AAPS 2025-2029 Collective Agreement
Frequently Asked Questions (Compensation Changes)

## Key Terminology

| New Terminology | Explanation |
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| General Pay Adjustment (GPA) | • A negotiated increase that is applied to salary ranges, and to individual salaries that are below the "market rate" (formerly "midpoint")<br>• Replaces the "General Wage Increase" (GWI), starting in 2026. |
| Market Rate | • Formerly called "Midpoint" of the salary range<br>• Employees at or above this rate demonstrate full performance in the role<br>• Approximately halfway between the minimum and maximum of a pay range |
| Market Rate Progression Increase (MRPI) | • Annual increase to by which employees progress towards market rate<br>• Subject to satisfactory performance<br>• Replaces "Midpoint Progression Increase (MPI)" effective May 11, 2026. |

## Market Rate Progression Increase

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| **Q:** | **Who is eligible for a market rate progression increase (MRPI)?** |
| A: | Employees whose salaries are below market rate are eligible for a market rate progression increase once annually, subject to satisfactory performance. |
| **Q:** | **How is the market rate progression increase determined?** |
| A: | There is a minimum market rate progression increase that must be provided each year, and this reflects equal increments in each year until the employee reaches the Market Rate of the range by the end of the fourth year in the role. The minimum MRPI in a given year for an employee is calculated as: $Minimum\ MRPI = \frac{market\ rate\ of\ pay\ grade - current\ salary}{\#\ of\ years\ remaining\ until\ the\ end\ of\ the\ 4th\ year}$ |
| **Q:** | **Can we provide more than the minimum market rate progression increase for the year?** |
| A: | Departments may provide more than the minimum required MRPI increase for the given year. In future years, the minimum MRPI will need to be recalculated using this formula: $Minimum\ MRPI = \frac{market\ rate\ of\ pay\ grade - current\ salary}{\#\ of\ years\ remaining\ until\ the\ end\ of\ the\ 4th\ year}$ |
| **Q:** | **Can we provide less than the minimum market rate progression increase for the year?** |
| A: | Departments cannot provide less than the minimum MRPI amount, subject to satisfactory performance. |
| **Q:** | **Can we provide a market rate progression increase that brings an employee above market rate of the range?** |
| A: | No, the market rate progression increase can only move an employee's salary up to the market rate. |

## Salary Increases Above Market Rate

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| **Q:** | **Do employees with salaries above the market rate of the range receive General Pay Adjustments (GPAs)?** |
| A: | No. General Pay Adjustments only apply to employees whose salary is below the Market Rate of the range. Salary increases for employees whose salaries are above the market rate of the salary range are based solely on a performance-based merit pay model. |
| **Q:** | **Is the merit program changing?** |
| A: | Merit program eligibility is not changing. Each year the average merit % will be determined by the university, but will be no less than the General Pay Adjustment for that year. |
| **Q:** | **Is every employee above market rate guaranteed a merit increase equal to the General Pay Adjustment?** |
| A: | No. Individual increases will vary based on performance. Some may be higher than the GPA and some may be lower. |
| **Q:** | **What happens if an employee's salary falls below the market rate after receiving their merit award?** |
| A: | The merit-based increases are based on the individual's performance during the evaluation period. If, after the merit program is administered, an employee's salary falls below market rate, the central implementation team will process an adjustment record to maintain their salary at the market rate of the range. |

## Changes to Pay Grade Maximums (Grades 10–18)

Effective July 1, 2026, the maximums of the salary ranges for pay grades 10-18 is changing from 125% of market rate to 120%. Employees whose salaries fall between the new maximum and the former maximum will be grandparented.

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| **Q:** | **What is the impact for employees whose salaries are between 120% and 125% of the market rate?** For example, market rate is $12,000/month, meaning 120% (new maximum) is $14,400/month and 125% (former maximum) is $15,000/month; and an employee is currently receiving $14,750/month. |
| A: | The employee's salary is grandparented in the previous structure, provided they were in their position as of May 11, 2026, allowing employees to receive merit increases up to 125% of the market rate (e.g., $15,000/month noted in the example). |
| **Q:** | **What is the impact for employees whose salaries are currently less than 120% of the market rate?** For example, market rate is $12,000/month, meaning 120% (new maximum) is $14,400/month and 125% (former maximum) is $15,000/month; and an employee is currently receiving $14,000/month. |
| A: | Salary increases cannot exceed the maximum of the pay grade range at 120% of the market rate (e.g., $14,400/month noted in the example). |
| **Q:** | **Are grandparented employees eligible for merit-based increases?** |
| A: | Yes. Grandparented employees are eligible for merit-based increases, subject to meritorious performance, per the merit pay program. However, any increase must not place the employee above the old pay scale maximum. |
| **Q:** | **Who will be responsible for implementing and monitoring the grandparenting changes?** |
| A: | The central Compensation team will review affected employees as part of the implementation process to determine whether each employee is within range or grandparented. A process is being established in Workday to identify and flag affected employees to support ongoing monitoring and salary administration. |

## Additional Salary Adjustment for Pay Grades 4 –7

Effective July 1, 2026, employees in pay grades 4, 5, 6, and 7 will receive a one-time 1.25% salary increase on their base pay, up to the maximum of the pay grade.

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| **Q:** | **Will every employee in pay grades 4 to 7 receive the full 1.25% increase?** |
| A: | Employees in pay grades 4 to 7 will receive the 1.25% increase. This increase will not exceed the maximum of the pay grade. For example, an employee at maximum will not receive this increase. |
| **Q:** | **When will this increase be effective?** |
| A: | The 1.25% increase is effective July 1, 2026, and will be applied after the 2025 Merit program and before the 2026 General Pay Adjustment (GPA). |
| **Q:** | **What happens if an employee is promoted or reclassified before July 1, 2026?** |
| A: | Eligibility is based on the employee's pay grade as of the effective date of the increase. If the employee is in pay grade 4, 5, 6, or 7 on July 1, 2026, they will be eligible. |

## Probationary Increase Changes

Probationary increases will no longer apply to employees hired on or after May 11, 2026. Instead, these employees will receive their first market rate progression increase (MRPI) at the end of their first year in the position, subject to satisfactory performance.

| Scenario | Eligibility |
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| Employee started their position on May 10, 2026, or before, and serves a probationary period | Eligible for a probationary increase |
| Employee started their position on or after May 11, 2026, and serves a probationary period. | Not eligible for a probationary increase; instead, eligible for MRPI |

For employees who start their position prior to May 11, 2026, and complete a probationary period or an orientation and assessment period, an optional probationary increase may still be processed in certain circumstances. The below table provides guidance on how to process an employee's first salary progression:

| Salary Increase Scenario | How to process |
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| Proposed increase results in a rate above market rate | Use the "Probationary Increase" reason |
| Employee's salary after proposed increase is below market rate | Change the reason to Market Rate Progression Increase (MRPI), and ensure that the minimum MRPI is met |

**Questions?**
If you have additional questions, please contact HR Advisory Services or HR Compensation.