



**OFFICE OF THE PRESIDENT**

May 7, 2024

**MEMORANDUM**

**TO:** Vice Presidents and Assistant President and Chief of Staff

**FROM:** Darryll J. Pines, President 

**SUBJECT:** FY 2025 Presidential Salary Guidelines

The FY 2025 USM Compensation Guidelines from Chancellor Perman are enclosed for your reference. The guidelines apply to all faculty and staff, including regular and contingent personnel, regardless of the funding source. The only categories of compensated individuals exempted from these 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. University Human Resources will provide additional details about cost-of-living adjustment (COLA), merit increases, and salary structure adjustments.

I highlight the following information of the salary guidelines that take effect July 1, 2024 and continue through FY 2025:

1. The FY 2025 budget includes a provision for a 3.0% COLA for all regular faculty and staff, effective July 1, 2024. A 3.0% COLA will be added to all graduate assistant stipends, effective July 1, 2024. If funding is available, units may elect to provide a COLA to contractual faculty, contingent staff employees, postdocs and fellows.
2. The FY 2025 state budget allows for employee merit increases. An average 2.5% pool for merit increases for state supported, regular employees will be made available to each division for allocation.
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 remains at \$15.00 per hour.

### **Salary Structures**

The Board of Regents approved the recommended adjustments to the nonexempt and exempt salary structures for Fiscal Year 2025.

- A. [Exempt Salary Structure](#): A 5% increase to the exempt salary structure has been implemented.
- B. [Nonexempt Salary Structure](#): The minimum pay for nonexempt employees is \$38,000 per year. A 3% range progression to the minimums of nonexempt pay ranges 3-12 has been implemented.
- C. Graduate Assistants stipends should be provided as described in the *Minimum Stipend Levels for Graduate Assistants and Fellows for FY 2025* memo, which is attached.
- D. Any exempt or nonexempt employee whose pay falls below the new minimum of their assigned pay range will receive a pay increase to the new minimum of the range, effective July 1, 2024.

### **FY 2025 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 appropriate 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.

### **Cost of Living Adjustment (COLA)**

All regular faculty and staff employees with an active appointment on June 30, 2024 will receive a 3.0% COLA, effective July 1, 2024. Additionally, a 3% COLA will be added to all graduate assistant (GA) stipends, effective July 1, 2024. Contractual faculty, contingent staff, postdocs and fellows may receive COLA at the discretion of the unit, if funding is available, through an execution of an addendum to their contracts.

### **Merit Increases**

Merit increases will be based on the employee's past performance during the 2023-2024 PRD period ending. Employees must receive at least a "Meets Expectations" rating to qualify for a merit increase.

Employees in the Bargaining Unit:

Regular nonexempt and exempt employees who are in the bargaining unit will receive a 2.5% merit increment, if they receive at least an overall “meets expectations” on their 2023-2024 PRD. The effective date for the merit increment will be July 1, 2024.

Employees NOT in the Bargaining Unit:

To be eligible for the merit increase, all regular faculty and exempt employees who are not in the bargaining unit must have started employment on or before January 1, 2024 and receive at least an overall “meets expectations” on their 2023-2024 PRD. The effective date for the merit increases will be July 1, 2024.

University Human Resources will provide additional details about eligibility for merit.

According to the USM Board of Regents Policy, nonexempt and exempt staff 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.

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%.

Units may elect to provide a merit increase to contractual faculty and contingent staff employees as a matter of discretion and if funding is available. The amount of the increase should be based on employee performance during the 2023-2024 PRD period. The effective date for the merit increases will be July 1, 2024.

**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 form at [provost.umd.edu/salary-change](https://provost.umd.edu/salary-change) 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 appropriate Salary Increase Approval form. For non-academic units, please use the Salary Increase Approval form located at [www.uhr.umd.edu](http://www.uhr.umd.edu); and for Academic Affairs units, please use the form at [provost.umd.edu/salary-change](http://provost.umd.edu/salary-change). The form should be routed 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 significant salary adjustments of regular faculty and staff employees where the salary adjustments to base pay resulted in a cumulative compensation increase of more than 25% during the period July 1, 2024, to June 30, 2025 to the USM. These reports are subject to review by

FY 2025 Presidential Salary Guidelines

May 7, 2024

Page 5

Maryland's Department of Legislative Services. Any questions regarding staff retention offers should be directed to Ms. Rythee Lambert-Jones via email at [rljones7@umd.edu](mailto:rljones7@umd.edu).

DJP/mae

Enclosures – *FY 2025 USM Salary Guidelines*

*Minimum Stipend Levels for Graduate Assistants and Fellows for FY 2025*

## OFFICE OF THE CHANCELLOR

**TO:** USM Presidents  
**FROM:** Jay A. Perman, Chancellor  
**DATE:** May 1, 2024  
**RE:** FY 2025 USM Compensation Guidelines

**I. Introduction**

Following are guidelines for the compensation of faculty and staff members at constituent institutions of the University System of Maryland (USM) in Fiscal Year 2025.

These guidelines take effect July 1, 2024, and will continue through the fiscal year. Each President may establish institutional guidelines consistent with this document and related Board of Regents policies to ensure their appropriate administration on their campus and to address compensation processes, issues, or collective bargaining requirements specific to their institution. In addition to ensuring the application of any increases required by the provisions of ratified collective bargaining agreements, institutions are to prioritize required salary structure adjustments and cost of living increases for regular employees.

**II. Scope**

These guidelines apply to all 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.

Please note that, to the extent the provisions of ratified applicable collective bargaining agreements conflict with these guidelines, those agreements supersede these guidelines *for employees covered by such agreements*.

**III. Guidelines****A. General**

The FY 2025 budget includes a provision for a 3.0% cost of living adjustment and provision for a merit increase. Limited general fund support has been provided for state supported positions only. 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 sequencing of pay adjustments is referenced in BOR policy VII Policy on Pay Administration for Regular Nonexempt Staff Employees

<https://www.usmd.edu/regents/bylaws/SectionVII/VII920.pdf>.

B. Salary Structures

The Board of Regents approved the recommended adjustments to the nonexempt and exempt salary structures for Fiscal Year 2025. The adjustments include an increase to the minimum pay for Nonexempt employees to \$38,000 per year and implementing a 3% range progression to the minimums of non-exempt pay ranges 3-12; and a 5% increase to the Exempt salary structures. 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. Cost of Living Adjustment

Based on budget information provided by the Department of Budget and Management, all Regular Faculty and Staff are eligible to receive a 3.0% cost of living adjustment, effective July 1, 2024. Institutions also 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 2024 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.

D. Merit Increases

Based on budget information provided by the Department of Budget and Management, and subject to the availability of funds at each institution, employees may be eligible to receive a merit increase during FY 2025. Institutions may determine the effective date during FY 2025 of any merit increases awarded. Any merit increases will be based on the employee's past performance during an evaluation period ending no later than July 1, 2024. 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.

1. Regular Nonexempt Staff: Consistent with BOR Policy VII-9.20, Nonexempt staff who receive an evaluation ranking of "Meets Standards" or better shall receive a merit increase of 2.5%.
2. Regular Exempt Staff and Faculty: Merit increases for these employees shall reflect their performance, consistent with the institution's performance evaluation plan and standards.
3. 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 Board of Regents policy, Nonexempt and Exempt Staff employees are eligible to receive a merit increase only up to the maximum of their respective pay ranges. In FY 2025, 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.

E. Minimum Wage

The minimum wage for Maryland workers remains at \$15.00 per hour.

F. FLSA Standard Salary Exemption from Overtime Eligibility

G. On April 23, 2024, the U.S. Department of Labor announced a final rule updating and revising regulations implementing the Fair Labor Standards Act regarding overtime pay requirements and standard salary level. USM Office of Human Resources will provide guidance regarding these new regulations under separate cover.

H. 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 Board of Regents 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 exempt from this approval process.

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

I. Salary Adjustments Equivalent to those Required by Collective Bargaining Agreements and other Salary Adjustments (other than COLA and merit noted in III A. & B.).

Based on available funds, an institution may provide to non-bargaining unit Regular Exempt or Nonexempt employees the same salary adjustments provided to bargaining unit employees in the same class at any USM constituent institution. Alternatively, for Regular Exempt employees only, a non-cumulative cash bonus up to the annual amount of the salary adjustment may be provided. Other compensation increases not mentioned in these guidelines generally should not be made during the fiscal year.

**IV. Required Reports**

The following reports should be sent to Sr. HR Officer Tom Hoffacker in the USM Office no later than Friday, July 26, 2024, unless otherwise stated:

A. President's Affirmation Letter.

Shall affirm that the compensation actions taken for FY 2025 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.

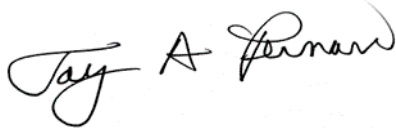
This must include, at a minimum, institution officers, direct reports to the President, and individuals whose contracts or other compensation agreements fall under the USM Policy VII-10.0, Policy on Board of Regents Review of Certain Contracts and Employment Agreements and must contain compensation data for FY 2024 and FY 2025. 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, 2024, to June 30, 2025.

This report will be due on Friday, July 25, 2025. 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](mailto:thoffacker@usmd.edu). Thank you.

A handwritten signature in black ink that reads "Jay A. Perrow". The signature is written in a cursive style with a large, stylized "J" and "P".

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 25, 2024
TO: Deans, Department Chairs, and Graduate Directors
THROUGH: Jennifer King Rice, Senior Vice President and Provost
FROM: Stephen Roth, Associate Provost and Dean
SUBJECT: Minimum Stipend Levels for Graduate Assistants and Fellows for FY 2025

Graduate Assistantship Stipends

Effective July 1, 2024, a 3% COLA will be added to all graduate assistant (GA) stipends. Funding will be provided to units for the COLA for GAs currently on State-supported accounts. These increases continue our commitment to enhance our support of GAs. Accounting for the GA tuition assistance benefit, the minimum Step I 9-month stipend is above the cost of attendance estimated by the Office of Student Financial Aid for AY24-25. The Graduate School encourages programs to offer stipends that substantially increase the likelihood of successful student recruitment and degree completion.

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.
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).

FY2025 Minimum Graduate Assistant Stipends

Table with 7 columns: Step (I, II, III), 9 months (Full, Half), 9.5 months (Full, Half), 12 months (Full, Half). Rows show stipend amounts for each combination.

## **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 Dean's Fellowship increments apply.
- D. No work requirements can be attached to graduate fellowships.

### **FY2025 Minimum Graduate Fellowship Stipends**

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

*NOTE: For FY25-26, minimum graduate fellowship stipends will increase to \$25,000 for 9-month and \$30,000 for 12-month fellowships.*

## **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 questions or further information regarding assistantship or fellowship stipend guidelines, contact Patricia Woodwell - Director, Finance & Administration (x50814 / paw@umd.edu) or Maria Palmaira - Business Manager, Fellowships (x50404 / palmaira@umd.edu).