

USM Bylaws, Policies and Procedures of the Board of Regents

USM HR Policy Review Sheet

Policy Number: VII – 9.20

New Policy Title: Policy on Pay Administration for Regular Nonexempt Staff Employees

Old Policy Title: Policy on Salary Increases and Bonuses

1. Policy Application: Nonexempt Staff Exempt Staff Faculty Contingent Staff
 All Other: _____

2. Proposed Revisions

Terminology outdated

Re-Formatting

Title Change

Obsolete provisions deleted

Merge with other policy: with VII – 9.30, VII – 9.40 & VII – 9.60

Clarifications: _____

Transfer to another policy or chapter: _____

Updates to reflect changes in law

Incorporate USM-wide existing practice into policy

Incorporated Pre-USM Policy:

Fills gap in policy:

Added definitions

Other revisions: _____

DRAFT May 7, 2015

**VII - 9.20 - POLICY ON ~~SALARY INCREASES AND BONUSES~~ PAY
ADMINISTRATION FOR REGULAR NONEXEMPT STAFF EMPLOYEES**

(Approved by the Board of Regents, June 9, 1995, **EFFECTIVE July 1, 1996**. Amended April 9, 1999. Amended xx/xx/2015. Please refer to the “replacement for” section of this policy.)

Table of Contents

- I. Purpose and Applicability
- II. Definitions
 - A. Transfer
 - B. Reclass
 - C. Reinstatement
 - D. Reemployment
- III. Salary Upon Entry Into USM Service
 - A. Entrance Into Service
 - B. Appointments Above Minimum
- IV. Salary upon Reinstatement
 - A. Reinstatement to a Job Class With the Same Maximum Salary
 - B. Reinstatement to a Job Class with a Higher Maximum Salary
 - C. Reinstatement to a job Class with a Lower Maximum Salary
- V. Salary Upon Re-Employment
- VI. COLA
- VII. Performance Based Salary Increases
- VIII. Salary Structure Adjustments

- IX. Completion of Probationary Period
- X. Salary Upon Transfer or Reclass
 - A. Salary Upon Promotional Transfer or Promotional Reclass
 - B. Salary Upon Lateral Transfer or Lateral Reclass
 - C. Salary Upon Demotional Transfer or Demotional Reclass
- XI. Within Range Salary Adjustment
- XII. Salaries Exceeding the maximum of the Range
- XIII. Reporting of Salary Increases
- XIV. Priority for Processing Simultaneous Pay Transactions
- XV. Non-Cumulative Cash Bonuses

I. PURPOSE AND APPLICABILITY

It is the ~~UMS-USM~~ policy that employees may be eligible to receive salary increases for reasons of cost of living adjustments; annual salary increases based on performance; salary structure adjustments; completion of certain probationary periods; ~~and~~ promotion, and other purposes as designated by the Chancellor. This policy also establishes the timing and basis for granting multiple adjustment increases and non-cumulative cash bonuses. This policy

applies to Regular Status Nonexempt Staff employees—~~maintenance, office, service, and technical staff.~~

II. DEFINITIONS

For purposes of this policy the following terms and definitions shall apply.

A. Transfer:

A transfer is defined to be:

1. A lateral move to a position with the same salary range,
2. A promotional move to a position rated at a higher salary range than the range of the current position, or
3. A demotional move to a position with a lower salary range than the range of a current position.

Transfers may occur within or across organizational units and within or across USM institutions.

B. Reclass

An action that occurs when the job class to which a position is assigned is changed by raising it to a higher class, reducing it to a lower class, or changing it to another class at the same level. See also BOR VII-9.70 Policy on Requesting A Position Classification Review for Nonexempt Staff Positions.

C. Reinstatement

A former Regular Status employee's return to employment with a USM institution within three (3) years following a period of separation from the USM and/or State Employment. See BOR VII-9.61 Policy on Reemployment and Reinstatement for Regular Status Nonexempt and Exempt Staff Employees.

D. Re-Employment

A former Regular Status employee's return to employment with a USM institution after a period of separation from the USM and/or State employment greater than three (3) years.

III. SALARY UPON ENTRY INTO USM SERVICE (FROM VII – 9.30)

A. Entrance Into Service

1. Appointment to any USM position shall be made at least at the minimum of the salary range for the job class to which the position is assigned.

2. The salary for all part-time regular appointments shall be prorated based on the salary prescribed for regular full-time appointment.

B. Appointments Entrance Above Minimum

1. The institution's President Chief Executive Officer or designee may authorize a salary above the minimum of the range but within the maximum of the range for the job class for any of the following criteria:
2. A demonstrated and documented inability to attract a pool of qualified candidates; or
3. Rejection of an offer of employment at the minimum rate for the position by the institution's top candidate(s); or
4. Other circumstance which is documented and approved by the institution's President Chief Executive Officer or designee.

IV. SALARY UPON REINSTATEMENT (FROM VII-9.60)

The institution's President Chief Executive Officer or designee shall have the flexibility to authorize a salary for a position to be occupied by an individual eligible for reinstatement in keeping with the following provisions:

A. Reinstatement to ~~the Same A~~ Job Class With the Same Maximum Salary

Upon reinstatement to a position within ~~the same a~~ job class that has the same maximum salary as the job class at the time of the individual's most recent separation, the individual's salary shall be no less than the salary ~~the that~~ same individual held at the time of most recent separation from ~~UMS USM~~ -service.

B. Reinstatement to a Job Class with a Higher Maximum Salary

Upon reinstatement to a position within a job class that has a higher maximum salary than the job class at the time of the individual's most recent separation, the individual's salary shall be no less than the salary that the individual held at the time of most recent separation from ~~USM UMS~~ service, but no less than the minimum salary for the job class.

C. Reinstatement to a Job Class with a Lower Pay Range~~Maximum Salary~~

Upon reinstatement to a position within a job class that has a lower pay range ~~maximum salary~~ than the job class at the time of the individual's most recent separation, the individual's salary shall be no more than the salary received at the time of most recent separation, unless the salary falls below the minimum of the lower pay

~~range.~~ The ~~President Chief Executive Officer~~ or designee shall determine the individual's salary within the range.

V. SALARY UPON RE-EMPLOYMENT (FROM “Red Book”)

~~Any former employee returning to USM service on a re-employment basis must re-enter as a new employee.~~

VI COLA

All regular ~~status Nonexempt Staff~~ employees ~~in job groups identified above~~ shall receive ~~cost of living adjustment (COLA)~~ increases as appropriated by the ~~Maryland General Assembly, State Legislature.~~

VII. PERFORMANCE BASED SALARY INCREASES

A. Provided funds are available, it is the policy of the ~~UMS-USM~~ that employees who consistently meet the standards of performance for their positions shall receive performance based salary increases. These increases normally shall be effective on July 1, ~~as appropriated by the Maryland General Assembly.~~

B. Salary increases shall be administered as follows:

~~1.~~ Employees who have completed an original probation period and who on an overall basis meet the standards of performance throughout the evaluation period, shall receive a 2.5% (percent) ~~one-step~~ increase.

~~2. Employees whose performance is evaluated as outstanding on an overall basis throughout the evaluation period may be eligible to receive up a 2.5 percent increase based on availability of funds.~~

VIII. SALARY STRUCTURE ADJUSTMENTS

In the event that the salary structure is adjusted, ~~employees~~~~employees'~~ salaries shall be adjusted according to ~~the BOR VII-9.10 Policy on~~ the Pay Program for Nonexempt Staff Employees, Adjustment of Salary Structures and Impact on Salaries.

IX. COMPLETION OF PROBATIONARY PERIOD ~~for Nonexempt Employees~~

Upon successful completion of an original or a promotional probationary period ~~(not for a probationary period because of a lateral transfer)~~, nonexempt employees shall receive a ~~salary 2.5% salary~~ increase effective at the beginning of the pay period following successful completion of the probationary period.

X. SALARY UPON TRANSFER OR RECLASS (FROM VII-9.40)

~~Upon promotional reclass or promotional transfer employees shall receive salary increases according to the Policy on Salary Upon Transfer or Reclass.~~

A. SALARY UPON PROMOTIONAL TRANSFER OR PROMOTIONAL RECLASS

1. Competitive Promotion

Upon competitive promotion, the salary for an employee shall increase at least six percent (6%). ~~by placement on the appropriate step in the new salary range.~~ Employees shall be granted an additional ~~step salary~~ 2.5% increase upon successful completion of a probationary period.

2. Promotional Reclass

Upon a promotional reclass, the salary for an employee shall increase at least six percent.

~~A.B.~~ **Salary Upon Lateral Transfer or Lateral Reclass (FROM VII-9.40)**

Upon both circumstances the employee's salary shall remain the same.

~~B.C.~~ **Salary Upon Demotional Transfer or Demotional Reclass (FROM VII-9.40)**

1. ~~A demotional transfer or reclassification to a lower pay range may result in a reduction to pay.~~ Upon demotional transfer or reclassification, the employee's salary shall be placed ~~on the closest step or amount~~ within the ~~new pay salary~~ range without providing a salary increase ~~or to the new pay range maximum if currently above the pay range maximum~~. In no case shall the employee's salary exceed the maximum of the ~~pay salary~~ range for the job class to which she/he was demoted.
2. ~~A demotional reclass for disciplinary reasons may result in a reduction in pay.~~

XI. WITHIN RANGE SALARY ADJUSTMENT

An employee's salary may be adjusted at any time to meet documented critical business needs (e.g., massive turnover, market driven, supply/demand). The appropriate administrator shall submit a written request to the institution's ~~President Chief Executive Office (CEO)~~ or ~~his/her~~ designee along with a justification for the adjustment. The ~~President CEO~~ or ~~his/her~~ designee will review the request, confer with the Vice Chancellor for Administration and Finance, and take action as appropriate.

XII. SALARIES EXCEEDING THE MAXIMUM OF THE RANGE

The institution's ~~CEO-President~~ or ~~his/her~~ designee may authorize a salary that exceeds the maximum of the range in order to accommodate a salary adjustment, as described in Section VII, above. Any such authorization will be done in consultation with the Vice Chancellor for Administration and Finance.

~~Note: All actions taken under sections VII and VIII shall be reported in a timely manner to the Director of Human Resources, USMH.~~

XIII. REPORTING OF SALARY INCREASES

Consistent with the Chancellors Salary Guidelines for each fiscal year, USM institutions may be required to make specified periodic reports of designated salary increases.

XIV. PRIORITY FOR PROCESSING SIMULTANEOUS PAY TRANSACTIONS

When two or more pay transactions are to occur simultaneously, the order of the processing shall be:

- A. First, salary structure adjustment, if involved,
- B. Second, Cost of Living Adjustment (COLA), if involved,
- CB. ~~Third, Second, merit salary step~~ adjustment, if involved,
- DC. ~~Third~~Fourth, any other transaction such as promotion, reclass, etc.

XIV.XV. NON-CUMULATIVE CASH BONUSES

- A. A bonus is defined as a lump sum non-cumulative cash award that may be granted to a regular employee for an extraordinary contribution which substantially benefits the UMS-USM institution. Bonus payments shall not be counted as part of base salary.
- B. The bonus pool shall be determined within the guidelines established by the Chancellor as part of the annual salary review process. Each President Chief Executive Officer or designee shall establish criteria for bonus eligibility, review and approval, and amount of bonus awards.

IMPLEMENTATION PROCEDURES:

Each President shall identify his/her designee(s) as appropriate for this policy, develop procedures as necessary to implement this policy, communicate this policy and applicable procedures to his/her institutional community, and post it on its institutional website.

USM Bylaws, Policies and Procedures of the Board of Regents

~~Each Chief Executive Officer shall identify his/her designee(s), if appropriate, for this policy; shall develop procedures as necessary to implement this policy; and shall forward a copy of such procedures to the Chancellor.~~

Replacement for:

~~BOR VII – 9.30 Policy on Salary Upon Entry Into UMS Service~~

~~BOR VII – 9.40 Policy on Salary Upon Transfer or Reclass~~

~~BOR VII – 9.60 Policy on Salary Upon Reinstatement~~

~~The following policies as they apply to non-exempt employees of the UMS only are replaced effective July 1, 1996. However, Exempt employees will continue to be covered under such applicable existing policies until such time as revised policies governing Exempt employees are approved.~~

~~UM Personnel Policies and Rules for Classified Employees, Section III Compensation— Increments, page III-2; Denial or Delay of Increment, pages III-2, III-3; Priority and Timing of Transactions, page III-7.~~

~~UM Personnel Policies and Rules for Associate Staff, Employment Standards for Associate Staff, Paragraph A. Compensation of Associate Staff, page 5.~~

~~UM BOR Policies and Procedures Manual, III-14.21 Policy on Supplementation of Administrative Salaries, page III-14.21-1 (Partially rescinded for Certain Academic Administrator Positions); III-14.10 Associate Staff Salary Plan, Paragraphs D.1.4, G. Cost of Living, J. Allocation of Salary Funds, pages III-14.10-1, 14.10-2 and 14.10-3.~~

~~Laws Relating to and Governing Policies and Procedures of the BTSUC, Section VI, Administrative Officers—Paragraphs I.5. and I.7., page VI-5.~~

~~Additionally, this policy supersedes, in whole or in part, any policy(ies) and/or procedure(s) established by the Regents, Trustees, Presidents, or their designees, of the former institutions of the University of Maryland, and of the former State Universities and Colleges, and of the Regents of the University of Maryland System that are in conflict with this policy's purpose, applicability, or intent, that may have been overlooked and not included as a specific citation under "Replacement for."~~