



OFFICE OF THE CHANCELLOR

MEMORANDUM

To: ~~9~~ Tm ~~84~~ 0 12 15 Tj 2 15

1807
**University of Maryland,
Baltimore**

1856
**University of Maryland,
College Park**

1865
Bowle State University

1866
Towson University

1886
**University of Maryland
Eastern Shore**

1898
Frostburg State University

1900
Coppin State University

1925
Salisbury University

1925
University of Baltimore

1925
**University of Maryland
Center for Environmental
Science**

1947
**University of Maryland
University College**

1966
**University of Maryland,
Baltimore County**

B. Types of Compensation Not Affected by the Guidelines. Except for certain reporting requirements explained in this memo, the restrictions and requirements of the guidelines do not

B. FY 2012 Bonus.

No cost-of-living adjustments (COLA) will be made this year. However, Regular Status faculty and staff will receive a one-time \$750 bonus. This bonus will be paid to those employees on the payroll as of June 30, 2011 who continue to be employed by the USM at the beginning of FY 2012. The bonus will appear in employees' paychecks covering the second pay period of FY 2012: the July 22 paycheck for the University of Maryland institutions, and the August 3 paycheck for the former Board of Trustees institutions.

1. Regular Status Employees: The bonus will be provided to all Regular status Staff and Faculty employees regardless of fund source. It shall be pro-rated for Regular part-time employees according to the percentage of time worked by the employee.
2. Contingent Status Staff and Contractual Faculty Employees: The State budget for FY 2012 does not include funds to provide a bonus to Contingent status Staff and many Contractual Faculty employees. Accordingly, institutions are not expected to provide a bonus to their Contingent status employees. However, an institution experiencing serious challenges due to the misalignment between its salaries and market demands may provide a bonus to appropriate Contingent status employees in FY 2012. The bonus may not exceed \$750. Otherwise, the institution may set the bonus amount and applicable categories of Contingent employees to which it applies consistent with its specific labor market demands and available resources.
3. Processing of Bonus Payments: Further guidelines for the processing of bonus payments will be provided to each institution's human resources office as soon as those instructions are finalized.

C. Retention Increases for Staff and Faculty Employees.

Once again, the USM will be able to provide Faculty retention increases and, this year, the General Assembly also allowed retention increases for "Operationally Critical Staff." This option is intended for Faculty and Operationally Critical Staff who are being actively recruited by other institutions, or where there is compelling evidence that a preemptive action is necessary to prevent the loss of a valued employee.

The USM's ability to continue offering these limited salary increases was the result, in large measure, of the restraint exercised by our institutions in using this option in FY 2011. The judicious use of retention increases is equally important in FY 2012, especially as it is expanded to Operationally Critical Staff. Accordingly, this option should be administered as follows:

1. Faculty Retention Increases: To support a Faculty adjustment, the institution must have one of the following:
 - A written offer to the Faculty member from another institution; or
 - Written evidence, including e-mail 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 employee's current compensation; or

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.

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