



Costing Collective Bargaining

Part 2: Identifying Elements of Compensation &
Collecting Information about Costs

CAUT Series on Costing

- Part 1: A Framework for Costing Bargaining Proposals
 - Thursday, February 27 at 1pm EST
- **Part 2: Identifying Elements of Compensation & Collecting Information about Costs**
 - Thursday, March 5 at 1pm EST
- Part 3: Calculating Costs & Building the Base Year Model
 - Thursday, March 12 at 1pm EST
- Part 4: Costing During Negotiations
 - Thursday, March 19 at 1pm EST



Part 2 Agenda

1. Compensation structures and appointment types
2. Identifying components of compensation
3. Salary structures and career development
4. Insured benefits and costing
5. Composition of the bargaining unit
6. Information requests



What Information Do We Need?

1. Salaries and benefits
2. Composition of the bargaining unit



Compensation structures

- Different academic appointment types (Tenure stream, CAS, Librarians) generally have such distinct compensation structures that costing requires separate Base Year Models
- Similarly, the work requirements of librarians and archivists requires a distinct model.
- To model the different compensation structures, use a different costing template.



Identifying all components

1. The first step in the process is to identify every (potential) form of compensation in its most basic form.
2. Record each element on a separate line in the template.
3. Take detailed notes.

STEP 1 - APPOINTMENT TYPES AND COMPENSATION PROFILES

Appointment type:

<i>Salary-Related?</i>	<i>Component of Compensation</i>	<i>Source (CA, workload document, HR policies, etc)</i>	<i>Information & Notes</i>
Basic Wage Information			
	Base salary		
	Career Development (PTR) Grid		
	Classifications		
	Merit Pay		
Hours of Work & Premiums			
	Regular Teaching Workload		
	Regular Full-time Work Hours		
	Overload Premium(s)		
	Other Premium(s)		
	Administrative Stipends		
Benefits			
	Extended Medical		
	Dental		



What the notes should record

1. Where in the collective agreement (or HR website) is there reference to the benefit?
2. Is the compensation **salary-related**?
 - Does this benefit roll-up?
3. What information do we need to calculate the **total annual cost** for this component of compensation?
 - Composition of the bargaining unit?
 - Information about operations (experience data)



Thinking ahead – information needed

4. What information is needed to calculate the total annual cost for this benefit?
 - Bargaining unit data
 - Operational data
5. Does the association have an independent source of the information needed?



Base salaries

1. Focus on actual salaries paid
 - Experience data versus nominal data
2. Considerations regarding salary model and merit pay

Wage-related?	Component of compensation	Source	Information & notes
	Base salaries		Salary floors, course stipends, reduced appointments
	Salary step grid / Salary model		Grid structure, career development breakpoints
	Classifications		Full-service tenure stream, teaching stream, continuing appointments, contract academic staff, librarians and archivists.
	Merit pay		Monetary value of merit pool, is merit added to base or provided as lump sum?



Module on costing CDI

How to cost movement along the wage grid (CDI or PTR)?

....Don't

Why?

Self-funded design (Exit – Entry – Movement)

But...changing the model opens the salary model design to costing scrutiny



Workload & premium pay

1. Overload payments

- Track money paid, but not subsequent course reductions
- Flat rate versus OT payments (Salary-related)

Workloads & Premiums

Salary-related?	Component of compensation	Source	Information & notes
	Regular teaching load by appointment type		
	Regular FTE formula for contract academic staff		
	Overload premium(s)		Often provided as a flat-rate stipend, and therefore not a salary-related benefit.
	Administrative stipend(s)		Is this treated as part of the base salary for ATB, or separate, flat-rate benefit?
	Other premiums		



Insured benefits & costing

1. Review the basic benefit model (Group benefit, self-insured...)
2. Identify specific categories of insured benefits and list on separate lines.
3. Focus on costs (premiums) paid by employer, not benefits received by staff.

Salary-related?	Component of compensation	Source	Information & notes
	Extended medical		Are there distinct benefit classes under supplemental medical such as semi-private hospital?
	Dental		
	Vision		
Typically yes	Life insurance		Life insurance is often a salary-related type of benefit.
Typically yes	Long-term disability		Employee paid or employer paid premiums?
	Prescription drug		Note any co-pays or annual benefit caps.
	Other		



Module on costing benefits

1. Costs determined by provider (not university)
2. Maintenance of benefits – inflationary cost increases without benefit enhancements.
 - Unions should not include MOB costs in model
3. Trends in benefits industry - Health care spending accounts
4. Union benefits consultants
 - Best estimates for costs of benefit enhancement proposals, but not exact.



Bargaining unit database

1. Name
2. Base nominal salary
3. Stipends
4. Most recent merit award
5. Salary paid in previous year (Academic or calendar year – try to be consistent.)
6. Regular teaching load
7. Appointment type / rank
8. Full-time equivalency status
9. Step or years of service



Information requests

1. Legal requirement for good faith bargaining
 - Limited right improved by focus and clarity of data request
2. Draw from notes with a focus on what information is needed to calculate total annual costs (aggregate or individual levels?)
3. Specify dates
 - snapshot date
 - reference period
4. Data may not exist or exist in format requested (be creative and flexible)



Better data collection

1. Bargain data disclosure requirements into the language of the collective agreement.
 - Equity data especially demographic disclosures
 - Workload and operational (teaching) data
2. CAUT advisory bulletin “The provision of information to the association.”
 - Examples and more details than the costing manual



Next week – CAUT Costing Part 3

- Calculating costs
 - Systemic processes
- Building the Base Year Model
 - Simple math – complex assumptions

