

FY 2008 Salary Guidelines

April 20, 2007

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The sequence to calculate salary adjustments on July 1, 2007 is as follows:

Order	Item
First	Adjustments to the new minimums of revised Nonexempt Salary Structure effective July 1, 2007 as approved by Board of Regents
Second	COLA = 2%. Amounts are to be prorated based on % FTE for those staff employed less than 100%. COLA is given in full regardless of Pay Range maximum.
Third	Merit increases (shall <u>not</u> exceed maximum of Pay Range)
Fourth	Any increase for reclassification or promotion that may be effective on that same date (July 1, 2007)

For example, using a salary of \$47,000 the FY 2008 salary is calculated as follows:

Current salary of \$47,000 + 2% COLA (\$940) = \$47,940

Merit of 2.5% (assuming full amount) is calculated on this figure: $\$47,940 * 2.5\% = \$1,199$

FY 2008 Salary: $\$47,940 + \$1,199 = \$49,139$

Example using a Regular Status Nonexempt employee salary of \$20,364 on Pay Range 1:

Current salary of \$20,364 + \$408 adjustment to new minimum of PR1 = \$20,772

$\$20,772 + \$415 (2\%) \text{ COLA} = \$21,187$

Merit of 2.5% is calculated on this figure: $\$21,187 * 2.5\% = \530

FY 2008 Salary: $\$21,187 + 530 = \$21,717$

Example using a less than 100% FTE salary – Employee working 50%, earning \$35,500:

Current salary of \$35,500 @ 50% FTE + \$710 COLA (note prorated based on % of FTE) = \$36,210

(if full-time, salary is \$71,000 + \$1,420 COLA = \$72,400)

Merit of 2.5% is calculated on this figure: $\$36,210 * 2.5\% = \905.25

FY 2008 Salary: $\$36,210 + \$905.25 = \$37,115.25$

1. Salary Structures

- a. The revision to the *Nonexempt Staff Employees Salary Structure* was approved by the BOR effective July 1, 2007 and the structure will remain in effect through June 30, 2009. The biennial market salary survey was conducted in December 2006 and the results show that the USM's salary structure needs to be adjusted at this time in order to remain competitive with the market.
- b. The current *Salary Structures* for *Exempt Staff* employees remain in effect through June 30, 2008.

Those institutions with a labor union representing the Nonexempt and/or Exempt Staff employees may be asked to bargain over salary structures. Please keep in mind the aforementioned comments on the salary structures when evaluating any proposals.

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5. **Salary Adjustments** – The total adjustment to an individual’s salary in excess of 15% shall be reviewed by you. The term “total adjustment” includes COLA, merit, one-time bonus, equity, and/or retention. Written documentation should support your decisions for these adjustments. **Further, total adjustments in excess of 15% shall be reported as noted below under Required Reports.**

With the exception of reclassifications and promotions for all Staff employees, and the renewal of contracts for Contract Faculty and Staff employees, salary adjustments generally should not be made during the fiscal year.

6. **Contingent Staff Employees** – Salaries must be paid at least at the minimum of the appropriate pay range.

Required Reports

The following items should be submitted to Associate Vice Chancellor James E. Sansbury of the USM Office of Human Resources, no later than June 30, 2007:

1. Report of salary adjustments in excess of 15% that you have approved, with a brief explanation in support of your decision;
2. Report of the *Ratings of Nonexempt Performance Evaluations* (see attached format);
3. Letter of certification that the salary actions you have taken for FY 2008 are consistent with the guidelines established herein; and,
4. Updated list of institution key staff containing salary data for FY 2007 and FY 2008 (see attached format).

If you have any questions, please contact James E. Sansbury at (301) 445-1966 or via email at sansbury@usmd.edu.

Enclosures

cc: Joseph F. Vivona, COO/VCAF
Provosts and Academic Vice Presidents
Vice Presidents for Administration
Vice Chancellors
Katie Ryan
James E. Sansbury
Linda K. Vukovich
Rosario I. van Daalen