

**Ministry of Education**  
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**Ministère de l'Éducation**  
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2013: B1

**MEMORANDUM TO:** Directors of Education  
Secretary/Treasurers of School Authorities

**FROM:** Gabriel F. Sékaly  
Assistant Deputy Minister  
Elementary/Secondary Business and Finance Division

**DATE:** January 2, 2013

**SUBJECT:** **Enhancements to the Memoranda of Understanding**

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I am writing today to advise you that, based on discussions between the government and its education stakeholders, and in light of local agreements that have been reached between boards and unions, regulations have been filed that change some of the provisions in the memoranda of understanding (MOUs) negotiated between the Ministry of Education and education sector unions. Regulations have also been made to parallel these enhancements, where relevant, for employees not governed by the MOUs. The government will set aside funding and make provisions necessary to support the financial implications of these enhancements.

As you know, the *Putting Students First Act (PSFA)* established December 31, 2012 as the final day for boards and unions to arrive at *PSFA*-compliant collective agreements. In keeping with the provisions of the *PSFA*, the Lieutenant Governor in Council has made an order that sets the terms for collective agreements across the education sector. For all boards, the terms of their applicable MOUs, including the enhancements outlined below, are to be fully incorporated into the collective agreements for 2012-14. It should be noted that, unless subsequently negotiated otherwise, the provisions of the collective agreements from 2008-12 continue in force for the next two years, with the exception of those provisions that do not agree with the applicable MOUs, or with supporting legislation or regulations. In such cases, the non-compliant provisions in the collective agreement are superseded by those of the applicable MOUs, statutes, or regulations.

In addition to the enhancements, several technical changes and clarifications have been made by regulation that also alter the terms of the MOUs signed previously. A memorandum will be released shortly with details on these changes.

#### *A. Short Term Leave and Disability Plan Top-Up*

All employees are allowed to carry over – into the subsequent school year only – any unused sick leave credits from their annual 10-day sick leave allocation. These carry-over days can be used for the purposes of topping up the Short Term Leave and Disability Plan (STLDP) days for illness that are being funded at 90 percent of the employee's annual salary. These carry-over days cannot be accumulated and can only be applied to absences for personal illness.

To help ensure a smooth transition of these new carry-over provisions, 2 days of sick leave top-up credits will be deemed available to all staff in 2012-13 for the top-up purposes described above. For clarity, 2 days of carry-over credits will provide for 20 days of sick leave topped up to 100 percent of annual salary, for a total of 30 days at 100 percent. These two deemed days are available for 2012-13 only, and if unused, cannot be carried forward or otherwise accumulated.

#### *B. One-Time Payout of Non-Vested Sick Days:*

Boards are now required to provide a one-time payment, based on a set formula, to those employees who, on August 31, 2012, did not meet the years-of-service threshold set by individual boards to qualify for a pay-out of accumulated gratuities upon retirement. The wind-up payment would be due by June 30, 2013.

The formula is as follows:

$$(X/30) \times (Y/200) \times (Z/10)$$

in which,

- “X” is the number of years of service as an employee with the board as of August 31, 2012,
- “Y” is the lesser of 200 and the number of days of sick leave credits as have been accumulated by the employee as of August 31, 2012, and
- “Z” is the employee's salary as of August 31, 2012

#### *C. Retirement Gratuities Eligibility Threshold:*

The years of service threshold for six specific boards has been changed to better align with practices in other boards. The following boards are now deemed to have a 10-years-of-service threshold for their employees to be eligible for retirement gratuities:

1. Avon Maitland District School Board
2. Hamilton-Wentworth District School Board

3. Hamilton-Wentworth Catholic District School Board
4. Huron Perth Catholic District School Board
5. Near North District School Board
6. Peterborough Victoria Northumberland and Clarington Catholic District School Board.

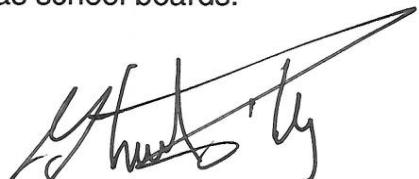
*D. Unpaid days for student services personnel*

Based on further negotiations between the Ministry of Education and the Association of Professional Student Services Personnel (APSSP), the number of unpaid days required of student service personnel in 2013-14 has been reduced from three days to one day.

If you require further information, please contact:

Financial accountability and reporting requirements	Andrew Davis	(416) 327-9356 andrew.davis@ontario.ca
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Since introducing the *PSFA* we have been in contact, both formally and informally, with representatives from all parts and all levels of the education sector. This dialogue is a measure of our shared commitment to promote fair and responsible collective agreements that meet the government's fiscal requirements and protect our gains in education. As reflected in this memorandum, after consultation we have been able to adjust our regulatory requirements to address the needs of bargaining agents, as well as school boards.



Gabriel F. Sékaly  
Assistant Deputy Minister

Copy: Superintendents of Business and Finance  
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