A new fiscal year beginning July 1, 2018 will bring changes to state and University System of Maryland (USM) compensation guidelines that will impact our pay practices. These include the following changes:

- Effective July 1, 2018, the minimum wage for all Maryland workers will increase to $10.10/hour. The new minimum wage will apply to all TU employees, including student employees and contingent I employees.
- Effective January 1, 2019 a 2% cost of living adjustment (COLA) increase is approved for all regular status faculty and staff members, contingent category II staff, and lecturers on TU payroll as of December 31, 2018.
- Effective January 1, 2019, the exempt salary structure will increase 2% simultaneously with the COLA granted on the same date. (NOTE: There will only be one increase of 2%). The non-exempt salary structure will remain the same.
- Finally, if FY 2018 general fund revenues exceed forecasted levels by at least $75 million, these same employees on TU payroll as of March 31, 2019 will receive an additional 0.5% COLA and a one-time $500 bonus effective April 1, 2019.

In addition to the above, and in accordance with the USM’s FY 2019 salary guidelines, outlined below are the TU guidelines we will use for salary adjustment requests for staff and faculty positions. These guidelines will apply:

- Regardless of fund sources,
- Effective July 1, 2018 and
- Throughout the entire fiscal year (July 1, 2018 – June 30, 2019).

The categories of employees excluded from the guidelines are adjunct faculty, graduate assistants, fellows, post-doctorate and student employees.

Requests made on the following basis are not permitted:

1. Merit Increases.
2. Increases based on performance, length of service and/or increase in volume of work.
3. Non-cumulative cash bonuses as described in BOR Policies VII-9.11, Section K and VII-9.20, Section XVI. A and B.
Requests for pay adjustments made on the following basis will be considered:

1. To address issues of internal/external pay inequity, including increases required to comply with applicable federal and state laws. Requests must use recognized sources of pay data (internal and relevant external market) to substantiate the recommendation and provide an explanation of:
   a. What caused, or alerted the supervisor to the inequity, and
   b. How the requested salary adjustment will restore equity among similar positions within the institution; and
   c. How the requested salary adjustment will positively impact pay equity.
2. Reclassification of an employee’s current position. These type requests must demonstrate significant changes in the responsibilities and/or required qualifications for the position and are NOT simply based on an increase in the volume of work.
3. Promotion to a new position.
4. In very limited and exceptional cases, a salary increase for the retention of an employee may be considered. These requests shall be made judiciously and may require the approval of the President or her designee. Requests must include:
   a. Justification that the skills required for the position are unique and difficult to replace, and
   b. A verifiable offer for a related and/or relevant position in a similar organization
5. Payment for additional duties, such as summer/winter term teaching, overload teaching, on-call or clinical coverage, and temporary service in an acting capacity.
6. Awards, including Board of Regents awards for staff and faculty and established institutional awards.
7. Contract renewal increases (i.e., salary increase related to the renewals of contracts for any eligible contractual faculty and contingent staff employees.
8. Increases in non-salary taxable compensation (e.g., housing and car allowances, and deferred compensation contributions) authorized by the President and approved in advance by the Chancellor.

Process for Requesting a Pay Adjustment for Equity, Reclassification, or Retention
- Supervisors shall work closely with a member of Human Resources when considering and developing a request for a pay adjustment.
- Requests should be made judiciously and only after careful consideration of the broader impact the adjustment will have on others in similar positions.
- All requests will require the appropriate documentation and data that explains and supports the request (to include the funding source both current and future) as well as signatures of support from the VP of the Division.
- HR staff will evaluate the request and submit their recommendation to the Supervisor/Requestor, the VP of the Division, and the AVP of Human Resources
- Final decisions on requests will be made by the VP of the Division with concurrence of the AVP of HR. Exceptional situations may require the approval of the President or designee.
- Communication with a potentially affected faculty/staff member shall only take place AFTER a final approval decision is made and confirmed.
- While every effort will be taken to make this an expedient process, the actual time to process a request will depend on the data to be reviewed. The OHR will make every attempt to complete their study within the following timeframes:
  o Retention increases within 3 business days;
  o Equity adjustments within 30 calendar days; and
  o Reclassifications within 60 calendar days. Requestors will be contacted if the request will extend past the timeframe.