

## Total Rewards Overview for The Management Group (TMG)

Working at McMaster University brings a robust market-driven total rewards package. The elements and structure of the total rewards packages vary by employee group. The below chart summarizes the total rewards provisions for The Management Group (TMG).

COMPENSATION	
<b>Pay Philosophy</b>	Pay for Performance Ranges set to the 60 <sup>th</sup> percentile of the defined market.
<b>Pay Levels</b>	Jobs are assigned a band based on the evaluation outcome using the Korn Ferry Hay Job Evaluation Method.
<b>Salary Ranges</b>	The salary range for each band has a minimum, target and maximum. The target is set at the 60 <sup>th</sup> percentile of the defined market. For most bands, the minimum is set at 80% of the target and the maximum is set at 120% of the target. Salary ranges are reviewed annually to maintain the relationship to the 60 <sup>th</sup> percentile of the defined market.
<b>Progression through the Range</b>	An annual salary review occurs in July each year. Salary increases are merit-based in keeping with the pay for performance philosophy for TMG. Merit increases are allocated in accordance with a merit matrix, based on a set merit pool and individual increases are allocated on performance rating <sup>1</sup> and current position in the salary range (i.e., compa-ratio). Annual salary increases progress employees through the salary range, based on their level of performance.
BENEFITS	
<b>Employer Paid Benefits</b>	Benefits package consisting of: <ul style="list-style-type: none"> <li>• Extended Health</li> <li>• Dental</li> <li>• Emergency Out-of-Country Travel Coverage</li> <li>• Health Care Spending Account</li> <li>• Basic Life Insurance.</li> </ul>
<b>Optional Employee Paid Benefits</b>	Optional Life Insurance AD&D (Accidental Death and Dismemberment)
<b>Salary Protection Programs</b>	Salary continuance of up to 26 weeks, depending on years of service Long Term Disability (employee-paid)

<sup>1</sup> Performance ratings are assigned based on the [Achievement Program for TMG](#)

<b>Post-Retirement Benefits</b>	<p>Employees in TMG who were hired by the University prior to June 16, 2006 into a position that was eligible for post-retirement benefits retain eligibility for post-retirement benefits upon retirement from a TMG position. Benefits include Health Insurance, Dental Insurance, Emergency Out-of-Country Travel Insurance and Basic Life Insurance<sup>2</sup>.</p> <p>Employees in TMG who were newly hired by the University on or after June 16, 2006 are not eligible for post-retirement benefits. The University provides an exception for employees who were hired into a Unifor post-retirement benefit eligible position between June 16, 2006 and April 30, 2022 and subsequently transfer to a TMG position after their date of hire. These individuals have been grandparented and retain eligibility for post-retirement benefits upon retirement from a TMG position.</p>
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**RETIREMENT INCOME**

<b>Pension Plan</b>	<p>Eligible employees hired before June 16, 2009 participate in the University’s Contributory Pension Plan.</p> <table border="1" style="width: 100%;"> <tr> <td>Provision</td> <td>Hired before June 16, 2009</td> </tr> <tr> <td>Contribution Rates</td> <td>8.0% of salary up to YMPE plus 11.0% of salary above YMPE</td> </tr> <tr> <td>Special Retirement Date</td> <td>Rule of 85</td> </tr> <tr> <td>Pension Formula</td> <td>1.4% of Best Average Salary up to the Average Year’s Maximum Pensionable Earnings (“Average YMPE”) times Pensionable Service plus 2.0% of Best Average Salary in excess of the Average YMPE times Pensionable Service</td> </tr> <tr> <td>Pension Indexation</td> <td>Pensions in pay have the potential to be increased each January. The excess interest formula uses 4.5% and the calculation is described in the <a href="#">Highlights of the McMaster Pension Plan</a></td> </tr> <tr> <td>Best Average Salary</td> <td>Average of 48 highest months</td> </tr> </table>	Provision	Hired before June 16, 2009	Contribution Rates	8.0% of salary up to YMPE plus 11.0% of salary above YMPE	Special Retirement Date	Rule of 85	Pension Formula	1.4% of Best Average Salary up to the Average Year’s Maximum Pensionable Earnings (“Average YMPE”) times Pensionable Service plus 2.0% of Best Average Salary in excess of the Average YMPE times Pensionable Service	Pension Indexation	Pensions in pay have the potential to be increased each January. The excess interest formula uses 4.5% and the calculation is described in the <a href="#">Highlights of the McMaster Pension Plan</a>	Best Average Salary	Average of 48 highest months
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<b>Group RRSP</b>	<p>Eligible employees hired on or after June 16, 2009 participate in the University’s Group RRSP.</p> <table border="1" style="width: 100%;"> <tr> <td>Provision</td> <td>Hired on or after June 16, 2009</td> </tr> <tr> <td>Contribution Rates</td> <td>3.5% of salary up to YMPE plus 8.0% of salary above YMPE and up to 2X YMPE plus 11% of salary above 2X YMPE</td> </tr> <tr> <td></td> <td>100% employer match</td> </tr> </table>	Provision	Hired on or after June 16, 2009	Contribution Rates	3.5% of salary up to YMPE plus 8.0% of salary above YMPE and up to 2X YMPE plus 11% of salary above 2X YMPE		100% employer match						
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<sup>2</sup> Benefit entitlements change upon Retirement, including but not limited to: out of country coverage maximums, life insurance maximums, eyeglass coverage maximums, dental procedure coverage percentage, etc. Details on post-retirement benefits for TMG can be found [here](#).

PAID TIME OFF			
Vacation	Vacation Entitlement	Vacation Group	
		A	B
	Less than one year (expressed in working days per completed months of service)	1.25	1.67
	1 but less than 4 years of service	15	20
	4 but less than 10 years of service	20	20
	10 but less than 12 years of service	21	21
	12 but less than 14 years of service	22	22
	14 but less than 16 years of service	23	23
	16 but less than 18 years of service	24	24
	18 but less than 30 completed years of service	25	25
	30 or more completed years of service	30	30
	<p><i>Vacation Group A:</i> All those in TMG except those in vacation group B  <i>Vacation Group B:</i> Senior Professional/Management employees and equivalent positions (Band M and higher)</p> <p>Vacation entitlement is based on years of service and level of position. Vacation entitlement follows a set schedule, as outlined below.<sup>3</sup></p>		
Management Days	5 Management Days annually, as outlined in the <a href="#">TMG Management Days Policy</a> .		
LEARNING AND DEVELOPMENT			
Management Professional Development Allowance	\$2500 <a href="#">Management Professional Development allowance</a> annually.		
Tuition Assistance and Bursary	<p><a href="#">Tuition assistance</a> provides eligible McMaster employees support for the costs associated with undergraduate degree credit, diploma or certificate courses.</p> <p><a href="#">Tuition bursary</a> is available for eligible dependents of McMaster employees.</p>		

<sup>3</sup> Excerpt from the [Vacation Entitlement for Members of The Management Group](#).