



Office of
Human Resources
8000 York Road
Towson, MD 21252

May 25, 2022

To: Kim Schatzel, Melanie Perreault, Ben Lowenthal, Patricia Bradley, Brian DeFilippis, Vernon Hurte, Daraius Irani, Steve Eigenbrot, Sara Slaff, Joe Herring, Katie Maloney, Sean Welsh, and Boyd Bradshaw

From: Steve Jones, Chief Human Resources Officer and VP of Operations

Re: Towson University's (TU) FY 2023 Pay Adjustment Guidelines

CC: Brandon Cohen, Eric Jones, Divisional Budget Officers, HR Directors, and HR Partners

The University System of Maryland (USM) compensation guidelines have been provided for the new fiscal year (FY23) which begins July 1, 2022. These include the following:

- The FY 2023 budget provides for a 3% cost-of-living adjustment (COLA) and/or a 2.5% merit increase for eligible faculty, staff and student employees.
 - COLA eligibility
 - All regular and CII employees (exempt and non-exempt) employed as of July 1, 2022
 - All other status of employees (Adjuncts, Contingent I, GAs, student workers), who were eligible for, and received a COLA in Jan 2022, will also receive this COLA if they are either employed on the effective date of the increase or if they return to employment with a start date no later than Aug 31, 2022. If an individual in these statuses was not eligible for the COLA in Jan 2022, they will not be eligible for this 3% COLA.
 - Merit Increase eligibility
 - All regular and CII employees (exempt and non-exempt) actively employed by TU on or before March 1, 2022. No other status is eligible.
 - Must have a "Meets Expectations" performance review for the most recent performance review period of Jun 1, 2021 – May 31, 2022.
 - The review must be completed by June 30, 2022. Complete is defined as having been reviewed by the employee and entered into the DocuSign process.
 - Any manager/supervisor who fails to complete all of the performance reviews for their eligible employees by Jun 30, 2022, will not be eligible to receive any merit increase until the 1st of the month after they complete all of their reviews.
- Proposed Pay Structure Changes
 - If the Board of Regents votes in June 2022 to adjust the exempt or non-exempt pay structure for FY 2023, employees whose pay falls below the new minimum of their respective pay range will receive a pay increase to the new minimum of the range.

- If the Board of Regents votes in June 2022 to provide certain pay increases to address pay compression resulting from the Jan 2022 adjustment to the \$15.00 per hour minimum pay in the non-exempt pay structure, eligible non-exempt employees will be adjusted accordingly. Details of any changes will be communicated to the affected employees if/when they occur
- If an individual is eligible for multiple pay adjustments simultaneously, the priority for processing (based on USM policy) will be
 - Pay structure adjustment (if applicable) first, then
 - COLA (if applicable), then
 - Merit (if applicable), then
 - Any other pay adjustment (if applicable)
- Eligible employees may only receive pay increases up to the maximum of their respective TU pay range. Any eligible increase above the maximum of an employee's pay range will be paid in the form of a one-time payment that is not added to the employee's base pay. The timing of the one-time payment will be communicated to those individuals affected.
- While the minimum wage for Maryland workers will increase to \$13.25 per hour starting January 1, 2023, the minimum for all USM exempt and non-exempt pay structures will continue to be \$15.00 per hour.
- Provisions of any collective bargaining agreement will supersede these guidelines for those employees covered by such agreements.
- The effective date of any eligible pay adjustments will be July 1, 2022 except
 - Individuals eligible to receive a COLA who are not employed on Jul 1. Their COLA pay adjustment effective date will be the date of their return to work but no later than Aug 31, 2022)
 - Supervisors who fail to complete all of the performance reviews for their eligible employees by Jun 30, 2022. They will become eligible for their own merit increase on the 1st of the month after they complete all of their reviews.

OTHER TYPES OF PAY INCREASES NOT RESTRICTED BY THE GUIDELINES

In addition to the above, and in accordance with the FY 2023 USM Compensation Guidelines, the following types of pay increases should be thoughtfully implemented after full consideration of potential budgetary restrictions, loss of revenue and additional costs resulting from the COVID-19 pandemic.

1. To address issues of internal/external pay inequity supported by internal/external market data (including from the Market Assessment and Pay Study) and any pay increases required to comply with applicable federal and state laws.
2. Job reclassification review of an employee's current position due to significant changes in the responsibilities and/or required qualifications for the position.
3. Promotion to a new position.
4. Payment for additional duties, such as summer/winter term teaching, overload teaching, on-call or clinical coverage, and temporary service in an acting capacity.
5. Awards, including Board of Regents awards for faculty and staff and established institutional awards.



6. Contract renewal increases (i.e. pay increase related to the renewals of contracts for any eligible contractual faculty and contingent staff employees).
7. Non-cumulative cash bonuses as described in BOR Policies VII-9.11 and VII-9.20. Requests for bonuses require justification and approval by the President.
8. Non-salary taxable compensation (e.g., housing and car allowances, and deferred compensation contributions) as authorized by the President and approved in advance by the Chancellor.
9. In very limited and exceptional cases, a pay increase for the retention of an employee may be considered. These requests may require additional documentation, the support of the Division VP and the approval of the President or her designee.

While these pay increases will contribute to our objective of providing competitive pay for our employees, the comprehensive market assessment and pay study that was recently conducted enables us to use market data to assess and update our faculty and exempt staff pay programs. A similar market study was done for our non-exempt positions. The data collected in these studies will continue to be updated to ensure our pay is competitive and our tools, resources and processes are aligned.

Requests for pay adjustments may be considered and decisions will be thoughtfully implemented giving consideration to actual and anticipated budgetary restrictions, loss of revenue, and impact on the overall pay programs.

Managers and supervisors should work closely with their HR Partner when considering making any requests for pay adjustments consistent with the guidelines provided. All pay increase requests are subject to review and final approval by the Division Vice President with concurrence from the Chief Human Resources Officer (CHRO).

