annual compensation for the sixteen Senior Advancement Professionals whose total compensation exceeds $120,000. One additional advancement staff member receives compensation above the 160% threshold for which the Committee's approval is sought.

(2) Other Compensation Decisions

Decisions relating to initial appointments and annual bonus arrangements are included in Table 2 above.

Annual compensation adjustments for the Secretary of the Governing Council were considered by the Committee on a joint recommendation of the Chair and the President, and for the University Ombudsperson on a recommendation from the President.

D. <u>Proposes Policy Changes and Enhancements to the Executive Compensation Framework</u>

In our last report, we noted that the compensation framework for senior executives would be enhanced and that we expected the new President would continue to move forward with this initiative building on the work begun under the Interim President. This fall, the Committee considered proposals for compensation frameworks for executive and senior academic administrators' compensation. As well, it has begun consideration of a proposal for relevant revisions to the *Policy on Appointments and Remuneration* and consequent updates to its own Regulation. All of these activities reflect our commitment to continuously strengthening and refining governance generally and working to ensure our work is guided by clearly articulated principles, consistency of practice and transparency in communication. The Committee's next report will provide an update on the implementation of the changes introduced.

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#100 - UTFA Arbitration Award

PDAD&C #100, 2005-06

MEMORANDUM

To: PDAD&C

From: Vivek Goel, Vice-President and Provost
       Angela Hildyard, Vice-President, Human Resources & Equity

Date: April 5, 2006

Re: **UTFA Arbitration Award**

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The University and the Faculty Association have received the Report of the Dispute Resolution Panel with regards to the July 2005 and July 2006 salary and benefits negotiations process. We are now proceeding to implement the two-year Award. The full Report can be accessed at **http://www.utoronto.ca/hrhome** or **http://www.utfa.org**

As you will recall, the University and the Faculty Association were unable to reach a mediated agreement on a number of matters, leading to the appointment of Justice Warren Winkler as Chair of the Dispute Resolution Panel. The University nominee to the Panel was Mr. Larry Bertuzzi; the Association nominee was Mr. Jeffrey Sack.

The Memorandum of Agreement between the University and the Faculty Association provides Governing Council the right, following the recommendation of the President, to repudiate any portion of the award that is not unanimously recommended by the Panel. This award was unanimous, with one exception. The University's nominee to the Panel dissented on that part of the decision dealing with the augmentation of the pension benefit paid to existing retirees. Notwithstanding our belief that this provision is inappropriate within the current context, we will accept this provision and the President will not recommend repudiation.

Key provisions of the Award include the following:

- 3% ATB effective July 1, 2005.
- 3.25% ATB effective July 1, 2006.
- An increase to the PTR pools, in each of 2005 and 2006, of $500 per FTE tenure stream faculty member, with prorated amounts for Lecturers and Librarians.
- Elimination of the Senior Salary Category effective July 2006. All members of the Senior Salary Category (other than Principals and Deans)will be reintegrated into the relevant Divisional pools.
- Professional Expense Reimbursement to be increased to $900 for July 1, 2005 and to $1000 for July 1 2006.
- Research and Study Leave days for Librarians to be increased from 5 to 8 annually as of July 1, 2006.
- Minimum per course stipend rate to be increased to $12,500 for those individuals who are represented by UTFA, effective July 1, 2005.
- Up to $250, every two years, for the services of a licensed optometrist.
- Effective July 1, 2005, an increase to the minimum salary for Librarian III (to $62,500) and IV (to $75,700); elimination of the salary ceiling for Librarian II Effective July 1, 2005, an increase to the minimum salary for Lecturers (to $62,500).
- Augmentation, from 75% to 100% of CPI for the years commencing July 1, 2005 and July 1, 2006, to the pension benefit for faculty members and librarians already in receipt of a pension.

We are hoping that the 2005 ATB, as well as the increased PTR for 2005, will be included in the May payroll. As soon as those increases have been determined, we will be able to initiate the processing of the July 1, 2006 PTR and ATB payments. Further information on the

timetable for implementation of the PTR and ATB awards, as well as the PERA increase, will be forthcoming shortly.

top

PDAD&C #102, 2005-06

THIS MEMORANDUM SUPERCEDES PDAD&C #64, March 21, 2005

MEMORANDUM

To: Principals, Deans, Academic Directors and Chairs

From: Vivek Goel, Vice President & Provost

Date: April 13th, 2006

Re: PTR/Merit Assessment and Salary Increase Instructions for 2005-2006

To assist you with the performance evaluation of your faculty members and librarians, this memorandum contains instructions for annual reporting by faculty and librarians, for salary increases and for the administration of the PTR/Merit Scheme. The PTR award is based on the performance assessment for 2005-2006. **PLEASE NOTE THAT THESE INSTRUCTIONS HAVE BEEN SUBSTANTIALLY RESTRUCTURED FROM LAST YEAR TO TAKE INTO ACCOUNT THE DISPUTE RESOLUTION PANEL AWARD AND THEREFORE YOU SHOULD REVIEW THIS DOCUMENT CAREFULLY.**

As of July 1st 2006 the Senior Salary threshold has been eliminated. Therefore for this year's review process all members of the Senior Salary Group, other than Principals and Deans, will join their respective above-the-breakpoint PTR pool.

Units should have initiated the Merit Assessment process for all faculty and librarians as normal. The timetable outlined in Table 1 should be adhered to by all divisions

DOWNLOAD THE COMPLETE INSTRUCTIONS IN PDF FORMAT

CONTENTS:

Section 1:	Deadlines and Key Activities
Section 2:	Administration of the PTR/Merit Scheme and Salary Increase Instructions
Section 3:	Technical Aspects of the Distribution of PTR Awards
Appendix A:	Assessment of Merit
Appendix B:	Overview of the PTR Scheme
Appendix C:	Salary Structures
Appendix D:	Salary Increase Instructions for July 1, 2006 for Research Associates (Limited Term) and Senior Research Associates

Section 1: Deadlines and Key Activities

Date	Multi-department faculties	Single department faculties
By March 31:	• Unit head requests Annual Activity Report and Paid Activity Report from all faculty members and librarians	• Unit head requests Annual Activity Report and Paid Activity Report from all faculty members and librarians
By April 30:	• Information on 5% Merit Pool sent by Deans of multi-department divisions to Chairs and Directors including the deadline for submission • Faculty submit their Annual Activity Report and Paid Activity Report to the unit head	• Information on 5% Merit Pool sent by the Provost to Deans of single department divisions • Faculty and librarians submit their Annual Activity Report and Paid Activity Report to the unit head
May 26:	• Deans submit their Annual Activity Report and Paid Activity Report to the Provost	• Deans submit their Annual Activity Report and Paid Activity Report to the Provost • Deans of single-department faculties submit recommendations for 5% merit pool allocations to the Provost.
June:	• Chairs and Directors complete assessments for each faculty member and librarian • Recommendations for 5% merit pool allocations are submitted by Chairs and Directors to Deans in multi-departmental faculties (deadline to be set by each Dean). • The Dean will notify Chairs and Directors of merit allocations before the end of June	• Deans complete assessments for each faculty member and librarian • The Provost will notify Deans of merit allocations before the end of June
July 1:	• Written notification of performance assessment and PTR must be received by faculty and librarians	• Written notification of performance assessment and PTR must be received by faculty and librarians

Section 2: Administration of the PTR/Merit Scheme and Salary Increase Instructions

The purpose of this section of the document is to clarify and provide guidance on the administration of the PTR scheme to ensure that the career progress of faculty members and librarians is recognized and enhanced and to ensure that meritorious performance is appropriately recognized.

2.1 The Evaluation Process and Criteria used in the Assessment

It is very important to ensure that the evaluation process for PTR awards is clearly understood by all faculty and librarians. This means both that the procedures used to arrive at a judgment about each individual's PTR award and the nature of the merit-driven career progress scheme are communicated to all academic staff (see Appendix B for a general overview of the PTR Scheme). Ideally, this information should be provided at the beginning of the academic year and discussed with academic staff and reiterated at the time of evaluation.

It is important that academic staff understand that PTR increases are relative to the performance of colleagues in the same pool – below the breakpoint and above the breakpoint. It is useful to inform academic staff that the make up of the pools changes from year to year with the addition of new colleagues and the movement of colleagues upwards from one pool to another. This aspect of the PTR scheme seems to be misunderstood by many academic staff.

2.2 Material Provided by Faculty and Librarians

a) The Annual Activity Report and Updated CV

The evaluation of an individual's performance requires that the activities of the individual be fully set out in an Annual Activity Report and that an updated CV be provided. The completion of the Activity Report is the responsibility of the faculty member or librarian, although heads of academic units must provide guidance on what should appropriately be included in the Annual Activity Report.

The activity report should be more than just a listing of an individual's research and scholarship, teaching and service contributions. In assembling the information for the activity report, individuals should be clear on the changes in activity from the previous year and should be asked to articulate the progress made in the year on work-in-progress if it has not appeared in the year. Individuals should comment on the significance of their activities, where needed. The report may be supplemented with other evidence of the significance of the activities such as reviews of monographs, or a well-developed research plan that may have been part of a grant submission. An individual should also include information on the direction of his or her research, where needed. Materials on teaching activity should include course outlines and evaluations, and can include curricular innovation and a teaching dossier. The development of a teaching dossier is to be encouraged for all faculty (see Appendix A for examples of the kinds of contributions which might be taken into account in the assessment of an individual's research and scholarship, teaching and service contributions).

Divisions should set clear guidelines on the period of reporting for the activity report. Some Divisions have used July 1 to June 30 as the reporting period, with the work for the balance of the year being

estimated. Others have set a different 12 month period. The reporting period should be clearly indicated and the process by which it is determined should include appropriate consultation.

b)   Paid Activities Report (Download form)

The University's Policy on Conflict of Interest for Academic Staff (June 1994) requires that, as part of the Annual Activity Report, every faculty member submit a Paid Activities Report. This form can be found at **http://www.provost.utoronto.ca/English/page-6-1480-1.html**

Normally, no PTR award should be given if the individual has not supplied the appropriate information. Chairs in multi-departmental faculties are required to provide the Dean with a statistical summary of paid activities undertaken in their department.

2.3   Procedure for Evaluation

a) The Use of Committees

The Dean or Chair/Director is responsible for making PTR recommendations. This responsibility cannot be delegated; however, advice can be sought from individuals in the unit. It is recommended that the Dean or Chair/Director has an advisory committee(s) to review the activity reports. Best practice can include having separate advisory committees for teaching and scholarship. Advisory committee(s) should evaluate performance only, members should not have access to salary information of their colleagues nor should they be informed of the actual dollar amount of individual awards. The Dean or Chair/Director is responsible for allocating the actual dollar awards.

b) Statement from Unit Head

Each unit head must provide the unit's faculty members with a clear statement outlining the procedure to be followed for the evaluation of PTR. The statement should include a description of the mandate and membership of any advisory committees used, the relative weight of the various activities of teaching, research and service and a rationale for any exceptions, the format to be used for the Activity Report, as well as any unique aspects of the evaluation process for the unit.

c) Consultation with other Unit Heads and /or Graduate Chairs

In cases where faculty are cross-appointed to another department / division or where they hold their graduate appointment outside their primary department, consultation other Unit Heads and /or Graduate Chairs is a critical element of the information gathering process for PTR assessments. Such consultations may assist you in assessing the faculty member's activities in relation to others in their field. Similarly they may provide an important perspective on a faculty member's graduate teaching and supervision, particularly if this takes place on another campus.

d) The Balance of Teaching, Research and Service

The PTR scheme allows each unit to determine the balance amongst the three principal components of a faculty member's activities, teaching, research and service. This flexibility is important for recognizing

the unique missions of units and the differences in agreed upon activities of individuals. Normally, for professorial staff the portion of the total PTR allocated to teaching and research is approximately equal, but in a limited number of cases, an argument might be made that an atypical weighting of activities that reflects that a different balance between teaching and research for the individual concerned is appropriate. A separate weighting of teaching and service should be made for Teaching Stream staff. Teaching Stream staff may be evaluated on pedagogical scholarship related to their teaching activities, or other scholarship that is required in their own position description. A change of the balance in duties requires the approval of the unit and division heads. Such an adjustment must be made at least a year in advance of the application of a modified weighting of responsibilities to the person's Annual Activity Report. **In no circumstances** should a tenure stream faculty member be fully relieved of either teaching or research activities and there should always be a service component for each individual. Such arrangements should be for a fixed period with a review of their appropriateness at the end of the period.

e) Point Systems and the Evaluation

Some units have employed a ten-point scheme as a model, based on four points for teaching, four points for research and two for service. This will be varied for those faculty who hold an appointment as Lecturer/Senior Lecturer (and/or Tutor/Senior Tutor) [1] and for librarians whose assessment criteria will be different.

While a point scheme has a number of positive aspects there have been some untoward effects of the scheme on awards. An arithmetic evaluation of a positive score where an individual is not meeting his or her responsibilities is inappropriate. The range of points awarded should use the full scale. For example, the award of 2 on a 0 to 4 scale for teaching performance that is barely acceptable by the standards of the unit would be an inappropriate evaluation. While a score of zero points is expected to be rare, use of the full 0 to 4 scale is equally as appropriate in the evaluation of teaching as it is in the evaluation of research. It is important to use the full range of scores so that the application of the scale does not inadvertently bias the recognition of one activity over another.

While point schemes are useful indicators, they should not replace the judgment of the Dean or Chair/Director on the overall performance of the individual. If a point system is used, it should be indicative of a relative level of performance, not an absolute value that is translated arithmetically into the PTR award. If a point system is not used, the Dean or Chair/Director must still document the criteria for evaluation.

2.4 Administrative Follow-up

a) Communications

Letters must be sent to each individual explaining the judgment underlying the award. The letter should provide appropriate detail of the individual's performance and for junior faculty or librarians, the

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[1] Effective July 1, 1999, the Lecturer/Senior Lecturer category replaced Tutor/Senior Tutor under the revised Policy and Procedures on Academic Appointments for new appointments in the teaching stream. Those who were currently in the Tutor/Senior Tutor category could choose the new Lecturer/Senior Lecturer stream or remain as Tutors/Senior Tutors. The compensation scheme for both groups is the same.

assessment should also be related to the individual's career development. In addition to the specifics of the individual award, the annual salary increase letter should include the appropriate histogram.

b) Individuals Not Meeting Expectations

The PTR review will help to identify those individuals with problems in their career development. The head of a unit should meet with all individuals who have been identified as having difficulties, and especially for anyone awarded a zero in research or teaching. A letter detailing the performance evaluation and suggesting ways to remedy the difficulties should follow this meeting. This may include referral to a course on teaching, or to the services of a teaching consultant, help in formulating research grants or planning a research activity or project, or other attention. Such discussions might also involve consideration of a change in duties or particular steps to remedy the difficulties. All such cases should be brought to the attention of the division head and Provost's Office.

For individuals who have failed to meet their duties and responsibilities over a period of time, the matter should be referred to the Dean or, in single department Faculties, to the Provost's Office for advice and action.

PTR is not to be used as a disciplinary tool. PTR is to be used to recognize scholarly achievement and merit, and must not be used in a punitive way. Please consult with the Provost's office for advice on discipline and performance management if required.

c) Appeal Process

Faculty members can appeal PTR decisions under Article VII of the Memorandum of Agreement.

Section 3: Technical Aspects of the Distribution of PTR Awards

The Human Resources Department will be issuing instructions regarding entry of the awards into HRIS. Please make every effort to meet deadlines to ensure that awards to members of your division/department will be implemented in the July pay.

These instructions describe the technical process of carrying out the distribution of PTR awards for July 1, 2006 to all faculty members and librarians.

Table 3 : Salary Breakpoints for 2006

PROFESSORIAL BREAKPOINT		$123,550
Amount in fund per FTE above Breakpoint	$2,035*	
Amount in fund per FTE below Breakpoint	$3,210*	
LECTURER/SENIOR LECTURER and/or TUTOR/SENIOR TUTOR BREAKPOINT		$96,750
Amount in fund per FTE above Breakpoint	$1,575*	
Amount in fund per FTE below Breakpoint	$2,465*	
LIBRARIAN BREAKPOINT		$93,650
Amount in fund per FTE above Breakpoint	$1,435*	
Amount in fund per FTE below Breakpoint	$2,505*	

* this amount includes the additional $500 PTR monies net of the 5% set aside for allocation through the 5% merit pool

3.1 Senior Salary Thresholds

As of July 1st 2006 the Senior Salary threshold has been eliminated. Therefore for this year's review process all members of the Senior Salary Group, other than Principals and Deans, will join their respective above-the-breakpoint PTR pool.

3.2 Categories of Staff eligible for PTR/Merit Awards

The PTR instructions apply to all professorial staff, lecturers/senior lecturers (and tutors/senior tutors) and librarians, other than Principals and Deans. The categories of staff are:

a) Full and Part-Time Professorial Staff (including those on Contractually-Limited Term Appointments)

Those persons in the Tenure or Non-Tenure Streams with the rank of Professor, Associate Professor, Assistant Professor and Assistant Professor (Conditional) will be considered for a PTR award.

b) Lecturers/Senior Lecturers and/or Tutors/Senior Tutors

Those persons in the teaching stream with the rank of Lecturer/Senior Lecturer or Tutor/Senior Tutor will be considered for a PTR award.

c) Librarians

d) Other Academic Staff (Instructors, etc)

This group does not have a PTR scheme; however, funding is calculated at 3% of the salary base for this group for the award of merit. Individual increases will vary based on differentials in performance.

3.3   PTR Breakpoints and Funding for 2006

The PTR scheme[2] provides each academic unit with a pool of base budget funds that are to be expended fully on merit-driven base salary increases for faculty members and librarians. It is important to note that it is an individual's June 30, 2006 annual base salary (excluding stipends) that determines how the July 1, 2006 PTR award will be made. In other words, the June 30, 2006 salary determines into which PTR pool an individual will fall. Please refer to Table 3 for the 2006 breakpoints for the different groups of faculty and librarians.

Please note that these amounts exclude 5% set aside for allocation through the "5% merit pool" which is described in the next section. Note, however, that PTR increases are not an automatic entitlement for individual faculty members or librarians.

Please note:

- The funds below or above the breakpoint for each group form two distinct pools and should be spent only on the staff in that pool.
- Departments and divisions are expected to spend all the PTR funds allocated to them on merit increases. If for any reason a department or division is of the view that all the PTR funds cannot be expended, permission not to expend the entire pool must be sought from the Provost's Office. Unexpended funds may not remain with the Department/Division.
- No faculty member or librarian may be paid less than the floor for his or her rank.
- The division head should approve remuneration above the ceiling, where ceilings apply.[3]

3.4   Divisional, Provost's and Librarians 5% Merit Pool

Funds allocated under the 5% merit pool may be awarded to any faculty member or librarian. There are two purposes for the 5% Merit Pool – to reward those colleagues who have demonstrated that they are leaders in their field or who have made an outstanding contribution and as a means for heads of small units (fewer than six individuals in a pool of academic staff members) to reward exceptional merit. An individual's salary level in relation to the breakpoint or departmental affiliation should not be taken into account when determining eligibility. Individuals recommended for the 5% Merit Pool should have

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[2] A description of the PTR scheme is attached as Appendix B.
[3] See Appendix C for the basic salary structures.

received an assessment in their unit that would place their PTR at or near the top of the unit prior to the additional 5% Merit Pool funds being added. Each recommendation should specify clearly the outstanding contribution to the field or to teaching.

Instructions on how to nominate the exceptional members of your unit for consideration for awards from the 5% merit pool will be provided by the Deans of multi-departmental divisions, by the Provost for single department divisions, and by the Chief Librarian for all librarians.

3.5   PTR/Merit - Special Notes

a) Staff on Research and Study Leave

Staff members in all the above groups who are on research and study leave during 2005-2006 should be assessed with reference to the standards applicable to the leave activity and only on those criteria which are appropriate in light of the work planned for their leave. As a research and study leave plan has been approved for each individual an evaluation should take into account the degree to which the objectives of the plan have been realized or where the objectives have changed during the course of research, the degree to which the research has advanced. Some staff may remain engaged in teaching, graduate supervision and/or service activities while on a research and study leave and unit heads should use their discretion in such situations in determining what recognition is warranted in the PTR determination.

The PTR amount is not to be adjusted downwards for full-time staff, despite the fact that they may have been receiving less than full salary while on leave. For part-time staff, the amount should be pro-rated to the percentage of FTE that the person normally receives when not on leave.

b) Staff on Unpaid Leave

Staff on unpaid leave do not normally receive a PTR increase.

c) Rank Ceilings

Rank ceilings (see Appendix C) remain in effect for Assistant Professor and Assistant Professor (Conditional) categories. If a division or department head decides to recommend the award of a PTR increase to an individual whose June 30, 2006, salary exceeds the rank ceiling or which would result in that individual's salary exceeding the rank ceiling, approval of the divisional head is required. Awards exceeding the rank ceiling should be reported to the Provost's Office.

d) Part-Time Staff

Increases for part-time staff should be determined on the basis of their annualized salaries and appropriately pro-rated.

e) Staff who retired or ceased employment during 2005-2006

Do not calculate awards for individuals who are **not** currently employed by the University. Individuals who retired or early retired on or before June 30, 2006 do not receive a July 1, 2006 PTR award.

f) Staff on Maternity/Parental/Adoption Leave

With respect to PTR, the principle of no professional disadvantage should prevail for staff on maternity/parental/adoption leave. Calculations for PTR should be based on the faculty member's work prior to and after the leave, with allowances for a longer-term review to ensure no anomalies occurred. The faculty member's performance prior to the leave may be a good indication of the PTR for the leave period, although in cases where the faculty member was ill or unable to function at full capacity prior to the leave, it may be necessary to extrapolate over a longer period of time.

3.7 Approvals and Notification of the July 1, 2006 PTR Award Based Upon Assessment of Performance in 2005-2006

Prior to communication to the staff member, all increases must be approved by the Principal or Dean. There will be no approval process in the Provost's Office as this has now been delegated to the decanal level. However, Principals and Deans are responsible for reporting exceptions to policy to the Provost. The Provost reviews each divisional histogram with the division head to ensure that the PTR scheme is working and to understand any individual variances. The division head in each of the multi-departmental faculties should undertake a similar review of departmental histograms with Chairs/Directors.

Every faculty member, librarian and lecturer/senior lecturer (and/or tutor/senior tutor) should receive **written** notification of his/her 2005-2006 performance assessment and resulting PTR award and should be give a histogram from his/her Chair/Director or Dean. The letter should confirm the individual's July 1, 2006 salary. Letters should be sent **by July 1st**.

By July 1st the Provost will write to the Principals and Deans to inform them of the assessment of their personal performance and of their PTR award and will provide them with a histogram.

3.8 Histograms (Download Forms as an Excel File)

a) General

As in the past, division and department heads will be responsible for the preparation of histograms showing the distribution of total PTR and for forwarding the histograms to the Provost's office **by July 20th 2006** (*please fax to the Office of the Vice-Provost, Academic – (416) 946-0813*). The histograms will be reviewed by the Provost and UTFA representatives. Each staff member, **except** those in pools of three or fewer individuals, must receive a divisional or departmental histogram displaying the PTR awards.

b) Instructions for Completion of Histograms

1. The histogram should reflect the total PTR including the 5% special merit pool awards. You should distinguish the two awards by the use of shading on the histogram.
2. Histograms are to be completed for each division. In a multi-departmental faculty, each department must also complete histograms.
3. The Library Personnel Office will prepare histograms for the Library.

4. Blank histograms are attached to these instructions. There are separate histograms for recording increases above and below the breakpoint for Professorial staff, Lecturers/Senior Lecturers (and/or Tutors/Senior Tutors) and Librarians. There is also a histogram for Other Academics (Instructors, etc). Please report all increases for Professorial staff, Lecturers/Senior Lecturers (and/or Tutors/Senior Tutors) and Librarians in dollars and increases for Other Academics (Instructors, etc.) as a percentage (please round to nearest $100 or 0.5%). This is consistent with the PTR/Merit program of each group.

5. A histogram must be prepared when there are more than three individuals in a pool. In order to maintain confidentiality, awards to individuals in small pools of three or less should not be reported on a separate histogram. In multi-departmental faculties, these individuals should, however, be included in the Faculty-wide histogram.

6. Inclusions and Exclusions

- **Chair** - include the Department Chair where the Chair is in the department pool.
- **Part-Time Staff** - only those with appointments of 25% or more are to be reported. In each case where a staff member is part-time, the increase should be reported on the histogram as the annual full-time equivalent.
- **Cross-Appointed Staff** - should be included only in the graph of the department where their primary appointment lies. The total increase awarded to the individual should be reflected even though part of this will be provided from another department's budget.
- **Staff Members on Research or Study Leave on Partial Salary** - should be included. Their increase should show the full PTR increase and **not** reflect the percentage of salary while on leave.
- **Staff on Maternity/Parental/Adoption Leave** - should be included.
- **Staff on Unpaid Leaves** - should **not** be included in the graph or in computing the average increase.

Inquiries

Please contact one of the following should you have any inquiries about these instructions:

Vice-President and Provost's Office

Vivek Goel	provost@utoronto.ca
Edith Hillan	vp.academic@utoronto.ca
Sheree Drummond	sheree.drummond@utoronto.ca

Planning and Budget Office

Judy McKenna (For budget/PTR pools) judy.mckenna@utoronto.ca

Appendix A: Assessment of Merit - Research and Scholarship, Teaching and Service Contributions

Research and Scholarship

Advancement of the field, as is demonstrated by publications or other appropriate forms, is an important component of the PTR award. Each member of the professoriate should be engaged in research and scholarship, which can also take the form of creative professional activity. In addition, due consideration should be given to interdisciplinary activities and involvement in outreach and community engagement initiatives by faculty members. In circumstances where there is a pattern over time during which there has been no publication but only work in progress, the unit head should request a copy of the work in progress with the changes for the year clearly indicated.

Each unit will evaluate research, scholarship and creative professional achievement in different ways depending upon local culture and practice. Research and creative professional achievement should be measured not only in terms of quantity but also in terms of quality. It is critically important that faculty are aware of the criteria being used to evaluate their research and scholarship so these should be articulated in advance of the assessment process.

The relative weighting of research output may also vary by discipline. In some disciplines publication of an article in a top tier journal or the publication of a refereed book in a good press is the summit of scholarly achievement. In others, conference presentations, lectures, keynote addresses at international conferences and publications in conference proceedings would carry greatest weight. In some disciplines the number and value of external, competitive grants received and research contracts awarded are important indicators of scholarly activity. Similarly a patent, contributions to government policy or a juried exhibition of artistic work may each indicate significant creative professional achievement.

A five-page paper in one discipline may easily outweigh a twenty-page paper in another, just as within one discipline a ground-breaking five-pager may carry more weight than two or three longer articles with considerably less impact. A good small book may be equivalent to two or three major journal articles in some disciplines. Single authorship and joint authorship are evaluated differently depending on the discipline. Monographs and edited books also receive differential weighting. An invitation to deliver a keynote lecture at one conference may represent the highest honour bestowed upon members of a discipline. A presentation at a regional conference may be far less prestigious. Certainly all of the above are part of the mix in the evaluation of scholarship: what is at essence is the number and the prestige attached to each. The judgment by the committee on the relative value of each of these activities is its most difficult task. However, this does not mean that some measure of relative importance cannot be communicated to faculty. One Arts and Science department employs a five-point scale in its evaluation of research as follows:

5	outstanding research by international standards
4	first class research with clear evidence of impact and international recognition
3	strong research activity with a good combination of quality and productivity
2	regular research activity with the combination of quality and productivity somewhat less than the department norm
1	some research activity, but well below the department's norm
0	no research activity

Teaching

The development and delivery of graduate and undergraduate courses, the evaluation and supervision of students and the holding of consultations are part of the responsibilities of all members of the professorial staff. The teaching responsibilities of Lecturers/Senior Lecturers (and/or Tutors/Senior Tutors) are normally confined to undergraduates. Divisions and departments should recognize in PTR awards contributions such as the development of new courses or programs, contributions towards the development of a new curriculum, the integration of research into undergraduate and graduate teaching or superior performance as measured through such mechanisms as the course evaluation. Teaching evaluation should not be confined just to the classroom or laboratory. Supervision of students, both in quality and quantity, should be assessed. Teaching may occur as well in other departments and advice should be sought from other Chairs/Directors where appropriate. Contributions to interdisciplinary and cross-faculty initiatives should be considered and appropriately recognized.

Assessment of teaching is a critical step for constructively improving the quality teaching across the university. In assessing a faculty member's teaching, it may be helpful to refer to the University of Toronto's **'Provostial Guidelines for Developing Written Assessments of Effectiveness of Teaching in Promotion and Tenure Decisions'.** These guidelines provide a framework for the development by each division of divisional guidelines for the evaluation of teaching. It is important that both the university and divisional teaching guidelines are made available to new faculty when they arrive at the University and to all faculty on a regular basis, including during the course of annual reviews.

Interpretation of Teaching Evaluations (from the Office of Teaching Advancement)

All courses and instructors at the University of Toronto should be annually evaluated by students registered in those courses. The evaluations should consist of discrete sections in which the students are provided an opportunity to assess the performance of the instructor and the content of the course on a numerical scale and to add anecdotal comments.

In interpreting these course evaluations for promotion, tenure and PTR, academic administrators should not merely refer to the numerical summaries but rather assess the student evaluations in the context of the more complete information in the faculty member's teaching portfolio. Best practice requires that certain questions be asked of the evaluations. For example: is the course new or repeated; is it compulsory or elective; is it introductory or advanced; is it multi-sectioned or individual and what role did the instructor play in its development; is it required for a program or optional; was the instructor experimenting with new teaching techniques, means of delivery, technology or material? These kinds of consideration will encourage experimentation in teaching and ensure that no penalty will result from taking intellectual risks and recognize that many variables can be related to teaching evaluations by students.

The assessment of excellence in teaching should never be based on any single indicator, such as course evaluations. Decisions should be based on a careful analysis of all the material filed annually in the faculty member's teaching portfolio. The process will be fairer to the faculty member and stimulate a dialogue about teaching between the faculty member and the head of the unit.

After the course grades have been determined and transmitted to the student, the raw data and statistical summaries of the course evaluations should be made available to the faculty member. Departments should ensure that every member of the division has an opportunity to review and either keep or copy the original data submitted by the students in the course. This documentation is important in the preparation of teaching portfolios and as necessary information for how to improve the course. Academic units should establish mechanisms to keep course evaluations not collected by faculty members for at least one year to ensure that those colleagues absent from the University will have access to this information.

Service

A contribution to University service is expected of each individual. The type and extent of the service obligation will clearly vary considerably from individual to individual. Service takes many forms and includes contributions to collegiality at the departmental level or in one of the University's Colleges, contributions to the teaching or scholarship of others, the many services necessary to keeping an academic unit flourishing, service to Faculty or University governance and other forms of university citizenship, such as membership on one of the University's Research Ethics Boards. It also may include service to the Faculty Association, to professional societies directly related to the faculty member's discipline, continuing educational activities, work with professional, technical or scholarly organizations or scholarly publications, membership on or service to governmental committees and commissions and activities related to disseminating knowledge generated from the faculty member's scholarship. Outside activities are not meant to include general service to the community unrelated to the faculty member's scholarly or teaching activities. If there is any doubt as to the individual's expectation, the head of the unit should establish with each individual an appropriate level of contribution. It should be clear to each individual that she or he has a responsibility to contribute and that this responsibility is not dependent on whether or not the individual has been requested to serve.

Appendix B: Overview of the PTR Scheme

As the University strives to improve its standing amongst the best research and teaching universities in the world, one of the most effective tools it has is the compensation scheme for faculty members and librarians. The Progress Through the Ranks (PTR) scheme was first introduced in 1973 to provide faculty members and librarians with an annual merit based award. The PTR scheme applies to all tenure stream and teaching stream faculty as well as librarians.

The progress-through-the-ranks (PTR) scheme is a critical means of recognizing each individual's contribution to teaching, research and service. The PTR scheme is founded on the following principles:

1. PTR is the only source of promotional increases for faculty members and librarians, but it is based on the assumption that each individual's rate of promotion is a function of that individual's **MERIT**.
2. While there is a career path for a 'typical' faculty member or librarian, no two individuals are alike. Some careers will progress rapidly and hence will merit high PTR awards, and some careers will not progress and hence will merit no PTR awards.

It is recognized that the vast majority of individuals are fulfilling their responsibilities and, as a consequence, their careers should advance. Individuals whose careers are progressing will have consistently contributed to the advancement of the field, will have contributed by teaching at a high level and will have served the University and the broader community. That is, **AVERAGE OR MEDIAN PTR** will reflect the very high standard expected of all of our faculty members.

As illustrated in the diagram below, the PTR scheme is based on three reference points: a base, a breakpoint and an endpoint. These points determine the rate of opportunity for career progress provided by the scheme.
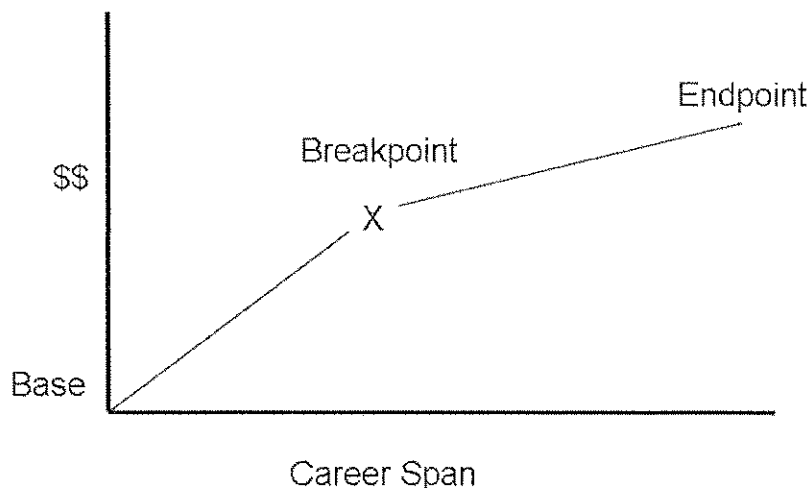
The rate of increase between the base and the breakpoint is greater than that between the breakpoint and the endpoint. In this way, the plan recognizes the need for accelerated salary progress in the early years of a career. Hence, the model determines the assessment of funding annual merit increases. The position of any individual staff member in relation to the model will primarily be a function of individual merit over the period of a career to date.

The PTR Plan is designed to allow for broad differentiation amongst individuals at different salary levels. The set salary level known as the "breakpoint" divides the pool of funds available for distribution to those either above or below the breakpoint. It should be noted that a specific sum is made available each year for PTR purposes and all of this is expended on merit payments.

Five per cent of the PTR pool is placed in a special merit pool. Funds from the 5% merit pool are awarded by Deans in multi-department faculties, the Provost in the case of single department divisions or the Chief Librarian, on the basis of outstanding performance. An award from the 5% merit pool is in addition to the normal PTR award.

Appendix C: Salary Structures as of July 1, 2006

You should be aware of basic salary structures within which the PTR schemes for faculty and librarians operate, because no faculty member or librarian may be paid less than the floor for his or her rank and remuneration above the ceiling, where ceilings apply, requires approval from the division head.

FACULTY SALARY STRUCTURE

	As of July 1, 2006	
ACADEMIC RANK	MIN	MAX
PROFESSOR	$78,400	
ASSOCIATE PROFESSOR	$58,500	
ASSISTANT PROFESSOR	$47,700	$81,200
ASSISTANT PROFESSOR (CONDITIONAL)	$40,100	$66,200
LECTURER/SENIOR LECTURER	$64,500	

Effective July 1, 1999, the Lecturer/Senior Lecturer category replaced Tutor/Senior Tutor under the revised Policy and Procedures on Academic Appointments for new appointments in the teaching stream.

LIBRARIAN SALARY STRUCTURE

	As of July 1, 2006	
LIBRARIAN RANK	MIN	MAX
LIBRARIAN I	$48,700	
LIBRARIAN II	$50,900	
LIBRARIAN III	$64,500	
LIBRARIAN IV	$78,200	

Appendix D: Salary Increase Instructions for July 1, 2006 for Research Associates (Limited Term) and Senior Research Associates

The policy on Research Associates (limited term) and Senior Research Associates approved by Governing Council will govern salary increases for these two groups. According to that policy, across-the-board changes reflect those negotiated with the University of Toronto Faculty Association.

There are two components to the increase as of 1 July 2006:

1. An across-the-board increase of 3.25%
2. A merit component as follows:

> **For Research Associates (limited term)**
>> A merit increase of 0 – 3%, depending upon performance
>
> **For Senior Research Associates**
>> **a) below the breakpoint of $62,700**
>>> A merit increase of 0 - 4%, depending upon performance
>>
>> **b) above the breakpoint of $62,700**
>>> A merit increase of 0 - 2.5%, depending upon performance

Research Associates should be provided with a written statement of their salary increase and a full performance appraisal. All merit increases require the approval of the dean or division head.

Salary Ranges for Research Associates as of July 1, 2006

	Minimum	Maximum
Research Associate (Limited Term)	$33,600	$68,700
Senior Research Associate	$43,700	

****

Salaries in excess of the range maximum must be approved by the appropriate division head. No individual may be paid below the published range minimum.

U *of* T

Memorandum   2005-06 HR#37

April 7, 2006

To: President & Vice-Presidents
                 Principals, Deans, Academic Directors & Chairs
                 Professionals/Managers
                 Confidential Staff
                 Divisional HR Offices

From: Angela Hildyard, Vice President Human Resources & Equity

Re: **Professional/Managerial and Confidential 2006 Annual Performance
                 Assessment Process, Merit Increases and The NEW *Stepping UP* OTO Merit
                 Program**

The annual performance process for 2006 has now begun. This memorandum contains detailed instructions on the processes for Performance Assessment, Merit Increases and the NEW *Stepping UP* OTO Merit Program for Professionals/Managers and Confidential staff. Please take the time to read through this memorandum to ensure that you are aware of critical dates and the requirements of the annual process.

Any questions concerning the Performance Assessment Tool and Process, Merit Increase Process or the NEW *Stepping UP* OTO Merit Program may be directed to your Divisional HR Office.

CONTENTS:

Section 1:	What's NEW?
Section 2:	Critical Dates Overview
Section 3:	Performance Assessment Process
Section 4:	Merit Increase Process
Section 5:	Special Recognition Program
Section 6:	The NEW *Stepping UP* Merit OTO Program for 2005/2006
Appendix A:	Performance Ratings Level Descriptors
Appendix B:	P/M Salary Ranges effective July 1, 2005
Appendix C:	Confidential Salary Ranges effective July 1, 2005

SECTION 1: **What's NEW?**

A. Performance Assessment Process

Similar to last year, an evaluation of the Performance Assessment Process was conducted through focus groups and an on-line survey with members of the P/M and Confidential groups and academic administrators who supervise them. The survey results were very useful and, although they did not indicate a need for major change, there were suggestions to improve consistency in how employees are being assessed across the broader University. Based on this feedback, the following enhancements have been made to the performance assessment process and tool:

1. The category 'High Quality Performance' reflects a very good level of performance that is expected of P/M and Confidential staff. In support of this, it is expected that the majority of

performance ratings should fall within the 3 or 3.5 performance category. It is important that P/M and Confidential staff members understand from the outset that performance ratings are relative to the performance of colleagues in the same Division and/or merit pool. When Reviewers are assessing performance they should consider the relative performance of staff within their units, being mindful that this is addressed more broadly at the Divisional and/or Central Review Committees.

2. Previously, only performance ratings at a level 5 required Reviewers to provide a paragraph supporting the recommended rating. In order to ensure accountability for rating individuals at level 4, this year Reviewers will also be required to submit a paragraph supporting recommended performance ratings of 4.

3. Last year, we introduced a new performance assessment process and tool for Confidential staff. Enhancements have been made to the performance assessment tool. The Confidential performance assessment tool now mirrors the P/M tool with the exception of the competencies being measured. Performance assessments for Confidential staff should be conducted this year using the revised format.

4. The importance of discussing performance and providing staff with feedback can not be emphasized enough. Our survey results indicate that employees are not always presented with an opportunity to have a face to face performance assessment discussion with their Manager about their performance. In response to this we have provided a space in the employee comments section of Part C: Overall Performance Rating for employees to explicitly confirm whether or not they had an opportunity to meet with their Manager to discuss their performance.

5. Part A: Activity Report now includes space for staff to identify any individuals from whom it might be appropriate to obtain additional feedback with respect to their performance (i.e. faculty, clients, colleagues, etc). As appropriate, Reviewers can then summarize any additional feedback they obtain in Part C: Overall Performance Rating so that it may be shared with the staff member. While this has always been cited as a best practice in the "Performance Planning Feedback and Development Guidelines," we have now provided space to include the feedback directly in the form and encourage Reviewers and staff to consider this option.

6. A usage study on the competencies revealed that the Integrity/Accountability and the Sensitivity to Diversity competencies were used the least by Reviewers when assessing performance. In response to this, both competencies have been modified and renamed as Accountability/Business Integrity and Equity/Diversity/Inclusivity. The changes made to the competencies clarify what is being measured and have been modified to be more applicable to the diverse positions within the P/M and Confidential employee groups. We strongly encourage every Reviewer to assess staff on both competencies this year. Please make every effort to apply the competencies and try to set goals for next year centred around some of the competencies, specifically Equity/Diversity/Inclusivity.

Performance assessments for members of the Professional/Managerial and Confidential employee groups should be conducted this year using the revised format available on the Human Resources website at ***Professional/Managers Assessment Form*** and ***Confidential Assessment Form***

B. The NEW *Stepping UP* OTO Merit Program for 2005/2006

In June 2005 Business Board approved the creation of special OTO "merit" pools, equivalent to 0.44% of the P/M and Confidential salary base, for distribution as lump sum OTO payments in 2005/2006. This reward program's purpose is to specifically recognize administrative staffs'

(Professional/Managerial & Confidential) contribution towards *Stepping UP*. Refer to Section 6 for complete details.

SECTION 2: <u>Critical Dates Overview</u>

Wk of April 3rd	Communications from Central Human Resources concerning Performance Assessment Process sent to Managers/Supervisors of P/M and Confidential staff and to the P/M and Confidential groups. Provides performance tool, training information, merit increase instructions, *Stepping UP* OTO Merit Program overview and guidelines.
April 10-24	Reviewer requests annual Activity Report from P/M and Confidential staff members. Reviewer collects and reviews the reports. Reflects on feedback and coaching discussions that occurred with staff members throughout the review period.
April 24, 25	Training for Reviewers of P/M and Confidential staff on the Performance Planning, Feedback and Development tools and process. Topics will include new aspects of the tools, an overview of the process, objective setting, working with competencies and development planning.
April 24-May 19	Reviewer completes the Competencies Worksheet and Summary identifying the effective or ineffective behaviours demonstrated by the P/M and Confidential staff members during the review period and obtains additional feedback on performance if appropriate. Reviewer prepares general comments. Submits a recommended overall rating to the HR Office by <u>May 19</u>th for divisional review before discussion with P/M and Confidential staff members. Managers nominate any individuals/teams to their division head for consideration in the *Stepping UP OTO Merit Program* by <u>May 19</u>th.
May 23-26	Divisional HR Offices facilitate divisional reviews. Ratings are adjusted as required and communicated to the Reviewer.
May 23–July 31	Divisional HR Offices facilitate *Stepping UP OTO Merit Program* Pool Committees.
May 29-June 30	Reviewer conducts face to face performance assessment discussions and confirms all ratings with P/M (with the exception of P/M levels 7, 8, 9) and Confidential staff members. Reviewer conducts the performance discussions of P/M levels 7, 8, 9 after the Central Review Meeting.
June 8	Central Review Meeting for P/M levels 7, 8, 9 facilitated by the VP, Human Resources and Equity.
May 29–Sept	The Reviewer should meet with each P/M and Confidential staff member to discuss and complete Part D: Planning for the Next Review Period. This should occur between <u>May – September</u>.
May 29–Sept	A copy of the completed Performance Planning, Feedback and Development Form should be retained on file by the Reviewer and be provided to the staff member and Divisional HR Office by <u>September</u>.
June 26	Central HR prepares and sends to Divisional HR Offices a distribution of the ratings and individual merit amounts for communication to divisions.
June 26-30	Final ratings and merit amounts communicated to Staff.
June 30	Divisional HR Office sends merit amounts to Business Officers for processing no later than <u>July 19</u>th.
Wk August 1	Central HR communicates to P/M and Confidential staff members the merit grid and overall distribution of merit.
Wk August 1	Successful *Stepping UP OTO Merit* recipients to be notified by Pool Committee.

SECTION 3: <u>Performance Assessment Process</u>

Overview

Performance planning and assessment is an ongoing process of communication between managers and their staff. The process involves a proactive planning component at the beginning of the performance year; ongoing feedback and coaching during the year; as well as an annual end of year meeting to:

- Assess and discuss the staff member's relative success in achieving the expectations and/or goals for the review period and "how" these objectives were achieved using the defined competencies;
- Recognize strong performance;
- Identify areas requiring improvement and/or development and plans for meeting the training needs;
- Identify key priorities for the following year, and set goals and expectations.

The staff member has the responsibility to: i) Actively participate in the process of confirming and/or setting expectations and/or goals; ii) Provide the Reviewer with an Activity Report outlining the completion of previously agreed to expectations and/or goals.

The Reviewer has the responsibility to: i) Create a motivating and supportive climate; ii) Initiate the process of confirming and/or setting expectations and/or goals; and iii) Observe performance, give feedback, guide developmental activities and conduct a performance discussion.

The Performance Assessment policies for Professionals/Managers and Confidential staff are available on the Human Resources website at ***Policies for Professional/Managers, Policies for Confidentials***

Process

1. The Reviewer requests P/M and Confidential staff members to complete Part A: Activity Report by April 24th.

2. Once the staff member has completed and submitted Part A: Activity Report, the Reviewer should complete the following sections of the Performance Planning, Feedback and Development form:

   i. Section B: Competencies Summary using the Competencies Worksheet; and

   ii. Section C: Overall Performance Rating.

   Reviewers can also access the "Performance Planning, Feedback and Development Guidelines" when assessing performance.

3. The Reviewer submits the recommended Overall Performance Rating for each Professional/Managerial and Confidential staff member to the Divisional HR Office, no later than Friday, May 19th. Performance ratings for Professional/Managerial and Confidential staff are described in **Appendix A** to this document;

   Note: It is important that P/M and Confidential staff members understand from the outset that performance ratings are relative to the performance of colleagues in the same Division and/or pool. When Reviewers are assessing performance they should consider the relative performance of staff within their units, being mindful that this is addressed more broadly at the Divisional and/or Central Review Committees.

Where a performance rating of '4' or '5' is recommended the Reviewer must also provide a one-paragraph summary outlining the rationale for this rating. The Reviewer should not advise the staff member of the final rating until after the Divisional and/or Central review has taken place and all performance ratings have been approved.

4. All recommended performance ratings must be reviewed by the Division Head through the Divisional review process. A Divisional review of all recommended ratings coordinated by the Divisional HR Office should take place between May 23 – 26. Each division has flexibility as to how this review will be conducted, however, it is critical that all performance ratings be reviewed to ensure that the performance assessments process is applied consistently and that the distribution of performance ratings is appropriate across the division.

   For Professionals/Managers in **Salary Levels PM7, PM8 and PM9,** a Central Review Committee will also review all recommended performance ratings across the University. This Committee will be chaired by the Vice President of Human Resources and Equity and will have senior academic and administrative representation. Note: Performance ratings for staff in salary levels PM7, PM8 and PM9 should not be communicated to individual staff until the central review has been completed. The Central Review Committee is scheduled to meet on June 8th.

5. **Face to face performance assessment discussions with staff should be conducted between May 29 – June 30, however, it's important that final ratings not be shared with staff members until divisional and/or central reviews are completed. Once performance ratings have been reviewed and approved through divisional and/or central review, the Reviewer should meet face to face with each P/M and Confidential staff member to communicate the approved performance rating.**

6. The Reviewer should meet with each P/M and Confidential staff member to discuss and complete Part D: Planning for the Next Review Period. This should occur between May – September. A copy of the completed Performance Planning, Feedback and Development Form should be retained on file by the Reviewer and be provided to the staff member and Divisional HR Office by September.

SECTION 4: Merit Increase Process Back to Content

The annual salary increase for Confidential staff and staff in PM Salary Levels 1 to 6 consists of an Across-the-Board (ATB) component and a merit component. The Professionals/Managers in PM Salary Levels 7, 8 and 9 are not eligible for an Across-the-Board increase; the ATB amount will be added into the merit pool for staff in these levels and distributed based on performance.

The amounts for ATB and merit have not yet been determined. A further communication will follow once these amounts are confirmed.

Determination of Merit Amount

Please note the following:

i. As with the process last year, there will be four merit pools established for purposes of calculating merit: one for Confidential staff; one for PM Salary Levels 1, 2, 3; one for PM Salary Levels 4, 5, 6; and, one for PM Salary Levels 7, 8, 9. Merit pools for Confidential staff, PM 1, 2, 3 and PM 4, 5, 6 staff are based on a percentage of the salary base of the employees in each group. The merit pool for PM 7, 8, 9 is based on a percentage of base salaries plus the ATB;

ii.   Merit dollar amounts will be calculated within each pool for each level of the performance rating scale. The amounts allocated will increase proportionally from the lowest performance level to the highest. So, for example, the merit amount awarded for performance level '2.5' will be less than that awarded for a '5' rating. The merit amounts are not calculated until after the distribution of ratings is known to ensure that the full percentage available within the pool is utilized. A merit grid showing the dollar amounts allocated for each performance level will be distributed once these amounts have been determined.

Note: For P/M staff the rate of progression through the salary range is slower above the breakpoint. Therefore, merit increases for staff whose current salaries are above the breakpoint of the salary range will be somewhat lower than for staff below the breakpoint.

iii.   In accordance with the compensation policy for Professionals/Managers and Confidential staff, a staff member whose annualized salary is currently at the maximum of his/her salary range is not entitled to a merit increase to base salary. However, the staff member may be eligible for an OTO merit award based on performance. An OTO merit award is not part of the staff member's regular (base) salary;

iv.   Salaries for all Professionals/Managers in Levels 8 and 9 and all other P/Ms whose new annualized salary is greater than $120,000 or whose total compensation is $192,000 or greater, will be reported to the Senior Salary Committee for review and/or approval;

v.   Merit awards will be communicated to Divisional HR Offices on June 26th. Merit amounts will then be communicated to divisions through the Divisional HR Office between June 26–30. Reviewers should advise their staff, in writing, of their final performance rating and merit increase from June 26–30. Note: Merit increases for Professional/Managerial and Confidential staff will be delayed if the ATB and merit amounts have not been determined by mid-June.

vi.   The salary ranges for Professional/Managerial **(Appendix B)** and Confidential **(Appendix C)** staff, effective July 1, 2005, have been included should you need to confirm a staff member's position in the salary range;

vii.   Once ATB has been determined, the 2006 Salary Ranges for Professionals/Managers and Confidential staff will be published.

The Compensation policies for P/M and Confidential staff are available at *PM Compensation Policies, Confidential Compensation Policies*

Funding of Merit

Central funding into the merit pools will be calculated as a percentage of the salary base of the operating budgets for each merit pool group.

SECTION 5: Special Recognition Program

A Special Recognition Program exists for Professionals/Managers staff members as a mechanism to recognize special achievement or efforts throughout the year. Guidelines for the Special Recognition Program have been established to assist managers in finding ways to appropriately recognize staff and to promote consistent principles in application of the program. It should be noted that awards greater than $5,000 must be submitted to the Vice president, Human Resources and Equity for review and discussion with the appropriate Dean or Vice President.

Guidelines for the Special Recognition Program are available on the Human Resources website at: **_Special Recognition Program_**

SECTION 6: The NEW _Stepping-UP_ Merit OTO Program for 2005/2006

Overview

In June 2005 Business Board approved the creation of special OTO "merit" pools, equivalent to 0.44% of the P/M and Confidential salary base, for distribution as lump sum OTO payments in 2005/2006. This reward program's purpose is to specifically recognize administrative staffs' (Professional/Managerial & Confidential) contribution towards _Stepping UP_. Managers of P/M and Confidential staff will be asked to submit nominations to their Divisional Pool Committee during the performance assessment cycle.

Individuals/ Teams can be nominated for an award based on their direct contribution to the University's and/or the Divisional _Stepping UP Plan_. These plans will provide the foundation to establish criteria for rewarding individuals who significantly contribute towards the University's vision to be a leader among the world's best public teaching and research universities in the discovery, preservation and sharing of knowledge and our mission to be a student-centred public teaching and research university. The University's Stepping UP website can be accessed at **http://www.steppingup.utoronto.ca/index.asp**

The funds available for the awards will be allocated into eight OTO merit pools: Applied Science & Engineering, Arts & Science (including the Colleges), Medicine, Professional Faculties, OISE/UT, Central Administration, UTM, and UTSC. Committees consisting of Senior Administrators or designates will administer the pool funds, using a standard set of guidelines to determine eligibility and award amounts. For consistency across each pool, the VP of HR & Equity or a designate will be a member of each committee. Divisional and Central Human Resources will support each Pool Committee in the administrative responsibilities of the Program.

Each Pool Committee will meet by the end of July to review the nominations and determine who will receive an award. A centrally organized "recognition event" will take place to publicly recognize every individual/team who receives an award through the program in the Fall.

Program Guidelines

Each Pool Committee will use the following guidelines in determining eligibility and awarding amounts under the Program.

- The program is open to all Confidential and Professional/Managerial staff, except for those Professional/Managerial staff covered by the Compensation Policy for Senior Advancement Staff 3.01.06(b).

- During the Performance Assessment Process, Managers are to nominate individuals/teams for the award through their divisional review process. Nominations should include a detailed description of the specific contribution the individual or team has made towards the University's or the Divisional _Stepping UP Plan_. The VP HR & Equity and the VP & Provost may forward nominations to Divisional Pool Committees in cases where Divisional staff have made significant contribution to the Centre or have had broader impact on the University.

- Individuals/Teams considered for this program will have made a special effort or contribution that directly supports the achievement of objectives outlined in the

University's or the Divisional *Stepping UP* Plan. The impact of the action should extend beyond the immediate work unit and have some effect on the broader University Community and its efforts to meet the objectives of *Stepping UP*. This contribution should make a measurable or demonstrable impact. It should be noted that Confidential Staff contribution to the University's or the Divisional *Stepping UP Plan*, should be considered in relation to the scope of these positions.

- Individuals considered for this program should be demonstrating a minimum of high quality performance in their daily responsibilities.

- The dollar value of the award for individual recipients is:

Confidential	$1,027
PM 1 2 3	$1,401
PM 4 5 6	$1,907
PM 7 8 9	$2,757

- Recipient teams of this award will be assigned $3, 500 to be distributed amongst the team. When nominating a team the Manager should indicate how the award should be distributed among team members.

- In the case that a team member of a recipient team is an USW employee, the individual can receive an award through the OTO provisions of the collective agreement. The amount of which should be reflective of the awards described above. **This award amount needs to be funded by the Division and not through this program.**

- The Provost and the VP HR & Equity will administer a reserve fund that each Pool Committee can apply to should they exhaust their awards and still have worthy nominees. The awarding of additional funds will be at the discretion of the Provost and the VP HR & Equity.

Funds not used by each pool will be recovered by Planning and Budget.

UNIVERSITY OF TORONTO
PERFORMANCE RATINGS
FOR PROFESSIONAL/MANAGERIAL AND CONFIDENTIAL STAFF

PERFORMANCE CATEGORY	DESCRIPTION	PERFORMANCE RATING
Exceptional Performance	Consistently and substantially exceeded goals, objectives and expectations through outstanding achievements in all aspects of the position. This category is reserved for employees who demonstrate exceptional performance on a consistently and distinctly superior level of quality in all areas of responsibility and make significant contributions to the Division/Department and/or University. Those who receive this rating must consistently and substantially exceed all goals as a direct result of concerted effort.	5
Excellent Performance	Consistently achieved and frequently exceeded job expectations, goals and objectives through concerted effort, according to plan. Demonstrated performance of a very high level of quality in all areas of responsibility.	4
High Quality Performance	Consistently achieved performance expectations. Work is of high quality in all significant areas of responsibility. Met job expectations, goals and objectives – both qualitative and quantitative.	3.5 3
Partially Achieving Performance Expectations	Partially achieved some quantitative and qualitative objectives; improvement is needed. It is expected that the employee will work to fulfil job expectations in a reasonable period of time – not to exceed one year.	2.5 2
Unsatisfactory Performance	Did not meet majority of goals and objectives. Improvement is needed in most aspects of the job. It is unclear if the employee can develop to the point where all job expectations are met. This needs to be addressed immediately.	1

*It is expected that the majority of ratings will fall into the '3' or '3.5' performance category

* It is important that P/M and Confidential staff members understand from the outset that performance ratings are relative to the performance of colleagues in the same Division and/or merit pool. When Reviewers are assessing performance they should consider the relative performance of staff within their units, being mindful that this is addressed more broadly at the Divisional and/or Central Review Committees.

UNIVERSITY OF TORONTO
SALARY RANGES FOR <u>PROFESSIONALS/MANAGERS</u> STAFF
EFFECTIVE JULY 1, 2005

SALARY RANGE

SALARY LEVEL	MINIMUM	ANCHOR POINT	BREAKPOINT	MAXIMUM
PM 1	$46,364	$57,594	$65,062	$72,171
PM 2	$50,548	$63,185	$70,934	$78,684
PM 3	$55,558	$69,447	$77,964	$86,482
PM 4	$61,615	$77,019	$86,465	$95,912
PM 5	$68,952	$86,191	$96,762	$107,332
PM 6	$77,861	$97,325	$109,261	$121,199
PM 7	$88,713	$110,892	$124,493	$138,093 (Open)
PM 8	$101,994	$127,492	$143,129	$158,766 (Open)
PM 9	$117,897	$147,371	$165,446	$183,521 (Open)

←------Hiring Zone------→

←-------------------Target Zone-------------------→ ←-------Premium Zone-------→

Minimum: Represents the minimum of the salary range. Salaries are administered at or above the minimum of the salary range.

Target Zone: Salaries for most employees are managed within the Target Zone. The starting salary for a new employee may fall lower in the Target Zone. Each salary range has a Hiring Zone, i.e., where an applicant is typically hired based on his/her qualifications in relation to the requirements of the position.

Anchor Point: Represents the top of the Hiring Zone.

Premium Zone: Represents the upper end of the salary range. Generally, salaries for exceptional performers, long service employees and/or positions requiring a market premium are managed within the Premium Zone.

Maximum: Represents the maximum of the salary range for Levels 1 to 6. The Maximum for Salary Ranges 7, 8 and 9 is 'open', i.e., salaries may be administered above the published maximum with senior management approval.

UNIVERSITY OF TORONTO
SALARY RANGES
FOR ADMINISTRATIVE NON-UNIONIZED CONFIDENTIALS STAFF
EFFECTIVE JULY 1, 2005

Range minima and maxima represent respectively 85% and 115% of the midpoint for the B and N salary ranges, which appear in ascending sequence.

PAY SCALE GROUP	Minimum	SALARY RANGE Midpoint	Maximum
02N	$23,395	$27,524	$31,651
03N	$25,196	$29,642	$34,089
04N	$27,217	$32,019	$36,823
05N	$29,465	$34,664	$39,864
01B	$30,963	$36,426	$41,889
06N	$32,446	$38,171	$43,897
02B	$33,917	$39,902	$45,887
07N	$35,489	$41,751	$48,014
03B	$37,354	$43,944	$50,537
08N	$39,163	$46,074	$52,985
04B	$41,365	$48,663	$55,963
COMPA-RATIO	85%	100%	115%