

# CONDITIONS OF SERVICE AND BENEFITS AGREEMENT

From

Date of signature

and will remain valid unless, by mutual agreement between unions and Management, it is changed and that such change is approved by Council.

Negotiated between

# NELSON MANDELA METROPOLITAN UNIVERSITY [NMMU]

and

# NATIONAL TERTIARY EDUCATION UNION [NTEU]

and

NATIONAL EDUCATION HEALTH AND ALLIED WORKERS UNION [NEHAWU]



# CONDITIONS OF SERVICE AGREEMENT

This Agreement is concluded for the finalisation of the Conditions of Service (COS) in respect of substantive conditions of service negotiations in 2011/2012. COS and salary negotiations/discussions shall be based on or informed by affordability factors and with due regard to the impact of the macro economic conditions.

distribution formula All improvements of any COS with a direct financial impact will influence the affordability amount available for the salary

The following are the terms upon which such Agreement has been reached:

#### Ë DURATION

- 1.1. This Agreement will remain valid from the date of approval by Council with no predefined expiry date
- 1.2. The review of this Agreement must be conducted and finalised as part of salary negotiations and in terms the NEGOTIATING FORUM AGREEMENT; this applies equally to single- and multi-year salary agreements.
- 1.3 This Agreement constitutes a living document to be reviewed as part of salary negotiations and will serve as change is approved by Council. such until, by mutual agreement and as part of a negotiated settlement between unions and Management, any

#### N APPLICATION

- 2.1. must be secured and / or repaid to NMMU by the Entity concerned). Agreement and whose remuneration is funded in full by the Council of NMMU, henceforth termed permanent employees (which will exclude, by way of example, employees engaged in entity posts, the funds for which This Agreement (Conditions of Service) shall apply to all employees in Grades 5 to 18, who are in the permanent employ of NMMU, and those who will be employed by the NMMU after the signature of this
- 2.2. defined in 2.1 Where unqualified references are made to employee(s) in this document, they refer to NMMU employees as
- 2.3. The Agreement excludes all contract workers.

### ω REMUNERATION

3.1 Remuneration will be paid according to NMMU remuneration scales

### 3.2 **Annual Salary Adjustment Calculation**

annual salary increments. related funds shall be distributed to address proposed increases in respect of Conditions of Service The unions and Management have agreed to a formula in terms of which the affordable salary-increase

### 33 The Salary Formula

The formula consists of three (3) elements and is attached to this agreement as an annexure

exceeded should negotiations take place. In the event that a combination of the elements exceeds affordability, parties will discuss appropriate means of distributing the available amount. The formula describes thresholds (upper and lower) for each element. Only where thresholds are not met or

### 3.4 Annual Salary Adjustments

Annual Salary Adjustments as described above will be effective from 1 May of each year.

### 4.

4.1 An annual 13<sup>th</sup> cheque is payable in an employee's birthday month

Initials of participating parties

Management

NIEU

Page 2 of 13

4.2 New employees will receive a pro rata bonus in their birthday month.

## 5. ACTING ALLOWANCES

5.1 negotiated settlement agreement. Compensation for acting will be in accordance with the provisions of the *Policy on Acting, Secondments, Voluntary Transfers and Periods of Probation.* This allowance shall increase by the % equivalent of the annual

# 6. RELOCATION ALLOWANCES

- 6.1 be found in the policy.  $\mathit{Staff}.$  This includes removal costs, settling-in allowance, temporary costs and travel costs – further details can Relocation costs are paid in accordance with the Policy on Contributions towards the Relocation of Permanent
- 6.2 The University shall bear the costs related to a transfer only if this is initiated by the University includes instances when an employee applies and is relocated to a position in George or Port Elizabeth. This

### 7. SECONDMENTS

Compensation for secondment will be in accordance with the provisions of the *Policy on Acting*, Secondments, Voluntary Transfers and Periods of Probation.

Initials of participating parties:

Management

NTEU

#### BENEFITS

### 8. HOUSING

Employees will be paid a monthly non-pensionable allowance. The table below indicates the housing allowance as of 1 May 2011. The Housing Allowance may increase with the same percentage as negotiated salary settlement in accordance to the percentage provided for the Cost of Living Adjustment (COLA) component of the salary distribution formula with due regard to the total amount deemed affordable by the institution.

R1 100.00	Permanent Employees: Full-time working day
HOHSING ALLOWANCE	ADDOINTMENT

### 9. RETIREMENT

9.1. The normal retirement age for employees is as set out in the table below:

APPOINTMENT DATE	RETIREMENT AGE
Prior to 1 January 2007	According to employment contract of pre-merger institutions.
Between 1 January 2007 and 26 September 2008	60/65 as per HRC of Council resolution
After 26 September 2008	60

- 9.1.1. and in accordance with the Policy on Deferred Retirements retirement. The request will be based upon special criteria agreed to by unions and Management A permanent employee with a normal retirement age of 60 may be considered for deferred
- 9.1.2. employee to defer such employee's retirement until a date mutually agreed upon with the employee Director, MANCO may initiate an approach, through the relevant MANCO member, to any permanent Upon receipt of a written proposal from the relevant Executive Director / Dean / Senior Director
- 9.1.3. Notwithstanding the provisions of the Policy, no employee will be employed on a permanent basis beyond the age of 65
- 9.1.4. Employees may opt for early retirement from age 55 (where the retirement fund rules allow for
- 9.2. All current permanent NMMU employees shall belong to an approved NMMU retirement fund
- 9.3. (NMMURF). All new permanent employees will join Nelson Mandela Metropolitan University Retirement Fund
- 9.4 **Retirement date**: Staff members will have the option of retiring either at the end of the month in which their retirement age is attained or at the end of the year in which the retirement age is attained. Such a decision must be communicated to the ED: HR timeously.
- 9.5 Employer contributions: The contributions provided by the University are currently as follows:

NMMURF

NTRF

20% of an employee's pensionable emolument to the employee's retirement fund,

including 13<sup>th</sup> cheque.

excluding 13th cheque 16% of an employee's pensionable emolument to the employee's retirement fund

Initials of participating parties:

Management

NTEU

Page 4 of 13

### 10. MEDICAL AID

- 10.1. Membership of one of the approved NMMU medical schemes is compulsory for all permanent employees unless proof of membership of an acknowledged medical fund can be provided
- 10.2. Only NMMU approved medical schemes are subsidised by the University.
- 10.3. NMMU approved medical scheme. The subsidy rate of contribution shall be 50% for those employees and their legal dependents belonging to an
- 10.4. appointment and shall become entitled to benefits for services rendered as per medical aid rules. An employee shall become a member of a NMMU approved scheme with effect from the date of their
- 10.5. Most benefits are pro-rata in the first year of service until 31 December.
- 10.6. Post-retirement medical aid benefits (50% subsidy) will be paid to ex-UPE employees appointed before April 2001, all Vista employees incorporated into UPE in 2004, and all ex-PET employees appointed before applicable at the time of their retirement. This includes the surviving spouse. April 2002. Employees who retired prior to 1 January 2006 received the post-retirement medical aid subsidy  $\vdash$
- 10.7. retirement, medical boarding or death – this further applies to the employee's surviving spouse and/or legal dependents. Post-retirement medical aid subsidy of 50% is only applicable to previously identified NMMU permanent staff as described above. No new employee shall be entitled to a subsidized medical scheme on termination of service which includes

## 11. GROUP LIFE INSURANCE

- Membership for staff members pre-merger was based on the rules and regulations of the scheme at the time.
- 11.2. Membership is compulsory for employees appointed since the merger
- 11.3. The Group Life scheme comprises of the following sections:

Name of section	Compulsory / not compulsory (taking 9.1 and 9.2 into consideration)	Subsidy
Life and Disability cover	Compulsory	50%
Dreaded disease cover	Compulsory	No subsidy
Spouse cover	Compulsory when applicable	No subsidy

11.4 spouse and/or legal dependents No subsidised membership of the Group Life scheme is offered upon retirement to employees or surviving

# 12. FUNERAL ARRANGEMENT BENEFIT

- 12.1. In the event of the death of an employee, an additional one month's basic salary will be paid to a recipient designated by the employee or, if this is not possible, to a family member deemed most appropriate.
- 12.2. The payment will be made within 48 hours of receiving the death certificate

### 13. STUDY BENEFITS

- 13.1 Study benefits are provided to employees in terms of the Management of Formal Study Benefits Policy
- 13.2 employees, spouse / life partners and own dependent children. The NMMU will fully subsidize registration and tuition fees only for study at NMMU (100%) for qualifying
- 13.3 Applications for study by employees at other South African institutions may be entertained if no opportunity exists at NMMU for completion of a degree that is required for the person's development within their cyrrent

Initials of participating parties

Management

NTEU

Page 5 of 13

post. Staff at the George campus may apply for such funding where they are unable to access NMMU programmes. This benefit to study at other institutions does not extend to any person other than the NMMU employee. The contribution that will be made will be based on a value that is the cost equivalent of a similar programme offered at NMMU, or other benchmark that may be considered, if necessary

- 13.4 Staff of the Examinations and Reprographics Offices will be required to further their studies at another South propose alternative options of similar programmes on the basis of price. African institution. The costs of such studies will be covered fully by the employer who may, however,
- 13.5 Employees who receive this benefit for their own studies are required to work back a period equivalent of the length of the study period or pay-back the discounted amount when studying at NMMU or the actual amount paid when studying at another institution.
- 13.6 Study benefits will be extended for employees or their dependants after an employee's retirement or, in the case of the death of the employee, to their dependants

# 14. FINANCIAL RECOGNITION FOR HIGHER QUALIFICATIONS

- 14.1 Financial awards will be made to qualifying employees in accordance with the annexure in the *Management of Formal Study Benefits Policy*, based on the successful completion of the qualification, namely:
- e.g. National Diploma / BA degree (typically 3 years post matric)
- e.g. BTech / Honours (typically 4 years post matric)
- e.g. Masters degree
- e.g. Doctorate degree
- 14.2 of Formal Study Benefits Policy, who achieve the following qualifications: Financial awards will be made to qualifying employees in accordance with the annexure in the Management
- Grade 12
- NQF Level 4
- NQF Level 5
- Trade test certificate
- 14.3 award of the higher qualification received The award will be made on application by the employee to Human Resources, with certificated proof of the
- 14.4 The award amount will be adjusted from time to time by MANCO after negotiations with the unions

## 15. LONG SERVICE AWARDS

The following long service awards will be made on completion of the stipulated years of service and the award will be included with the staff member's salary in the month following completing the number of years. In accordance with the NMMU Policy on Long Service Awards, the awards will be reviewed every alternate year, commencing 1 January 2012, subject to Council approval.

45 years	40 years	35 years	30 years	25 years	20 years	15 years	10 years	5 years	COMPLETED YEARS OF SERVICE
R25 000	R20 000	R15 000	R12 000	R8 000	R6 000	R4 000	R2 000	R1 000	AWARD

initials of participating parties:

Management

Page 6 of 13

NTEU .

### 16. REFRESHMENTS

deemed reasonable by management NMMU will supply employees with tea, coffee, milk and sugar for official tea breaks, subject to such limits as may be

# 17. PERSONAL PROTECTIVE CLOTHING

Act No 85 of 1993. NMMU will provide protective clothing and apparel to relevant employees as per the Occupational Health & Safety

# 18. INTERCAMPUS TRANSPORT

- 18.1 Employees using their private vehicles for official authorised NMMU business purposes will be paid a travel allowance according to the official S&T policy, provided that the use of the vehicle is pre-approved by
- 18.2 Employees can claim S&T for intercampus travel according to S&T policy.

### ANNUAL LEAVE

- 19.1 The rules and regulations regarding all leave are contained in the Management of Leave Policy.
- 19.2 Academics employed in Faculties receive 40 (forty) working days paid leave per annum. This leave must be taken during the recess period. However, a maximum of 10 (ten) days of this leave may be substituted for leave during term-time with the permission of their line manager.
- 19.3 All other members of staff receive 30 (thirty) working days paid leave per annum
- 19.4 manager to take leave in the period specified. All staff members must electronically apply for leave on i-Enabler and receive the permission of their line
- 19.530 (thirty) days. A maximum of 30 (thirty) working days accumulated leave may be paid out on termination All staff will be able to accumulate a maximum of 10 (ten) working days leave per annum up to a maximum of
- 19.6 Non-accumulative leave must be used in the year in which it is allocated and may not be carried over to the following year. Any accumulative leave over 30 (thirty) days will be forfeited at the end of each year.

# 20. RESEARCH LEAVE (RL) AND RESEARCH SABBATICAL (RS)

- 20.1 The rules and regulations regarding all RL and RS are contained in the Policy on Research Sabbatical
- 20.2 RS accrues at 2.5 working days per month of service.
- 20.3 All permanent employees, academic and professional support staff, in Peromnes Grades 1 to 9 may apply for a maximum of 180 working days (this is equal to one year) paid RS leave from the relevant Faculty Research, Technology and Innovation Committee (academic staff linked to a faculty) or the NMMU Research Committee (professional support staff and academic staff not linked to a faculty). A portion of RS may be converted to RL
- 20.4 of outputs and minimum work-back period. All persons accessing RS and RL leave will enter into a contract with the NMMU regarding expected delivery
- 20.5 The rules for the awarding of RS and RL are contained in the Research Sabbatical Policy.
- 20.6 RS leave must be taken as per term or semester calendar time frame
- 20.7 RS accumulates to the following year and is only forfeited on termination of employment.
- 20.8 Staff on Peromnes Grades 10 - 18 are not eligible for RS or RL (see point 20.9)

Initials of participating parties:

Management

New York

NITELY .

# 20.9 Post-Graduate Research-Related Study Leave

Employees who are studying towards a Masters or Doctoral degree and who do not qualify for Research Leave and/or Research Sabbatical in terms of point 20.8 above(Peromnes Level 10-18), may access post-graduate research-related study leave as follows:

- Masters degree by coursework and treatise
- Masters degree by dissertation
- Doctorate degre

Maximum of 10 days

Maximum of 20 days over two years (10 days maximum per year)

Maximum of 40 days over four years

(10 days maximum per year)

### 21. SICK LEAVE

- 21.1 The rules and regulations regarding all sick leave are contained in the Management of Leave Policy
- 21.2 days at full pay and 45 (forty-five) working days at half pay per sick leave cycle of three years Permanent and fixed-term contract (more than one year) employees are entitled to 65 (sixty-five) working
- 21.3 next three-year sick leave cycle will therefore begin on 1 January 2015. NMMU's current three-year sick leave cycle began on 1 January 2012 and will end on 31 December 2014 The
- 21.4 period remaining in the fixed period leave cycle. Any new employee appointed during a three-year cycle will be allocated sick leave proportionate to the time

### 22. MATERNITY LEAVE

The rules and regulations regarding maternity leave are contained in the Management of Leave Policy

Maternity leave is provided on condition that the employee agrees to remain in the employ of the University for a period equal to the duration of paid maternity leave.

# 22.1 Maternity leave for birth mothers

uninterrupted service, consists of a maximum of six (6) consecutive months leave, of which three (3) months will consist of paid leave, limited to a total of two (2) paid confinements. Employees may use their accumulative, non-accumulative, BALA leave and unpaid leave, if necessary, for further confinements. Maternity leave for permanent and fixed-term contract employees with more than one (1) year's

# 22.2 Maternity leave for adoptive mothers

Any female employee who legally adopts a baby of younger than two (2) years of age is entitled to apply for a maximum of eight (8) weeks paid leave from the day of the adoption, to a maximum of two (2) paid adoptions.

### 22.3 Paternity leave

births/adoptions their infants or should they adopt a child younger than two (2) years of age, limited to two (2) paid Male employees are entitled to a total of five (5) working days paternity leave subsequent to the birth date of

### 23. SPORT LEAVE

- 23.1 The rules and regulations regarding all sport leave are contained in the Management of Leave Policy.
- 23.2 provincial or national sport team as a player, coach, manager, official referee or judge Employees are entitled to 10 (ten) days leave per annum for participation or representation of NMMU in a
- 23.3 the relevant line manager Exceptional cases of national duty must be approved by the Executive Director: HR and in consultation with

### 24. STUDY LEAVE

The rules and regulations regarding study leave are contained in the Management of Leave Policy

Initials of participating parties

Management

NEHAWU

NTEU

Page 8 of 13

study / graduation leave does not accrue. Permanent and fixed-term contract staff are entitled to 12 (twelve) days study leave per annum. Examination /

Examination / study / graduation leave may be taken as follows:

# Examination / study leave

for examination or study leave. Staff members are entitled to a maximum of three (3) days study leave per examination paper written, including the day of examination or other authenticated evaluation process. Continual assessment qualifies

### 24.2 Graduation leave

Any employee who is graduating outside of the Nelson Mandela Metropole and/or George area may access three (3) days of their 12 (twelve) days' study leave to attend the ceremony. Any employee who is graduating at one of the NMMU campuses may access one (1) day of their 12 (twelve) days' study leave to attend the

### 25. FAMILY RESPONSIBILITY LEAVE

- 25.1 Policy The rules and regulations regarding family responsibility leave are contained in the Management of Leave
- 25.2 An employee may apply for four (4) days leave per annum if the employee's child is sick; or in the event of the death of the employee's spouse / life partner, parent, adoptive parent, grandparents, child, adopted child, grandchild or sibling, as stipulated in the BCEA.
- 25.3 Family responsibility leave does not accrue.
- 25.4 The University may require reasonable proof of an event as stipulated above

#### 26. HOURS OF WORK

- 26.1 functions. All full time permanent employees are required to work 38.75 hours per week, within their designated
- 26.2 condoned by their Faculty Board. minimum of 25 (twenty-five) hours per week, unless special circumstances exist and other arrangements are Full-time academic staff members are required to be present on campus for lectures and student access for a
- 26.3 Other full time staff are required to work on campus from:

Monday to Friday

08.00 - 16.30; or 07.30 - 16.00; or 08.30 - 17.00.

the individual employee's contract of employment. This flexibility depends on operational requirements with the line manager's approval and with due regard to

- 26.4 A forty-five (45) minute lunch break is provided for
- 26.5 line manager. One (1) afternoon off per month from January to November may be taken in consultation with an employee's
- 26,6 Part-time employees are expected to work a maximum of five (5) hours per day unless otherwise agreed.
- 26.7 circumstances arise. Exemptions from these working hours may be recommended and approved by MANCO where special

### 27. PRIVATE WORK

27.1 their own interests and the core business of NMMU at the same time developed in order to establish a framework within which staff may undertake private work, thus enhancing In order to promote professionalism, transparency and integrity, a Management of Private Work Policy was

Initials of participating parties:

Management

Page 9 of 13

- 27.2 Employees must apply for permission to engage in private work in accordance with the Policy
- 27.3 Private work may not under any circumstances contravene the university's rules concerning conflict of

### 28. NOTICE

- 28.1 Three notice for other employees. (3) months' calendar notice should be given in the case of academics and one (1) months' calendar
- 28.2 Notice must be submitted by utilising the relevant electronic form. Line managers must ensure that electronic submissions are done on behalf of staff that do not have access to personal computers.
- 28.3 relevant line manager. No leave may be granted in the notice period unless by mutual agreement between the employee and the

### 29. STANDBY ALLOWANCE

- 29.1 Overtime and standby provisions apply to non-academic employees on Peromnes grade 5 to 18 only.
- 29.2 The rules and regulations regarding standby allowances are contained in the Policy on including Work on Sundays and Public Holidays as well as Flexi Time Work. 0vertime Work,
- 29.3 The rate will be adjusted annually with a percentage not less than the percentage offered for the general increase and will apply from the date of the general increase

### 30. OVERTIME

- 30.1 The rules and regulations regarding overtime are contained in the *Policy on Overtime Work, including Work on Sundays and Public Holidays as well as Flexi Time Work.*
- 30.2 Overtime work applies to non-academic staff members only and implies working beyond normal working hours, as determined in the relevant letter of appointment, in order to continue / complete pre-authorised work that extends beyond the duties which can reasonably be expected from staff members.

### 31. PAY DATE

- 31.1 The normal pay date will be on the  $25^{th}$  of the month from January to November while December's pay-date will be earlier as determined by the Department of Finance in accordance to the annual almanac.
- 31.2 If the normal pay date falls on a Saturday the pay date will be the last working day prior to the normal pay
- 31.3 If the normal pay date falls on a Public Holiday or a Sunday the pay date will be the first working day after the normal pay date.

### 32. GENERAL

- 32.1 All NMMU policies are captured on the the NMMU Institutional Regulatory Code (IRC) – Policies, procedures and rules. These policies can be accessed on the staff portal or by contacting the HR Department.
- 32.2 It is the responsibility and requirement of all employees to make themselves familiar with all NMMU policies.

### 33. NO FURTHER CLAIMS

The unions undertake not to make claims or demands, outside of the normal salary / COS negotiations period

Initials of participating parties:

Management

gement

NET WILLIAM OF THE PROPERTY OF

NTEU

Page 10 of 13

SIGNED at PORT ELIZABETH on this

16 74

\_ day of

Initials of participating parties:	1. May for signature 2. Signature Signature	FOR AND ON BEHALF OF NEHAWU WHO WARRANTS HIS / HER AUTHORITY:  Signature  Name	1. Signature 2. Signature Signature	FOR AND ON BEHALF OF NTEU WHO WARRANTS HIS / HER AUTHORITY:  Signature  Nar	As witnesses:  Signature  Signature  Signature	FOR AND ON BEHALF OF NMMU WHO WARRANTS HIS / HER AUTHORITY:  Signature  Nam
	8.7. SAMPSON Name T. Peck Dai	RAUTHORITY:  A 8050PA  Name	Name  L. FOETUIN  Name	UTHORITY:  J. WESSEZ-S  Name	Name  T KANSEROS  Name	DERRICK SWARTZ

Management

Page 11 of 13

Z

### The Salary Formula

The formula consists of three (3) components, namely:

## Inflation Based Cost of Living Adjustment (COLA)

This component of the formula is determined by the current rate of inflation. This is the primary, and therefore, first component to be calculated. The adjustment effected in this portion of the calculation is an across the board (ATB) adjustment and changes the salary key scale start and end points (moves the scale).

# Cost of Living Enhancement (COLE) / Performance Based Enhancement

Once EDS is linked to pay, this part of the formula will become the provision for performance based pay.

The purpose of COLE is to strive to beat inflation through the Annual Salary Increment. The COLE is only payable if the implementation of the COLA does not result in the utilization of the total provision of funding available. Once performance related adjustments are implemented, this component will be allocated in accordance with personalised values based on the employee's performance rating as per the University's Performance Management System. This amount in the calculation does not affect the key scale parameters, but rather changes the remuneration position of the employee in their key scale (moves the employee in the scale).

Once an employee reaches the 75th percentile of their scale, the performance based enhancement will be in the form of a once-off payment.

Allocation of available funding for this purpose will be discussed by management with the unions.

### Value Parameters:

Value Parameters:

The implementation of the current rate of inflation will be effected provided it falls between 3-7% parameters.

### -

This component shall fall between 2% and 4%, subject to the availability of funds as part of the budgetary provision.

#### Calculation:

This value is calculated by averaging the CPI published by the four major banks and Stats SA from the previous 12 month cycle.

#### Calculation:

Until a base pay-linked Performance Management System is implemented this component will form part of an ATB increase subject to affordability.

Once a base pay-linked Performance Management System is implemented this component will be calculated according to each individual staff member's performance rating scale.

## **Market Related Adjustment**

The purpose of the component is to support the NMMU remuneration philosophy of tracking the HEI market mid-point. Depending upon the availability of funds once the COLA adjustment has been effected, a portion of the available funds may be allocated to this component.

Allocation of available funding for this purpose will be discussed by management with the unions.

### Value Parameters:

The band of automatically accepted values for this component of the calculation is between 0% and 8%. Since this part of the calculation represents a discretionary change to remuneration, a value of 0% may be accorded dependent upon the availability of funds.

#### Calculation:

The staff member's remuneration at NMMU is compared to the tracking point of their market value as per REM Channel.

Initials of participating parties:

Management



NTEU

Example:

(5% + 4.8% + 4.9% + 5.2% + 5.5%)/5= 5.08%

Example:

2% - 4% (no base pay performance link)

0% - 4% depending on performance rating of individual (base pay-linked Performance Management System)

Philosophy:

This component allows the individual to be rewarded according to the value they bring to the NMMU, in terms of excellent work performance.

This component ensures that the salary increases of NMMU staff do

Philosophy:

not fall below the current rate of

inflation.

Example:

Bob is paid on the 34th percentile while the NMMU philosophy is to track the HEI midpoint of the scale. Bob's salary can then be affordability figures. enhanced by 0%-8%, depending on

#### Philosophy:

This component provides a sophisticated and cost manageable mechanism for the NMMU to implement desired remuneration practices.

initials of participating parties:

Management

NIEU