



Wage and Benefits Parity Policy

The purpose of this policy is to ensure that when outsourcing is used, it should be pursued to increase quality and spark innovation, not to adversely affect the wages and benefits of Harvard's own service employees. Thus, contractors that provide security, custodial, or dining services to Harvard departments must pay their on-campus non-management employees total compensation comparable to the total compensation received by Harvard's in-house unionized employees who perform the same work. This Policy shall apply to contractors whose services or contracts with the University exceed \$50,000 or more per annum and extend for nine months or longer.

For the purposes of this policy, total compensation (which shall be based on an individual employee's seniority with the contractor company) includes: (1) hourly wage (plus any applicable differentials); (2) paid time off (sick leave, vacation, and holidays); and (3) the employer's contribution to employee benefits (health, dental, and pension), and any other employee benefits that are included in Harvard's labor agreements with security, custodial, and dining service workers that may become part of any future labor agreement. Each year, the University (OHR) will determine the total compensation for each job category/title by assigning a dollar value for wages and for the employers' contribution to the benefits outlined above.¹ Total compensation values will be assigned to each job category/title by matching the in-house job categories and/or titles with those of the contractors. Where job category/title matching cannot be accomplished, an evaluation of work performed will be conducted by OHR in order to "map" a contractor job category to an in-house job category performing the same or similar work.

In addition, consistent with operational requirements, contractors of employees that provide security, custodial, or dining services to Harvard departments shall allow such employees to participate in Harvard's Bridge to Learning and Literacy program, including providing paid release time. Contractors are required to reimburse Harvard, on a per capita basis, for each contract employee who participates in the Bridge program.

All contracts of \$50,000 or more to perform security, custodial, and dining services with a term of nine months or longer shall contain the language reflected in Attachment "A." In no case is this policy intended to result in a reduction in wages or benefits provided by a contractor to its employees.

Compliance

To ensure compliance, contracts covered by this policy shall be co-signed by an authorized officer of the school or department in order to be considered binding and valid. Upon execution of the contract, a signed copy will be submitted to the Office of Procurement Management.

In the event that a contractor fails to comply with the policy described in the above paragraphs, Harvard reserves the right, at its sole discretion, to terminate its agreement with said contractor. Harvard may, in lieu of termination of said agreement, provide the contractor with an opportunity to remedy its noncompliance. In the event Harvard terminates the agreement for noncompliance with this policy, the contractor may be ineligible to enter into any future agreements with Harvard for a period of two (2) years.

The Office of Procurement Management will issue annual reports that include: a listing of all Harvard contracts for security, custodial, and dining services; the amount and duration of each contract; and certification from contractors that their employees assigned to Harvard are receiving total compensation in keeping with the contract language. In addition, the Office of Risk Management and Audit Services will conduct on-site audits of the wage and benefit records of selected contractors to ensure compliance.

This policy will be reviewed at the end of each collective bargaining cycle in order to make adjustments consistent with the environment and circumstances at the time.

¹ For the purpose of this policy, the wage rates shall not be less than those found in the collective bargaining agreements of which Harvard is a party.