



OFFICE OF THE PRESIDENT

May 3, 2023

MEMORANDUM

TO: Vice Presidents and Assistant President and Chief of Staff

FROM: Darryll J. Pines, President 

SUBJECT: FY 2024 Presidential Salary Guidelines

The FY 2024 USM Compensation Guidelines from Chancellor Perman are enclosed for your reference. The guidelines apply to all sources of funds available to the institution, to all faculty and staff, including part-time and contingent personnel, and to all proposed salary increases through FY 2024. The only categories of compensated individuals exempted from the guidelines are adjunct faculty, graduate assistants, fellows, post-docs and student employees, except as noted.

Please distribute and discuss the guidelines with the unit heads in your divisions, including our campus-specific restrictions, and disseminate the information to the appropriate personnel.

I highlight the following information of the salary guidelines that take effect July 1, 2023 and continue through FY 2024:

1. The FY 2024 state budget includes funding for regular employee merit increases. The campus receives the equivalent of 2.5% of its state-supported salary base to award these types of increases in recognition of meritorious performance. All nonexempt staff who receive a PRD rating of “Meets Expectations” must receive a 2.5% increase. For exempt employees, the amount of the increase should be based on employee performance during the FY 2023 PRD period.
2. The FY 2023 appropriation includes a 2.0% cost-of-living adjustment (COLA) for all regular faculty and staff effective July 1, 2023. Units may elect to provide a COLA to contractual faculty, contingent staff employees, postdocs and fellows, if funding is available.
3. We will be allowed to provide salary increases necessary to retain faculty and operationally critical staff. The President must approve all proposed faculty retention increases, and any proposed retention increase for a staff employee with “vice president,” “provost,” or “dean” in their title.
4. Pursuant to guidelines established by each vice president, equity adjustments may be granted, subject to the approval of the appropriate vice president. The President must approve any proposed equity adjustment for an employee with “vice president,” “provost,” or “dean” in their title.

5. The President must approve all total salary increases, including all of the above-listed elements, of 15% or more. Promotions are excluded.
6. The minimum wage for all Maryland workers will increase to \$15.00 per hour effective January 1, 2024 per Governor Moore. The new minimum wage has been in effect for all campus employees, including student employees and general assistants, since January 1, 2023 per President Pines' announcement on August 29, 2022.
7. The minimum for all pay ranges on the Nonexempt and Exempt Salary Structures is \$15.00 per hour.

Salary Structures

- A. Exempt Salary Structure: No changes.
- B. Nonexempt Salary Structure: If the Board of Regents votes in June 2023 to adjust the nonexempt salary structure for Fiscal Year 2024, employees whose pay falls below the new minimum of each pay range will receive a pay increase to the new minimum of the range.
- C. Graduate Assistants stipends should be provided as described in the *Minimum Stipend Levels for Graduate Assistants and Fellows for FY 2024* memo, which is attached.
- D. Any adjustment to the Salary Structures will be effective July 1, 2023.

FY 2024 Salary Setting Guidelines

Salary adjustments are appropriate for promotions, within band adjustments, reclassifications, COLA, merit, equity, and retention of faculty or operationally critical staff.

Please ensure that salaries for new employees do not create significant salary inequities when compared with salaries of current faculty or staff.

The appropriate Vice President, prior to review by the President, must approve all proposed retention and equity increases, as well as total salary increases of 15% or more. Please note that certain salary requests also may require approval by the President, as previously mentioned.

Requests requiring salary approval should utilize the [Salary Increase Form](#) and be forwarded to the appropriate Vice President's Office. Please forward signed request forms to the Office of the President for final approval when appropriate.

Merit Increases

Merit increases will be based on the employee's past performance during a period ending no later than May 19, 2023. Employees who consistently meet the standards of performance during this period for their positions shall qualify for a merit increase. Employees must receive at least a "Meets Expectations" rating to qualify for a merit increase.

Regular nonexempt staff who receive a PRD rating of "Meets Expectations" and who have successfully completed their original probationary period by July 1, 2023 will receive a merit

increase of 2.5%. Please contact University Human Resources (UHR) with questions about a nonexempt employee's eligibility for the 2.5% increase.

According to USM Policy, nonexempt employees are eligible to receive a merit increase only up to the maximum of their respective pay range. A unit may provide applicable merit increases above the maximum of an employee's pay range in the form of a one-time payment that is not added to the employee's base salary.

The state funds received and allocated to divisions are a pool without a specific amount or percentage aligned to the campus' performance ratings. Supervisors may award merit increases as a percentage of salary, a flat dollar amount, or using another methodology that is consistent with unit merit pay plans and standards and any relevant collective bargaining agreement requirements. Different approaches may result in individuals receiving merit adjustments that are more or less than 2.5% of their salary. It is important to note that the President must certify to USM that the **overall** salary and wage budget of the institution has not increased by more than 2.5%, so large individual merit increases need to be offset elsewhere to enable certification.

Units may elect to provide a merit increase to contractual faculty and contingent staff employees as a matter of discretion and with available funding.

Cost of Living Adjustment (COLA)

All USM regular faculty and staff employees who are in a "paid status" on June 30, 2023 will receive a 2.0% COLA effective July 1, 2023. Contractual faculty and contingent staff may receive COLA at the discretion of the unit and with available funding, through an execution of an addendum to their contracts.

Retention and Equity Increases for Faculty and Staff

Retention and equity increases to faculty and operationally critical staff has been provided through judicious use over the last several years, and it is expected that retention and equity increases will continue to be reviewed through the same thoughtful and carefully considered process.

A. Faculty Retention: Salary increases for faculty retention must be written and submitted to the Office of the Senior Vice President and Provost for approval and then forwarded for recommendation to the President. Please use the online system provided by the Office of the Senior Vice President and Provost to submit these requests for approval. Faculty should not be notified of the proposed FY 2024 salary before the recommendation has received presidential approval. To support a retention adjustment, the justification must include one of the following:

- A written offer to the faculty member from another institution; or
- Written evidence, including email or other correspondence, that the faculty employee is being recruited seriously by another institution, or a search firm for an institution, at a compensation level likely to exceed the faculty member's current compensation;

- Documentation that the department has experienced retention problems in recent years that likely will result in the loss of a valuable faculty employee, if a retention adjustment is not made; or
- Other strong evidence that the institution is at imminent risk of losing a faculty employee in the absence of a retention adjustment.

B. Staff Retention: To support a staff retention request, the justification must include one of the following:

- A written offer of employment from an external employer; or
- Written evidence, including email or other correspondence, that the employee is being actively recruited by an external employer or a search firm for an employer, at a compensation level likely to exceed the employee's current compensation; or
- Attestation from the department head that the staff person is being actively recruited, and preemptive action is necessary in order to avert the employee's imminent departure.

The staff employee and/or position must be deemed "operationally critical" defined as:

- The employee has specialized and/or unique skills or experience that cannot be replicated without hiring a replacement at a higher salary (i.e., greater than the target hiring range); or
- The vacating of the position would cause significant disruption to the critical operations of the unit, or cause a loss of federal or other external funds, or compromise the institution's ability to compete for sponsored research grants or contracts; or
- The position has demonstrated retention challenges in recent years.

A staff retention offer is limited to match the amount of a formal external job offer, or, if preemptive, the retention is no more than 12% increase of the employee's current base salary.

To request approval for a staff retention or equity increase, the chair or director must complete the *Salary Increase Approval form* located at www.uhr.umd.edu and route it through its college and/or division to the appropriate Vice President, who will review the rationale to determine if the eligibility criteria is sufficiently met. If approved, the Vice President will forward the request to the Assistant Vice President and Chief Human Resources Officer for approval. Retention and equity increases for staff with "vice president," "provost," or "dean" in their title or who are direct reports to a vice president will need to be recommended and forwarded by the appropriate Vice President for review for final approval by the President.

The President must approve all total salary increases, including all of the above-listed elements, of 15% or more. Promotions are excluded.

The Assistant Vice President and Chief Human Resources Officer is required to report staff retention offers and other significant salary adjustments to the USM. These reports are subject to review by Maryland's Department of Legislative Services. Any questions regarding staff

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May 3, 2023

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retention offers should be directed to Ms. Rythee Lambert-Jones at 301-405-5649 or via email at rljones7@umd.edu.

DJP/mae

Enclosure – *FY 2024 USM Salary Guidelines*

Minimum Stipend Levels for Graduate Assistants and Fellows for FY 2024

OFFICE OF THE CHANCELLOR

TO: USM Presidents
FROM: Jay A. Perman, Chancellor 
DATE: May 1, 2023
RE: FY 2024 USM Compensation Guidelines

I. Introduction

The following are guidelines for the compensation of faculty and staff members of the University System of Maryland (USM) in Fiscal Year 2024. The FY 2024 budget includes a provision for a 2.0% cost of living adjustment and a 2.5% merit increase on July 1. The General Assembly has placed no restrictions on the ability of institutions to provide for retention, equity and other necessary increases to faculty and staff during the coming fiscal year.

The following guidelines take effect July 1, 2023, and will continue through the fiscal year. Each President may establish institutional guidelines consistent with this document and related USM policies to ensure their appropriate administration on their campus and to address compensation processes, issues or collective bargaining requirements specific to their institution.

II. Scope

These guidelines apply to all USM Faculty and Staff employees in Regular or Contingent I or II status, regardless of the source of funding for the employee's position. The only categories of compensated individuals exempted from these guidelines are adjunct faculty, graduate assistants, fellows, post-docs and student employees, unless otherwise noted.

Provisions of applicable collective bargaining agreements may supersede these guidelines for those employees covered by such agreements.

III. Guidelines**A. Merit Increases**

1. Based on budget information provided by the Department of Budget and Management, employees are eligible to receive a merit increase effective July 1, 2023. The FY 2024 state support budget includes funding for a 2.5% average merit pool for salaries funded by state support.

FY 2024 merit increases will be based on the employee's past performance during an evaluation period ending no later than July 1, 2023. Employees must receive at least a "Meets Standards" rating (or its equivalent) to qualify for a merit increase. Each institution will develop a plan to complete the performance evaluations upon which the merit increases will be based and to notify employees of resulting increases.

2. 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%.
3. 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 relevant collective bargaining agreement requirements.
4. Contingent I and II Exempt and Nonexempt Staff, Contractual (Adjunct) Faculty, Graduate Assistants, Postdocs, and Fellows: If funds are available, institutions may provide a merit increase to these employees based on their performance during their most recent review period 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 2024, 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.

B. Cost of Living Adjustment

Based on budget information provided by the Department of Budget and Management, all Regular USM Faculty and Staff are eligible to receive a 2.0% cost of living adjustment effective July 1, 2023. The FY 2024 state support budget includes funding for COLA for salaries funded by state support. Institutions may provide a cost of living adjustment to Contingent I and II Staff, Contractual (Adjunct) Faculty, Graduate Assistants, Postdocs, and Fellows in accordance with institution policy and practice based on available funds and in an amount determined by the institution.

Final application of the July 2023 COLA and merit increases 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.

C. Salary Structures

1. Exempt Staff Salary Structure: No change.
2. Nonexempt Staff Salary Structures: The Board of Regents is expected to vote in June 2023 on a recommendation to adjust the nonexempt salary structure for Fiscal Year 2024. If such an adjustment is approved, employees whose pay falls below the new minimum of each pay range will receive a pay increase to the new minimum of the range.

D. Minimum Wage

The minimum wage for Maryland workers will increase to \$15.00 per hour effective January 1, 2024.

E. Other Types of Compensation Increases Not Restricted by the Guidelines

The following types of compensation increases should be thoughtfully implemented only after full consideration of relevant factors:

1. Retention (to be used judiciously when necessary to retain a difficult-to-replace employee).
2. Equity Increases (e.g., increases required to comply with federal and state equal opportunity employment laws and federal immigration laws).
3. Reclassifications.
4. Promotions.
5. Payment for Additional Duties (e.g., summer and winter term teaching, overload teaching, on-call or clinical coverage, and temporary service in an acting capacity).
6. Established Institution Awards (including Board of Regents awards for staff and faculty and institution service awards).
7. Contract Renewal Increases.
8. Non-Cumulative Cash Bonuses.

An institution may award a non-cumulative cash bonus as described in BOR Policy VII-9.11, Policy on Pay Administration for Exempt Positions, Section III. K., and BOR Policy VII-9.20, Policy on Pay Administration for Regular Nonexempt Staff Employees, Section XVI. Your recommendations for bonus eligibility and the bonus pool amounts available at your institution should be sent to me for review and comment prior to any announcement to employees or the public.

9. Non-Salary Taxable Compensation.

According to BOR policy, certain increases in non-salary taxable compensation (e.g., housing and car allowances and deferred compensation contributions) must be authorized by the President and approved in advance by the Chancellor.

Note that USM approved programs, such as the Live Near your Work and the Childcare Grant Program, are exempted from this approval process.

10. Any other salary increase permitted by Board of Regents policy that is not prohibited by this memorandum.

F. Other Salary Adjustments.

Other compensation increases generally should not be made during the fiscal year.

IV. Required Reports

The following reports should be sent to HR Officer Tom Hoffacker in the USM Office no later than Friday, July 21, 2023, unless otherwise stated:

A. President's Affirmation Letter.

Shall affirm that the compensation actions taken for FY 2024 will be consistent with the guidelines established herein and that contracts are handled appropriately as stated in USM Policy VII-10.0, Policy on Board of Regents Review of Certain Contracts and Employment Agreements.

B. Updated List of Institution Key Staff Employees.

This must include, at a minimum, institution officers, direct reports to the President, and individuals whose contracts or other compensation agreements fall under the USM Policy VII-10.0, Policy on Board of Regents Review of Certain Contracts and Employment Agreements and must contain compensation data for FY 2023 and FY 2024. This list will designate key employees who fall under USM Policy VII-1.22, Policy on Separation for Regular Exempt Staff Employees.

C. Report of Significant Salary Adjustments.

This must provide details of regular faculty and staff employee salary adjustments to base pay that result in a cumulative compensation increase of more than 25% during the period July 1, 2023, to June 30, 2024.

This report will be due on Friday, July 26, 2024. The report should exclude changes to FTE unless the change in pay is not in proportion to the change in FTE.

Suggested reporting formats for each of these reports, an affirmation letter template, and other guidance will be provided to each institution's chief human resources officer. If you have any questions regarding these guidelines and reporting requirements, please contact Tom Hoffacker via email at thoffacker@usmd.edu. Thank you.

cc:

Ellen Herbst
Vice Chancellors
Vice Presidents for Administration and Finance
Provosts and Chief Academic Affairs Officers
Systemwide Human Resources Committee (SHRC)

Carolyn Skolnik
Tom Hoffacker
Lorri McMann
Colleen Auburger



DATE: April 17, 2023
TO: Deans, Department Chairs, and Graduate Directors
THROUGH: Jennifer King Rice, Senior Vice President and Provost
FROM: Steve Fetter, Associate Provost and Dean
SUBJECT: Minimum Stipend Levels for Graduate Assistants and Fellows for FY 2024

Graduate Assistantship Stipends

Effective July 1, 2023, a 2% COLA will be added to all graduate assistant stipends. In addition to the COLA increase, step-I minimum stipends will be increased by 3.3%, for a total increase of 5.4%. Funding will be provided to units for both COLA and the additional increase in minimum stipends for GAs on State-supported accounts. Together with previous increases, minimum stipends will have increased by 39% over the Fall 2021 level and by 67% over the last six years. The minimum Step-I 9-month stipend is above the cost of attendance estimated by the Office of Student Financial Aid for AY23-24.

The new minimum stipends are given below. Please ensure that stipends in your unit comply with the following guidelines:

- A. GAs should be placed in the appropriate step: step I for master's students; step II for doctoral students not advanced to candidacy; step III for doctoral students advanced to candidacy.
B. The Graduate School sets minimum stipend levels for each step and appointment term (9, 9.5, and 12 months). Stipend levels have no caps at any step or term. The Graduate School encourages programs to offer stipends that substantially increase the likelihood of successful student recruitment and degree completion.
C. Teaching assistants must be offered 9.5- or 12-month assistantships, due to responsibilities before and after the last day of classes. Teaching assistants may not be offered 9-month assistantships.
D. All graduate assistants at a particular step and term appointed by a unit should receive the same stipend amount, regardless of their payment history, duties, or the graduate program (when different from the appointment unit).

FY2024 Minimum Graduate Assistant Stipends

Table with 7 columns: Appointment Term (9 months, 9.5 months, 12 months) and Stipend Level (Full, Half). Rows include Step I, Step II, and Step III.

Graduate Fellowship Stipends

- A. The Graduate School sets minimum stipend levels for fellowships to qualify for tuition remission. For details, see <https://www.gradschool.umd.edu/funding/fellowship-information/tuition-award-fellows>.
- B. Fellowship stipend levels have no caps. The Graduate School encourages programs to offer fellowship stipends that substantially increase the likelihood of successful student recruitment and degree completion.
- C. Guidelines for University and Dean’s Fellowship increments apply.
- D. No work requirements can be attached to graduate fellowships.

FY2024 Minimum Graduate Fellowship Stipends

9-month fellowships		12-month fellowships	
Full	Half	Full	Half
\$20,000	\$10,000	\$25,000	\$12,500

International Students on Assistantships or Fellowships

International students offered 9- or 9.5-month assistantships or fellowships must show proof of private financial resources for the remainder of the year or must be provided additional support for that period. In either case, the total 12-month amount must equal or exceed the amount required by U.S. Citizenship and Immigration Services to obtain an immigration visa. For further information, contact International Student and Scholar Services (ISSS) at ext. 4-7740.

For further information regarding stipend guidelines, or other assistance, contact Patricia Woodwell, Director – Finance & Administration (x50814 / paw@umd.edu) or Barbara Rhine, Manager – Fellowships & Tuition Remission (x50371 / baf@umd.edu).