



OFFICE OF THE CHANCELLOR

MEMORANDUM

To: USM Presidents

From: William E. Kirwan *W.E.K.*
Chancellor

Date: May 17, 2011

1807
University of
Maryland,
Baltimore

1856
University of
Maryland,
College Park

1865
Bowie 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

After months of study and the exploration of a range of approaches, and based on the overwhelming consensus of all the various University System of Maryland (USM) advisory groups, I am writing to inform you that the USM is not in a position to establish a Voluntary Separation Plan (VSP) in fiscal 2012. As you know, the USM has consulted broadly with representatives of our institutions and shared governance councils over the last few months in a concerted effort to develop such a plan for USM employees. The goals of this initiative were threefold: achieve cost savings that would prevent the need for additional cost reduction measures; offer options that would allow employees who have been delaying retirement for economic reasons to make that choice more comfortably; and avoid any measures that might impair important operational or academic functions across USM.

Unfortunately, as the USM Workgroup (established to develop the VSP) explored a full range of options, it became clear that we could not achieve these goals. After years of economic downturn, staffing at our institutions is already at the minimum levels needed to maintain quality and effectiveness. Thus, it was unacceptable for any USM VSP to include the loss of critically important positions or to keep such positions vacant for extended periods. Moreover, information gathered in the Workgroup process showed that the savings from replacing VSP participants with less senior staff and faculty were not great enough to avoid additional reductions to the budgets of our institutions. A number of other factors also frustrated our ability to develop a viable incentive plan and, ultimately, we have been led to conclude that it is not advisable or feasible to establish a VSP within USM.

I would like to emphasize that, despite this decision, the USM's commitment to eliminate furloughs and avoid other cost reduction measures that unduly burden employees in FY 2012 is unchanged. Please assure your institution's employees of this unwavering commitment.

I want to express my great appreciation to the many faculty and staff from your institutions who worked so valiantly to develop a viable VSP but who, in the end, helped us conclude that a program meeting our three goals did not exist for USM.