

Appendix F

LETTER OF UNDERSTANDING

Re: Faculty Renewal

BETWEEN:

THE UNIVERSITY OF MANITOBA
(Hereinafter referred to as “the University”)

-and-

THE UNIVERSITY OF MANITOBA FACULTY ASSOCIATION
(Hereinafter referred to as “UMFA”)

The University and the Association agree as follows:

1. It is in the interest of the University that opportunities be made available to refresh and renew the institution’s academic community.
2. Definitions
 - a. “Allowance” means the payment made to a Participant under the Program, composed of a Basic Allowance and a Leave Allowance.
 - b. “Age at Retirement” means the age of the Member on June 30 (for July 1 retirement) or December 31 (for January 1 retirement) of the calendar year in which they elect to retire.
 - c. “Basic Allowance” means the amount payable to a Participant, in accordance with section 7 of this LOU.
 - d. “Eligible Member” means a Member is or will be at least 55 years of age and who has or will have at least 15 years of service at the University on the date which they set as their retirement date.
 - e. “Leave Allowance” means the amount payable to a Participant as compensation for unused leave credits, in accordance with section 10 of this LOU
 - f. “LOU” means this Letter of Understanding.
 - g. “Participant” means an Eligible Member who has agreed to participate in the Program, selected a retirement date, and received notice of their acceptance into the Program.

- h. “Program” means the retirement allowance program described in Part I of this LOU.
- i. “Years of Notice” means the number of full calendar years between the date the complete application of an Eligible Member is received in Human Resources, and the date upon which the Eligible Member sets as their retirement date.

PART I – Retirement Allowance Program

3. An Eligible Member wishing to participate in the Program may elect to retire on July 1 or January 1 of any calendar year (last day of work, June 30 or December 31 respectively).
4. An Eligible Member must complete the forms required by the University in order to apply to be a Participant. The forms will be made available on the University’s Human Resources website. The forms can be completed at any time in the calendar year, and must be submitted to Human Resources, with a copy to the relevant Dean/Director and Department Head (if applicable).
5. Upon receipt, the University will review the forms and advise the applicant if they are accepted as a Participant in the Program. The University will not deny participation so long as the individual meets the definition of an Eligible Member and has provided all required information and forms.
6. A Participant will receive a full or partial Basic Allowance, as described in this Part, dependent on the Participant’s age and the amount of notice of retirement.
7. The portion of the Basic Allowance payable to a Participant will be calculated as follows:

	Years of Notice		
	3	2	1
Age at Retirement			
61	20%		
62	40%	20%	
63	60%	40%	
64	80%	60%	30%
65	100%	80%	60%
66	80%	60%	30%
67	60%	40%	<u>20%</u>
68	40%	20%	<u>20%</u>
69	20%	<u>20%</u>	<u>20%</u>
70	<u>20%</u> 25%	<u>20%</u> 25%	50%

8. A full Basic Allowance (100%) will be:

- a. \$100,000 if the Participant is working full-time at the date of retirement.
 - b. \$60,000 if the Participant is on a reduced or appointment or half-time appointment at the date of retirement.
9. A Participant will receive a Leave Allowance based on the number of unused leave credits (whether research study leave credits or administrative leave) held by the Member at the date of retirement.
10. The Leave Allowance will be calculated at \$10,000 per unused leave credit, to a maximum of \$50,000.
11. Participants are obligated to make reasonable attempts:
 - a. to use as many leave credits as possible prior to their date of retirement.
 - b. avoid being on a leave at their elected date of retirement. If this is unavoidable, the actual retirement date will be adjusted to the end of the leave, but the Allowance will be calculated based on the elected date of retirement.
 - c. fulfill their return of service obligations following a leave, in accordance with article 21.6.1 of the Collective Agreement. If a Participant is unable to do so, the University will waive the requirement to return and waive any obligation to repay leave remuneration.
 - d. to use vacation time prior to their date of retirement. If a Participant is unable to do so, compensation for unused vacation will be added to the Participant's final paycheque.
12. The decision of a Member to retire on or before the elected date as a Participant in the Program is irrevocable.
13. An approved Participant may subsequently elect an earlier retirement date, and the Allowance will be adjusted accordingly. To effect such a change, the Participant will complete the forms required by the University and submit them to Human Resources, with a copy to the relevant Dean/Director and Department Head (if applicable).
14. Where a Participant dies prior to receiving the Allowance, the Allowance will be paid to the Participant's estate, unless the Participant knew they had a medical condition likely to be terminal at the time of their application.
15. No Allowance will be payable to a Participant if they voluntarily resign or are dismissed prior to the scheduled retirement date.

16. Payment of the Allowance will be made to a Participant through a lump-sum payment (subject to required withholdings) after retirement. Where permitted by law, participants may request a portion of the lump-sum to be deferred into a later calendar year.

PART II - General

17. This LOU will be attached to and form part of the Collective Agreement.

~~18. The University will make the application forms available for the Program within 2 weeks of the Collective Agreement being ratified by both parties.~~

~~18.~~^{19.} Eligible Members who announced their intention to retire between March 31, 2016 and the date application forms are made available will be approved retroactively, so long as they forthwith complete the required forms and meet all other requirements. Only these retroactive applications will be allowed a retirement date other than June 30 or December 31. The forms will be deemed to have been completed on the date the Eligible Member announced their intention to retire. The University is under no further obligation to grant retroactive approval of applications, but will consider special requests from Eligible Members or the Association.

~~19.~~^{20.} Members may make application pursuant to this LOU up to and including ~~December 17, 2018~~ December 31, 2020.

~~20.~~^{21.} This LOU constitutes a term or condition of employment, and is subject to s. 10(4) of the *Labour Relations Act*.

~~21.~~^{22.} Should the LOU no longer be in force, the University and Participants already accepted under the Program will nevertheless honour all commitments made to each other.

DATED at the City of Winnipeg

University of Manitoba

in the Province of Manitoba

this ____ day of _____ 2018

University of Manitoba Faculty Association

