


OFFICE OF THE CHANCELLOR

To: USM Presidents
FROM: Jay A. Perman, Chancellor 
DATE: January 18, 2022
RE: Update to FY 2022 USM Compensation Guidelines

I. Introduction

The purpose of this memorandum is to update certain aspects of the FY 2022 USM Compensation Guidelines dated May 21, 2021. Any guidelines contained in the FY22 Compensation Guidelines that are not updated as provided in this memorandum continue in effect.

In December 2021, the Board of Regents approved an amendment to the Nonexempt Salary Structure increasing the minimum wage in each pay range to at least \$15 per hour. In addition, on January 4, 2022, the Maryland Department of Budget and Management notified the USM of certain salary enhancements to be provided to State employees: a 1% cost of living adjustment, merit increases, and a \$1,500 employee bonus. The State has allocated funding to the USM for its state-supported programs. This funding will remain in the DBM Personnel Budget until the Legislature passes the budget.

Each President shall establish institutional guidelines consistent with this document and related USM policies to ensure appropriate administration of these guidelines on their campus and to address compensation processes, issues or collective bargaining requirements specific to their institution. For institutions with bargaining units governed by consolidated bargaining, the Chancellor's designee will communicate these updates to the exclusive bargaining representative.

*II. Updated Guidelines***A. Nonexempt Salary Structure**

The nonexempt salary structure will be adjusted for Fiscal Year 2022 effective the first full pay period in January 2022, and employees whose pay falls below the new minimum of each pay range will receive a pay increase.

B. Salary Enhancements

These enhancements apply to all Regular USM Faculty and Staff employees. The only categories of compensated individuals exempted from these guidelines are Contingent 1 and 2 Staff employees, Contractual (Adjunct) Faculty, Graduate Assistants, Fellows, and Postdocs, unless otherwise noted. Nonetheless, each institution is encouraged to consider appropriate increases in the compensation and/or stipends of these groups of employees and students. Provisions of applicable collective bargaining agreements may supersede these guidelines for those employees covered by such agreements.

1. Merit Increases

The Governor's FY 2022 deficiency budget includes funding for merit increases in January 2022. Merit increases will be based on the employee's past performance during an evaluation period ending no later than the end of FY 2021. Employees must have received at least a "Meets Standards" rating (or its equivalent) to qualify for a merit increase. Each institution will develop a plan to notify employees of the increase, which shall be effective the first full pay period of January 2022.

- a. Regular Nonexempt Staff: Consistent with USM Policy VII-9.20, nonexempt staff who are given an evaluation ranking of "Meets Standards" or better shall receive a merit increase of 2.5%.
- b. Regular Exempt Staff and Faculty: Merit increases for these employees shall reflect their performance, consistent with the institution's performance evaluation plan and standards and any applicable collective bargaining agreement requirements. The FY 2022 budget includes funding for a 2.5% average merit pool for Regular Exempt Staff and Faculty employees.
- c. Contingent 1 and 2 Exempt and Nonexempt Staff, Contractual (Adjunct) Faculty, Graduate Assistants, Postdocs, and Fellows: Institutions may provide a merit increase to these employees based on their performance during FY 2021 and institution practices.

According to USM policy, Nonexempt and Exempt Staff employees are eligible to receive a merit increase up to the maximum of their respective pay ranges. In FY 2022, institutions may continue to provide the applicable merit increase above the maximum of an employee's range in the form of a one-time payment that is not added to the employee's base salary.

Merit increases are effective the first full pay period in January 2022.

2. Cost of Living Adjustment (COLA)

A 1% cost of living adjustment shall be provided to all Regular USM Faculty and Staff. Institutions may provide a 1% cost of living adjustment to Contingent 1 and 2 Staff, Contractual (Adjunct) Faculty, Graduate Assistants, Postdocs, and Fellows in accordance with institution policy and practice.

The COLA is effective the first full pay period in January 2022.

3. Bonus

A bonus of \$1,500 shall be provided to all regular USM Faculty and Staff based on FTE. Institutions may elect to provide a bonus to Contingent 1 and 2 Staff, Contractual (Adjunct faculty), Graduate Assistants, Fellows, and Postdocs, as a matter of institution policy and practice. The bonus shall be processed by the last pay period beginning in January 2022.

Final application of the January 2022 COLA, merit increases, and bonus payments for University of Maryland Baltimore School of Medicine clinical faculty may be based on the availability of clinical income, including contractual income, to support such payments.

cc:	Ellen Herbst	Carolyn Skolnik
	Vice Chancellors	Tom Hoffacker
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	Systemwide Human Resources Committee (SHRC)	