After a review of economic trends and budgetary realities, we are proposing a 1.5% salary increase pool for fiscal year 2022, which is subject to Board of Regents approval in June. Due to the extraordinary circumstances of the past year, the financial situation in which we find ourselves, and the size of this year’s pool, we have made the decision to deliver this year’s increase as an across-the-board adjustment, rather than as a merit-based increase. It is important to note that the University still supports the use of merit-based pay increases in future fiscal years and encourages using performance as a primary consideration when making other pay increase decisions. Please read this memo carefully to fully understand the guidelines for awarding this across-the-board adjustment.

**1.5% Across-the-Board Increase for Fiscal Year 2022**

The 1.5% across-the-board increase applies to fiscal year 2022 (July 1, 2021–June 30, 2022). Employees who are active in the following roles on or before January 1, 2021, are eligible to receive the 1.5% increase. Increases will be processed centrally by the Office of Human Resources using an effective date of June 21, 2021.

- Faculty in the 94xx job code series at the UM Rochester, UM Morris, and UM Twin Cities campuses
- Academic Professional and Administrative (93xx, 96xx and 97xx series)
- Civil Service
- Graduate Assistants

These guidelines do not apply to employees covered by collective bargaining agreements. These groups have compensation plans negotiated into their collective bargaining agreements.

**Employees with Performance Concerns**

The 1.5% increase should be withheld for employees who receive a “needs development” performance rating and who also have documented performance concerns that are being actively
addressed. Employees with a “needs development” rating, without documented performance concerns and a corresponding plan for improvement, should still be allowed to receive the 1.5% increase. College/unit HR Leads will be responsible for reviewing these situations and identifying which employees, if any, should have the 1.5% withheld.

**Board of Regents Approval**
The President’s recommended budget, including the proposed across-the-board increase, will be brought before the Board of Regents on June 10, and the amount of the across-the-board increase will be determined on June 29. The budget, and therefore the across-the-board increase, is not finalized until approved by the Board of Regents. If the Board of Regents makes any change to the increase percentage, we will notify you immediately with further direction. Any communications to employees should be held until the final increase percentage is approved by the Board of Regents. If you find it is necessary to communicate about salary changes prior to this final approval, the communications should state that the increase is contingent upon final approval of the budget by the Board of Regents in June.

**Performance Reviews**
Although this year’s salary increase is not merit-based, the University wants to emphasize the importance of continuing to provide a thoughtful and comprehensive performance evaluation for each employee. This is especially important given the significant achievements of the past year. Each college/unit is required to record in PeopleSoft the dates of all completed performance reviews.

**1.5% Increase to Most Salary Ranges & Floors**
Effective June 21, 2021, which is the first day of the first pay period in fiscal year 2022, the salary range minimums, midpoints, and maximums, as well as the salary floors for positions that have not gone through market refinements or been moved into formal ranges, will increase by 1.5%. This includes the Administration, Education, Information Technology, Libraries & Museums, Research, and Student Services job families. The salary ranges for all other job families have been refined to match the market more closely and are adjusted each January to reflect the market.

**Other Forms of Salary Increases**
It is important to note that increases required to bring salaries to the new salary range minimums and salary floors, as well as promotional increases, retention offers, and other forms of pay increases such as in-range and market adjustments, should remain separate and distinct from the across-the-board 1.5% increase. These types of increases must be approved through standard procedures, will add cost on top of the base salary 1.5% pool, and must be tracked separately.

**Faculty-Specific Information**
Effective June 21, the University will allow colleges/units to resume annual pay equity reviews for faculty. Any resulting equity adjustments will be funded through department budgets and should be in addition to the 1.5% across-the-board increase.

Guidelines for faculty promotional increases are below:
For regular faculty
Base salary increases for faculty receiving promotions or tenure may not be less than the following amounts:

- Assistant professor without tenure to associate professor with tenure: $3,100
- Assistant professor with tenure to associate professor with tenure: $3,100
- Associate professor without tenure to associate professor with tenure: $3,100
- Associate professor without tenure to professor with tenure: $4,000
- Associate professor with tenure to professor with tenure: $4,000

Promotions for non-regular faculty
Promotional increases for non-regular faculty are awarded at the unit’s discretion. Increases must be consistent with your unit’s past practices, may not exceed the increases provided to regular faculty, and must be implemented in a non-discriminatory manner.

Questions
If you have questions about the proposed salary increase for fiscal year 2022, please contact your employee relations consultant. A list of consultants for each college can be found at z.umn.edu/HRConsultants.

c: Joan Gabel, President
    Myron Frans, Senior Vice President of Finance and Operations