

SUBJECT: FACULTY ASSOCIATION MARKET DIFFERENTIAL - POLICY**1. Purpose**

The purpose of this policy is to provide UNBC with the means to respond to the effects of external market pressures on recruiting and retaining Members of the Faculty Association within specific disciplines or sub-disciplines, or in exceptional circumstances when the University wishes to attract or retain a highly meritorious individual. This policy provides the guidelines for assessing market sensitive disciplines and sub-disciplines and for how market differential stipends are provided to Members of the Faculty Association within a discipline or sub-discipline. It also addresses market differential stipends to be paid to Members not associated with a designated discipline or sub-discipline. In the case of applications for Librarians, the UNBC Librarian will act in place of the Program Chair and/or Dean for application of this Policy.

2. Scope

This policy shall apply to Faculty Association Members in a tenure-track, tenured, probationary or continuing appointment. Market differential stipends can be awarded to Members within a discipline or sub-discipline, or on an individual basis. The policy may be applied to term Members of the UNBC Faculty Association at the discretion of the Provost.

3. Definition

A market differential stipend is a salary payment that is in addition to the Member's base nominal salary.

4. Authority

This policy is issued under the authority of the UNBC Board of Governors.

5. Responsibility

The Provost shall review and recommend to the Board of Governors all market differential stipends and ensure adherence to this policy.

6. Eligibility

Members within a discipline or sub-discipline may be eligible for a market differential stipend if it can be demonstrated that there is repeated difficulty in recruiting or retaining Members as a result of national or local market factors. Sensitivity to market pressures within a discipline or sub-discipline may be demonstrated by the following indicators:

- a. Extended periods where a position remains vacant in spite of recruitment efforts
- b. Repeated failed searches
- c. Difficulty attracting adequate number of qualified applicants
- d. Frequent position turnover
- e. Rejected contract offers based on salary negotiations
- f. Elevated salary ranges at appropriate comparator universities

A Faculty Association Member who is not in a market sensitive discipline or sub-discipline may also be granted a market differential stipend in exceptional circumstances where it is demonstrated that the individual is highly meritorious, fills a key academic role, or is in high demand by other universities.

7. Value of Market Differential

The value of market differential stipends shall be open and subject to market comparative data. The Provost shall approve the value of all market differential stipends, including any pro-rated value of the market differential stipend for cross-appointed Members.

8. Duration

Market differential stipends shall be paid to Members within an identified discipline or sub-discipline, or as an individual, for a period of up to five (5) years.

In the September semester, prior to the expiration of the Market Differential period, a discipline, sub-discipline or individual will be reviewed for continuation of the market differential stipend on submission of written application. There shall be no limit to the number of terms for which a market differential stipend can be continued.

The 5-year period for disciplines or sub-disciplines commences on July 1st following approval of the market differential application. New Members, including cross-appointed Members, appointed to disciplines or sub-disciplines receiving market differential shall be slotted into the discipline's or sub-discipline's 5-year period at the time of appointment and shall end at the termination of the 5-year period with the rest of the members of the discipline or sub-discipline.

In the case of a new Member where market differential is negotiated at the time of appointment outside of a designated discipline or sub-discipline, the period shall commence at the start date of appointment and shall be reviewed for continuation in the September semester prior to expiration of the designated market differential period.

In the case where a current Member is granted a market differential, the period shall commence on July 1st following approval of the market differential application and shall be reviewed for continuation in the September semester prior to expiration of the designated market differential period.

In all cases, if the market differential is not continued, the total salary (i.e. base nominal salary + market differential stipend) of the Member shall be "red circled" and the Member's market differential stipend shall be reduced each year by the same value of the progression through the rank increase (i.e. CDI) and general wage increase until the base nominal salary adjustments over time replace the market differential stipend.

9. Process

The Market Differential Committee reviews applications for market differential stipends to Members within a discipline or sub-discipline and makes a recommendation to the Provost.

The Provost reviews applications for individual market differential stipends to Members outside of a designated discipline or sub-discipline, as well as cross-appointed Members to disciplines or sub-disciplines currently receiving market differential.

The Market Differential Committee consists of two persons named by and representing the Faculty Association, two persons named by and representing the University, and one Chair of the Committee jointly appointed by the other four members. Committee members serve a maximum

3-year term. In the initial appointment of one of each of the members representing the Faculty Association and University, a maximum 2-year initial term is served to provide continuity to Committee activities.

The Market Differential Committee determines its own procedures. The Market Differential Committee terms of reference are the following:

- a. The Market Differential Committee conducts its activities in accordance with the Faculty Association Market Differential Policy.
- b. The Market Differential Committee annually reviews the Faculty Association Market Differential Policy and advises the Provost on recommended policy changes or amendments.
- c. The Market Differential Committee makes recommendation to the Provost on procedures and application criteria required to thoroughly assess market differential applications.
- d. Normally in the September semester, the Market Differential Committee reviews and makes written recommendation to the Provost on market differential applications for disciplines or sub-disciplines.
- e. The Market Differential Committee may seek independently other sources of information to validate the information provided within the application, which may include interviewing the relevant Program Chair, Dean or Member(s).

Applications, including the recommendation letters from the Chair and Dean, for initial or continuing market differential stipends for disciplines, sub-disciplines, or current Members, will be received by the Office of the Provost no later than the first working Monday after Labour Day to take effect the following July 1st.

10. Approval

The Market Differential Committee reviews and makes recommendation to the Provost on all applications for market differential consideration for disciplines and sub-disciplines only. The Provost reviews individual requests for market differential and recommends to the Board to grant or deny market differential stipends for disciplines, sub-disciplines or individuals.

The Provost also reviews cross-appointments to disciplines and sub-disciplines receiving market differential, and determines a pro-rated market differential stipend in accordance with the terms and conditions of the cross appointment.

The Provost provides annually to the Faculty Association a list of the disciplines, sub-disciplines and individuals receiving market differential, including the values.

11. Transition of Existing Market Differential Stipends

Disciplines, sub-disciplines and individuals currently receiving a market differential stipend will have their market differential stipend expire on June 30, 2008, unless application for continuation is made and approved under the terms of this policy and the *Faculty Association Market Differential Procedures*