

**BOARD OF TRUSTEES
FINANCE, INVESTMENT, AND AUDIT COMMITTEE**

**OPEN SESSION
REPORT SUMMARY**

Date of Meeting: May 12, 2023

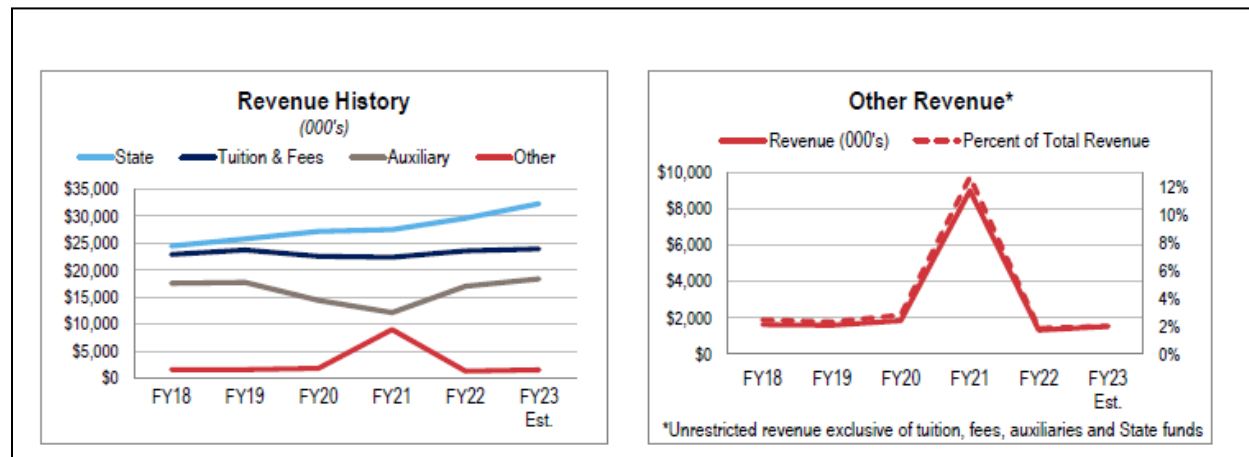
Date of Next Meeting: October 13, 2023

Committee Chair: John Wobensmith '93

Committee Members: Anirban Basu, John Bell '95, Board Chair Susan Lawrence Dyer, Sven Holmes, President Tuajuanda Jordan, Faculty Finance Delegate Shanen Sherrer, Ray Wernecke

Staff Member: Paul Pusecker

Dashboard Metrics



Executive Summary

Discussion Items

Strategic Investments from Bond Proceeds

The cost of issuing the bond was \$716K, leaving an available starting balance of \$19.283M. At the close of FY22, the College drew down \$3,184,107 from Wells Fargo Bank for approved bond supported expenses. This action left a balance of \$16.1M. To date, FY23 anticipated College expenses to be supported by the bond total \$3.48M. Since the February 2023 meeting, one additional anticipated expense has been added for FY23 for the installation of a 10,000 lb. low profile boat lift at the James P. Muldoon River Center, in support of the marine science program, leaving an anticipated balance of \$12,619,675.

FY24 Legislative Session Financial Impact

The legislature approved the governor's recommended FY24 operating budget for the College, which provides \$40.901M in state funding. This represents an increase of almost 20% from the FY23 state support of \$34.193M. Additional increases in state support include \$0.617M

representing the block grant inflator, \$1.377M for healthcare insurance cost increases, and \$2.993M support for FY23 COLA wage annualization and \$1.616M for the anticipated 2% COLA increase effective July 1, 2023. In addition, the governor and the legislature provided \$2.341M as a formula recalculation, along with \$0.1M for the Mt. Aventine archaeological study.

The legislature approved the governor's five-year Capital Improvement Plan, providing the College with \$4.69M in FY24 to fund two critical projects. The College will receive \$2.10M for infrastructure improvement projects, specifically to upgrade the North Campus nodal loop to increase heating and cooling efficiencies by utilizing larger and more efficient boiler and chiller plants to heat and cool numerous campus buildings. The \$2.59M provided will be used to begin the design process for the renovation of Montgomery Hall.

Information Items

FY23 Financial Results to Date

Comprehensive revenue collections are 88% of the budgeted level. Tuition collected is at 98% of budget. Auxiliary enterprise revenue is at 97% of budget. State appropriations to the College's general fund grant are on track with third quarter expectations at 78% of budget. All expenditures through the 3rd quarter of FY23 are 75% of the budgeted amount and 8.4% higher than last year, with utilities, dining services, and tuition waivers that were higher by more than 10% compared to the prior year. Operating expenses are running at 82% of budgeted amount, in line with expectations. Payroll expenditures and benefits are at 69% of budgeted amount, or 7.7% higher than the previous year, which was anticipated due to the cumulative 8% COLA increase that employees received over the past year.

Joint Investment Activities

St. Mary's College of Maryland Foundation: As of March 31, 2023, the total market value of the Foundation's endowment was \$36.8M. The Foundation's endowment is comprised of three parts: a portion of the JP Morgan portfolio (\$36M), the Student Investment Group account (\$587K), and WesBanco shares (\$243K). Of the endowment managed by JP Morgan, the fiscal year-to-date increase in market value of \$921K includes \$1.23M in contributions, \$618K in income, \$472K increase in investment value, and distributions of \$1.4M. On a fiscal YTD basis, the portfolio has returned +2.8% on a net-of-fees basis.

St. Mary's College of Maryland Endowment and Quasi Endowment: The College holds investments totaling \$4.51M consisting of endowment and quasi-endowment. \$3.5M are funds functioning as endowment (quasi) and \$1.0M represents the Blackistone Endowment. Invested endowment funds, managed by 19/19 Investment Council, have a market value of \$4.23M as of March 31, 2023. Funds are currently invested in a mix of fixed income instruments and equities. The annualized rate of return is +2.92%. The remaining \$271K of College endowment is currently held in a cash investment pool by the Maryland State Treasurer.

Action Item(s) related to specific strategic plan goals as appropriate:

II.A. Approval of a Revision to the Authority and Responsibility Matrix

The Authority and Responsibility Matrix provides an accurate and clear summary of the responsibilities delegated to the Board of Trustees, the president, and the officers of the

College regarding various functions and operations. The proposed change designates the authority to approve Staff Senate Bylaws revisions to the president, thus removing the requirement for Board of Trustees approval. The Staff Senate is not part of the governance structure within the College, therefore it is appropriate for any bylaw changes to be approved by the president.

II.B. Approval of the Staff Salary Plan

The Staff Salary Plan provides minimum entry and maximum salaries for non-exempt positions. On October 15, 2021, the Finance, Investment, and Audit Committee and the Board of Trustees approved increasing the minimum entry salary to \$15 per hour, meeting the previous governor's commitment to raise the statewide minimum wage for collective bargaining units.

Since the previous revision, College employees have received cost-of-living allowances totaling 8% and the proposed revisions to the Plan reflect these incremental increases. The Committee also seeks approval by the Board of Trustees to increase the Plan's minimum and maximum salaries by the percentage of any future state approved cost-of-living allowances.

II.C. Approval of Revisions to the Employee Handbook

The Finance, Investment, and Audit Committee will review and consider revisions to the St. Mary's College of Maryland Employee Handbook, specifically updates regarding the American Federation of State, County and Municipal Employees Union Council, employee benefits, the removal of the COVID-19 Family and Medical Sick Leave Policy, and other various updates. The proposed revisions will ensure that the information in the Employee Handbook is accurate.

II.D. Approval of the FY24 Current Fund Operating Budget

Maryland law entrusts the development and approval of the operating budget for the College to the Board of Trustees. Authorization of the FY24 current fund budget will allow the College to continue its mission of providing a high quality, public, post-secondary education.

II.D. Approval of the FY24 Plant Fund Capital Budget

Contingent upon a favorable endorsement by the Technology, Buildings and Grounds Committee, the Finance, Investment, and Audit Committee will consider the proposed plant fund capital budget in the amount of \$2.316M. The primary source of funding comes from the student facility fee in the amount of \$1.575M. Additional funding of \$541K from bond proceeds and \$200K from private gifts will be provided in FY24 to offset the cost of the Schaefer Hall marine science lab renovation.

II.F. Approval of the FY25-FY29 State Capital Budget Proposal

Contingent upon a favorable endorsement by the Technology, Buildings and Grounds Committee, the Finance, Investment, and Audit Committee will consider the FY25-FY29 State Capital Funding Proposal. The proposed FY25-FY29 state-funded capital budget request includes funding of various campus infrastructure improvements, funding for the design and renovation of Montgomery Hall, and design and renovation costs associated with interior improvements and ADA compliance issues in Calvert Hall.



**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF MAY 12, 2023**

**OPEN SESSION
AGENDA**

- I. DISCUSSION ITEMS**
 - A.** Strategic Investments from Bond Proceeds
 - B.** FY24 Legislative Session Financial Impact

- II. ACTION ITEMS**
 - A.** Approval of a Revision to the Authority and Responsibility Matrix
 - B.** Approval of the Staff Salary Plan
 - C.** Approval of Revisions to the Employee Handbook
 - D.** Approval of the FY24 Current Fund Operating Budget
 - E.** Approval of the FY24 Plant Fund Capital Budget
 - F.** Approval of the FY25-FY29 State Capital Budget Proposal

- III. INFORMATION ITEMS**
 - A.** FY23 Financial Results to Date
 - B.** Joint Investment Activities
 - C.** Reportable Procurement Items
 - D.** Dashboard
 - E.** Minutes (Meeting of February 3, 2023)

The Committee does not expect to close any portion of this meeting.

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF MAY 12, 2023
DISCUSSION ITEM I.A.
STRATEGIC INVESTMENTS FROM BOND PROCEEDS**

At the May 7, 2021 meeting, the Board of Trustees approved the following strategic investment allocation categories:

- Retaining excellent faculty (\$5.0M)
- Student engagement / LEAD-focused programs (\$5.8M)
- Student retention programs (\$1.0M)
- Development of new LEAD-focused curricular and co-curricular programming (\$2.42M)
- Student recruitment programs (\$1.0M)
- Recruitment of new faculty and staff in LEAD areas (\$1.4M)
- Enhanced business efficiency (\$0.5M)
- Provision of an operating budget contingency (\$2.2M)

The cost of issuing the bond was \$716K, leaving an available starting balance of \$19.283M. At the close of FY22, the College drew down \$3,184,107 from Wells Fargo Bank for approved bond supported expenses. This action left a balance of \$16.1M. To date, FY23 anticipated College expenses to be supported by the bond total \$3.48M. Since the February 2023 meeting, one additional anticipated expense has been added for FY23 for the installation of a 10,000 lb. low profile boat lift at the James P. Muldoon River Center, in support of the marine science program, leaving an anticipated balance of \$12,619,675. Spending updates will be provided at each Finance, Investment, and Audit Committee meeting.

FY23 Categories of Bond Spending

Amount
Encumbered/Spent Available Balance

Starting Balance		\$20,000,000
<i>Cost of Issuance*</i>		\$716,415
Starting Strategic Allocation Balance (April 1, 2021)		\$19,283,585
FY22 Bond Proceeds Drawdown	\$3,184,107	\$16,099,478
FY23 Anticipated Expenses as Previously Reported in October 2022		
Retaining Excellent Faculty (\$5.0M)		
FY23 Osprey and Eagle Named Junior Professorships	\$1,650,568	
Osprey and Eagle Research Awards	\$170,000	
Student Engagement/LEAD Focused Programs (\$5.8M)		
FY23 Student / Academic Support (part of FY23 SRI process)	\$493,476	
Center for Career & Professional Development - Internships	\$288,000	
Study Aboard Program - Financial Assistance	\$100,000	
Student Retention Programs (\$1.0M)		
Sum Primus (Summer Bridge Program)	\$29,225	
Recruitment of New Faculty and Staff in LEAD Areas (\$1.4M)		
Dr. Elka Porter, Marine Studies Faculty (base salary + start-up costs)	\$129,000	
Dr. Silvio Borrero, William Seale Professor of Business (base salary + start-up costs)	\$200,000	
Dr. Silvio Borrero, William Seale Professor of Business (relocation expenses and temporary housing costs)	\$33,640	
Enhanced Business Efficiency (\$0.5M)		
NEC VOIP Campus Phone Upgrades	\$377,732	
All Marine - Installation of Boat Lift at the James P. Muldoon River Center	\$8,162	
Current Total of FY23 Anticipated Expenses	\$3,479,803	\$12,619,675

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF MAY 12, 2023
DISCUSSION ITEM I.B.
FY24 LEGISLATIVE SESSION FINANCIAL IMPACT**

FY24 Operating Budget

The legislature approved the governor's recommended FY24 operating budget for the College which provides \$40.901M in state funding. This represents an increase of almost 20% from the FY23 state support of \$34.193M. Additional increases in state support include \$0.617M representing the block grant inflator, \$1.377M for healthcare insurance cost increases, \$2.993M support for FY23 COLA wage annualization, and \$1.616M for the anticipated 2% COLA increase effective July 1, 2023. In addition, the governor and the legislature provided \$2.341M as a formula recalculation, along with \$0.1M for the Mt. Aventine archaeological study.

SMCM FY24 Operating Budget Summary

General Funds	\$29,304,245
Higher Education Investment Fund	\$ 2,549,840
FY24 Inflator	\$ 617,650
Healthcare Rate Change	\$ 1,377,750
FY23 COLA Annualization (January and July 2022)	\$ 1,421,555
FY23 COLA Annualization (November 2023)	\$ 1,572,042
FY24 COLA Increase (July 2023) *	\$ 1,616,000
FY24 Formula Recalculation/Inflator Adjustment	\$ 2,341,758
<u>Mt. Aventine Archaeological Study</u>	<u>\$ 100,000</u>
Total FY24 State Operating Funds	\$40,900,840

*includes COLA, pension adjustments, FICA changes

FY24 Capital Budget

The legislature approved the governor's five-year Capital Improvement Plan, providing the College with \$4.69M in FY24 to fund two critical projects. First, the College will receive \$2.10M for infrastructure improvement projects. This funding will be used to upgrade the North Campus nodal loop, specifically, the controls, valves, pumps, etc., which will increase heating and cooling efficiencies by utilizing larger and more efficient boiler and chiller plants to heat and cool numerous campus buildings. Second, \$2.59M was provided to begin the design process for the renovation of Montgomery Hall.

SMCM FY24 Capital Budget Summary

Facility and Infrastructure Renewal	\$ 2,100,000
<u>Montgomery Hall Renovation Project</u>	<u>\$ 2,594,000</u>
Total FY24 Capital Funds	\$ 4,694,000

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF MAY 12, 2023
ACTION ITEM II.A.**

APPROVAL OF A REVISION TO THE AUTHORITY AND RESPONSIBILITY MATRIX

RECOMMENDED ACTION

The Finance, Investment, and Audit Committee recommends approval by the Board of Trustees, St. Mary's College of Maryland, of the Authority and Responsibility Matrix.

RATIONALE

The Authority and Responsibility Matrix was developed to provide an accurate and clear summary of the responsibilities delegated to the Board of Trustees, the president, and to the officers of the College, regarding various functions and operations. The Authority and Responsibility Matrix highlights actions that require Board of Trustees approval, as well as those that require Board of Trustees notification. The Authority and Responsibility Matrix last received Board of Trustees approval on May 13, 2022. At that time, the Finance, Investment, and Audit Committee directed that the Authority and Responsibility Matrix be reviewed by the College leadership annually, and that any updates be presented to the Board of Trustees for its review and approval. The Committee is recommending one change: Designating the authority to approve revisions to the Staff Senate Bylaws to the president, thus removing the requirement for Board of Trustees approval. The Staff Senate is not part of the governance structure within the College, therefore it is appropriate for any bylaw changes to be approved by the president.

St. Mary's College of Maryland Authority and Responsibility Matix

Pending Board of Trustees Approval (May 12, 2023)

Administrative Area	Prepare	Recommend	Approve	Notify
Budget & Finance				
Fiscal Year Budgets - Operating and Capital (Plant)	VP Business/CFO	President	Board	
Rates: Tuition, Fees, Room and Dining Plan	VP Business/CFO	President	Board	
Auditors' Report and Audited Financial Statements	VP Business/CFO	President	Board	
Operating Budget Revision: Revenues = or > Expenditures		VP Business/CFO	President	Board
Operating Budget Revision: Revenues < Expenditures	VP Business/CFO	President	Board	
Plant Budget Revision < \$200K		VP Business/CFO	President	Board
Plant Budget Revision > \$200K	VP Business/CFO	President	Board	
Liquidation of up to 10% of Quasi-Endowment		VP Business / CFO	President	Board
Spending Authority above 5% of Annualized Budget		VP Business / CFO	President	Board
Contingency Budget Spending	AVP Finance	VP Business/CFO	President	
Banking / Bond Issues				
Issue Revenue Bonds / Bank Loans	VP Business/CFO	President	Board	
Bond Refinancing	VP Business/CFO	President	Board	
Procurement and Memoranda of Understanding				
Procurement Policy	VP Business/CFO	President	Board	
Procurement >\$100K			VP Business/CFO	President/Board
Procurement >\$1.0M	Director of Budgets	Director of Procurement	VP Business/CFO and Board of Public Works	President/Board
Procurement: State Capital Funds	Director of Procurement	Director of Budgets	VP Business/CFO and Board of Public Works	President
Facility and Service Agreements with HSMC	HSMC	VP Business/CFO	President	Board
Various Memoranda of Understanding and Agreements	Unit/Department Head	Impacted VP and VP Business/CFO	President	
Information Technology				
IT Master Plan (Required by State)	AVP Office of Information Technology and VP Business/CFO	President	Board	
IT Security Plan (Required by State)	AVP Office of Information Technology and VP Business/CFO	President	Board	
Facilities				
Facilities Master Plan	VP Business/CFO	President	Board	
Building Designs	VP Business/CFO	President	Board	
Building Programs	VP Business/CFO	President	Board	
Acquisition/Disposal of Real Property	VP Business/CFO	President	Board	
Annual Facilities Condition Report	VP Business/CFO	President	Board	
Note 1: Requires final approval by Board of Public Works				
Human Resources				
Appointment - Staff (Department Head and Below)		Unit Head	VP of unit	President/Board
Appointment - Staff (Assistant VP and Above)		VP of Unit	President	Board
Appointment - Faculty		Division Head	Provost	President/Board
Termination - Staff		VP Business/CFO	President	Board
Termination - Faculty (IAW Bylaws)	Division Head	Provost	President	Board
Contract Renewal - Probationary Status to Permanent FT Employees		Human Resources	VP of unit	President/Board
Create New Position		VP Business/CFO	President	Board
Union Agreement AFSCME		VP Business/CFO	President	Board
Staff Salary Plan	VP Business/CFO	President	Board	
Employee Handbook Revisions	VP Business/CFO	President	Board	
Modifications to Retirement Plans	VP Business/CFO	President	Board	
Staff Senate Bylaw Revisions	Staff Senate	VP Business/CFO	President	
Various Human Resources Policies	VP Business/CFO	President	Board	
Faculty Bylaws	Faculty and Provost	President	Board	
Reporting to Government Agencies				
Managing for Results Submission (MFR)	Director of Institutional Research/Provost	VP Business/CFO and President	Board	
Performance Accountability Report (PAR)	Director of Institutional Research/Provost	VP Business/CFO and President	Board	
Cultural Diversity Report	Chief Diversity Officer and VP Equity and Strategic Initiatives	VP Equity and Strategic Initiatives and President	Board	
Academic Affairs				
Faculty Reappointment, Tenure, Promotion	Provost	President	Board	
Curriculum Changes, Majors and Minors	Faculty and Provost	President	Board	
Study Abroad Sites, SMCM as primary operator		Provost	President	Board
Academic Policy Changes	Faculty and Provost	President	Board	
Student Affairs				
Student Trustee-in-Training Selection	VP Student Affairs	President	Board	
Clearly and Crime Statistics Reporting	Public Safety	VP Student Affairs	President	Board
Advancement				
Capital or Comprehensive Campaigns	VP Advancement	President	Board	Foundation Board
Named Opportunities Less than Building	VP Advancement and VP Business/CFO	VP Advancement	President	Board
Named Opportunities Building	VP Advancement and VP Business/CFO	President	Board	
Note 1: Requires final approval by Board of Public Works				
Enrollment Management				
Admission Policies	VP Enrollment Management	President	Board	
Financial Aid Award Policies	VP Enrollment Management	President	Board	
Equity and Strategic Initiatives (IDEAA)				
Title IX Policy Changes	VP Equity and Strategic Initiatives	President	Board	
Other Policies				
Revision of any Policy Approved by the Board of Trustees	VP of Unit	President	Board	
Order of the Ark and Dove Award		President	Board	
Conferral of Degrees	Provost	President	Board	
Honorary Degree Recipients		President	Board	
<i>Note: in the event that any item in this Authority Matrix conflicts with specific authorities provided in a Board of Trustees approved policy, then the Board approved policy shall prevail.</i>				

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF MAY 12, 2023
ACTION ITEM II.B.
APPROVAL OF THE STAFF SALARY PLAN**

RECOMMENDED ACTION

The Finance, Investment, and Audit Committee recommends approval by the Board of Trustees, St. Mary's College of Maryland, of the Staff Salary Plan. With Board of Trustees approval, the Staff Salary Plan would become effective on July 1, 2023.

RATIONALE

The College maintains a Staff Salary Plan that provides minimum entry and maximum salaries for non-exempt positions. On October 15, 2021, the Finance, Investment, and Audit Committee and the Board of Trustees approved increasing the minimum entry salary to \$15 per hour, meeting the previous governor's commitment to raise the statewide minimum wage for collective bargaining units (American Federation of State, County, and Municipal Employees or AFSCME).

Since the previous revision to the Staff Salary Plan, College employees have received cost-of-living allowances totaling 8% (0.5% in January 2022, 3% in July 2022, and 4.5% in November 2022). The proposed minimum revisions to the Staff Salary Plan reflect these incremental increases since it was last approved. Additionally, adjustments were made to the maximum entry wages for all positions within the Staff Salary Plan based on these previous cost-of-living allowances.

Further, the Finance, Investment, and Audit Committee seeks approval by the Board of Trustees to increase the Staff Salary Plan's minimum and maximum salaries by the percentage of any future state approved cost-of-living allowances.

St. Mary's College of Maryland
Non-Exempt Staff Salary Hiring Plan -- FY24
Effective July 1, 2023

	Current Minimum Entry Level	Proposed New Minimum Entry Level	Current Maximum Entry Level	Proposed New Maximum Level
<u>Clerical</u>				
Office Associate I	\$31,300	\$33,850	\$36,000	\$38,900
Office Associate II	\$34,300	\$37,100	\$42,000	\$45,400
<u>Public Safety</u>				
Officer - Non-Commissioned	\$33,300	\$36,000	\$38,200	\$41,300
Officer - Shift Supervisor/Sergeant	\$38,000	\$41,100	\$45,000	\$48,650
Dispatcher	\$31,300	\$33,850	\$37,500	\$40,550
<u>Fiscal</u>				
Accounts Receivable Specialist	\$36,000	\$38,940	\$40,000	\$43,250
Fiscal Associate I	\$32,000	\$34,600	\$38,500	\$41,600
Fiscal Associate II	\$35,000	\$37,850	\$39,200	\$42,400
<u>Physical Plant</u>				
Caretaker	\$31,300	\$33,850	\$35,000	\$37,850
Groundskeeper	\$31,300	\$33,850	\$35,000	\$37,850
General Trades Mechanic	\$35,000	\$37,850	\$45,000	\$48,650
HVAC Mechanic	\$42,000	\$45,400	\$52,000	\$56,200
Lead Caretaker	\$34,800	\$37,600	\$39,750	\$42,900
General Support Staff	\$31,300	\$33,850	\$37,000	\$40,000
<u>Supervisory Positions</u>				
Assistant Supervisor/Trades	\$40,000	\$43,250	\$52,000	\$56,250
Assistant Supervisor/Grounds	\$38,000	\$41,100	\$47,000	\$50,800

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE MEETING OF MAY 12, 2023
ACTION ITEM II.C.**

APPROVAL OF REVISIONS TO THE EMPLOYEE HANDBOOK

(See supplemental document in the back of the material for additional information.)

RECOMMENDED ACTION

The Finance, Investment, and Audit Committee recommends approval by the Board of Trustees, St. Mary's College of Maryland, of the following revisions to the St. Mary's College of Maryland Employee Handbook, specifically updates regarding the American Federation of State, County and Municipal Employees Union (AFSCME) Council, employee benefits, Title IX Coordinator, and the removal of the COVID-19 Family and Medical Sick Leave Policy.

RATIONALE

The proposed revisions will ensure that the Employee Handbook reflects accurate information for faculty and staff reference.

To update:

- The American Federation of State, County and Municipal Employees Union Council that represents College employees eligible for collective bargaining to Council 3.
- The increase in annual leave carryover for employees from 160 hours to 200 hours.
- The number of paid holidays for employees from 15 to 18 days per calendar year.
- The enrollment period during which employees may enroll in the Maryland State Retirement and Pension System or the Optional Retirement Plan. The previous enrollment period of within the first 30 days of employment has been changed to the first day of employment.
- The College's Title IX Coordinator's contact information.
- The definition of sexual harassment to include pregnancy and parental status, as required by the State of Maryland.

To include:

- A section that provides Contractual Employee benefits.
- The Staff Employee Classification and Promotion Process in the appendix.

To remove:

- The mandatory COVID-19 vaccination policy because it is no longer a requirement for employment.
- The COVID-19 Family Medical and Sick Leave Policy because it is no longer active.

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF MAY 12, 2023
ACTION ITEM II.D.
APPROVAL OF THE FY24 CURRENT FUND OPERATING BUDGET**

RECOMMENDED ACTION

The Finance, Investment, and Audit Committee recommends approval by the Board of Trustees, St. Mary's College of Maryland, of the attached FY24 Current Fund Operating Budget.

RATIONALE

Maryland law entrusts the development and approval of the operating budget for the College to the Board of Trustees. Authorization of the FY24 current fund budget will allow the College to continue its mission of providing a high quality, public, post-secondary education.

FY24 Operating Budget Supporting Documentation Table of Contents

Exhibit A:	FY24 Current Fund Operating Budget
Exhibit B:	Important Assumptions
Exhibit C:	FY24 Budget Leadsheet This schedule describes revenues by source and all additional expenditure items by type for the Current Fund Unrestricted (CFU) only.
Exhibit D:	FY24 CFU Budgeted Revenue by Source
Exhibit E:	FY24 CFU Budgeted Expenditures by Program
Exhibit F:	FY24 CFU Budgeted Expenditures by Object
Exhibit G:	Five-Year Comparative Expenditures by Program
Exhibit H:	Five-Year Comparative Expenditures by Object
Exhibit I:	Reconciliation of State Appropriation
Exhibit J:	FY24 CFU Budget for Contingency Items (Provides information about the contingency funds included in the current fund unrestricted budget.)
Exhibit K:	FY24 CFU Planned Expenditures Greater than \$100,000 (Required by the Board approved Budget Policy, this schedule displays anticipated operating budget expenditures for goods/services to a single vendor greater than \$100,000 each.)

St. Mary's College Of Maryland
FY24 Operating (Current Fund) Budget
Exhibit A

	FY24 Current Fund Unrestricted (CFU)		FY24 Current Fund Restricted (CFR)	
	Proposed Budget	% Of Total	Proposed Budget	% Of Total
Revenue				
Tuition	22,992,164	26.7%		0.0%
Fees	3,484,609	4.1%		0.0%
State Grant (Appropriation)	39,184,840	45.6%		0.0%
Gifts And Grants	0	0.0%	4,500,000	100.0%
Sales & Services-Educational	812,675	0.9%		0.0%
Endowment/Investment	287,500	0.3%		0.0%
Foundation Unrestricted Support	0	0.0%		0.0%
Sales & Services-Auxiliary	18,947,334	22.0%		0.0%
Other	254,400	0.3%		0.0%
Total Revenue	85,963,522	100.0%	4,500,000	100.0%
Expenditures				
Instruction	24,066,542	28.0%	480,682	10.7%
Research	0	0.0%	166,598	3.7%
Public Service	64,800	0.1%	12,346	0.3%
Academic Support	2,029,424	2.4%	12,333	0.3%
Institutional Support	19,997,524	23.3%	455,164	10.1%
Student Services	11,857,805	13.8%	251,521	5.6%
Plant Operation and Maintenance	6,425,369	7.5%	349,208	7.8%
Scholarships/Grants	9,065,658	10.5%	2,772,148	61.6%
Auxiliary Enterprises	16,733,908	19.5%	0	0.0%
Total Expenditures	90,241,030	105.0%	4,500,000	100.0%
Transfers In (Out)				
Anticipated Bond Offload	3,760,251	4.4%	0	0.0%
Treasury Note Interest Return	422,257	0.5%		
Quasi Endowment	95,000	0.1%	0	0.0%
Total Transfers	4,277,508	5.0%	0	0.0%
Total Expenditures and Transfers	85,963,522	100.0%	4,500,000	100.0%
Budget Year Increase (Decrease in Fund Balance)	0		0	
Total Increase (Decrease) in Fund Balance	0		0	

Note 1: Please refer to attached schedules for more information.

Note 2: For FY24, the CFU expenditure budget contains \$2,267,079 in contingency funds.

May Action Item FY24 Current Fund Total		Prior Year Beginning Budget FY23 Current Fund Total			
Proposed Budget	% Of Total	June 2022 Budget	% Of Total	\$ Change	% Change
22,992,164	25.4%	20,714,380	25.7%	2,277,784	11.00%
3,484,609	3.9%	3,224,563	4.0%	260,046	8.06%
39,184,840	43.3%	32,314,926	40.1%	6,869,914	21.26%
4,500,000	5.0%	4,500,000	5.6%	-	0.00%
812,675	0.9%	812,675	1.0%	-	0.00%
287,500	0.3%	382,500	0.5%	(95,000)	-24.84%
0	0.0%	75,000	0.1%	(75,000)	
18,947,334	20.9%	18,384,519	22.8%	562,815	3.06%
254,400	0.3%	254,400	0.3%	-	0.00%
90,463,522	100.0%	80,662,963	100.0%	9,800,559	12.15%
24,547,224	27.1%	21,836,753	27.1%	2,710,471	12.41%
166,598	0.2%	166,598	0.2%	-	0.00%
77,146	0.1%	436,274	0.5%	(359,128)	-82.32%
2,041,757	2.3%	1,964,998	2.4%	76,759	3.91%
20,452,688	22.6%	15,941,793	19.8%	4,510,895	28.30%
12,109,326	13.4%	10,086,536	12.5%	2,022,790	20.05%
6,774,577	7.5%	5,889,512	7.3%	885,065	15.03%
11,837,806	13.1%	11,462,543	14.2%	375,263	3.27%
16,733,908	18.5%	15,021,999	18.6%	1,711,909	11.40%
94,741,030	104.7%	82,807,006	102.8%	11,934,024	14.41%
3,760,251	4.2%	2,144,043	2.7%		
422,257					
95,000	0.1%	95,000	0.1%		
4,277,508	4.2%	2,239,043	2.7%	2,734,583	
90,463,522	100.6%	80,567,963	100.1%		
0					
0					

FY24 Key Budget Assumptions

Exhibit B

Revenues

The FY24 revenue budget has increased \$9.8M (12.15%) over the FY23 revenue budget primarily due to an increase in state support, tuition, and auxiliary enterprise revenues. The FY24 budget is based on 1,544 full-time students, 171 higher than that budgeted for FY23. Enrollment counts are budgeted at 100% of projected enrollment. Tuition is budgeted at \$2.27M (11%) higher than FY23. Tuition rates are flat over equivalent FY23 levels for both resident and non-resident students.

The state appropriation increases \$6.8M over the FY23 representing the block grant inflator, annualization of previous and current year COLA salary funding, support for increases to healthcare rates, and a formula recalculation.

Auxiliary enterprise revenue increases \$0.56M, as residence hall and dining rates increase 4% and student counts for dining and residence reflect additional occupancy related to higher enrollment counts.

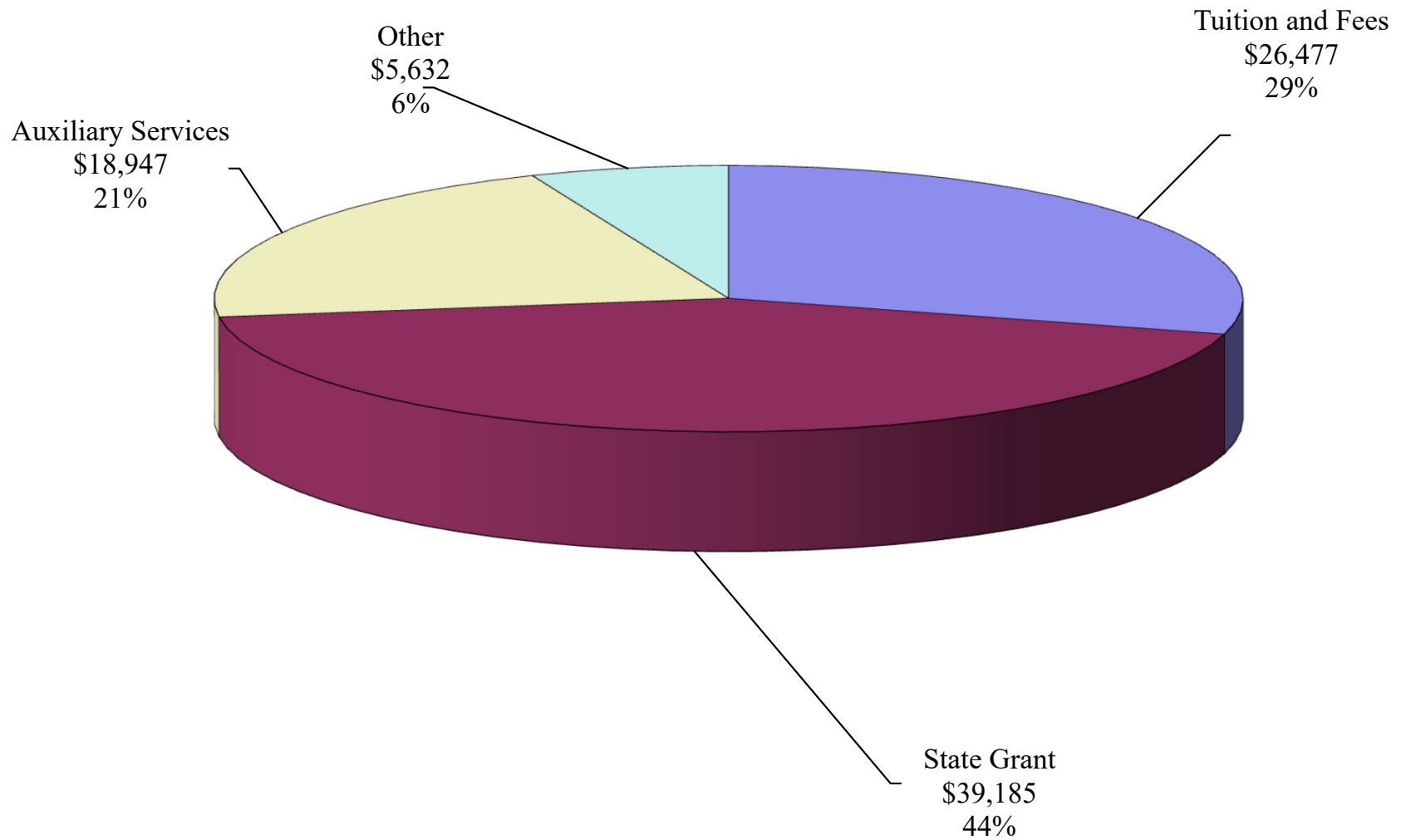
Expenditures

The FY24 current fund unrestricted expenditure budget, detailed in Exhibit A, increases a total of \$11.9M (14.4%) over the FY23 expenditure budget consisting of new required expenditures, a salary pool for faculty and staff wage increases, and 4.5% COLA for all staff, annualizations of prior year salary changes, operational budget changes due to the results of a strategic resource initiatives additions. Transfers in from the anticipated bond offload of \$3.76M and treasury note interest \$0.42M cover 4.9% of expenditures.

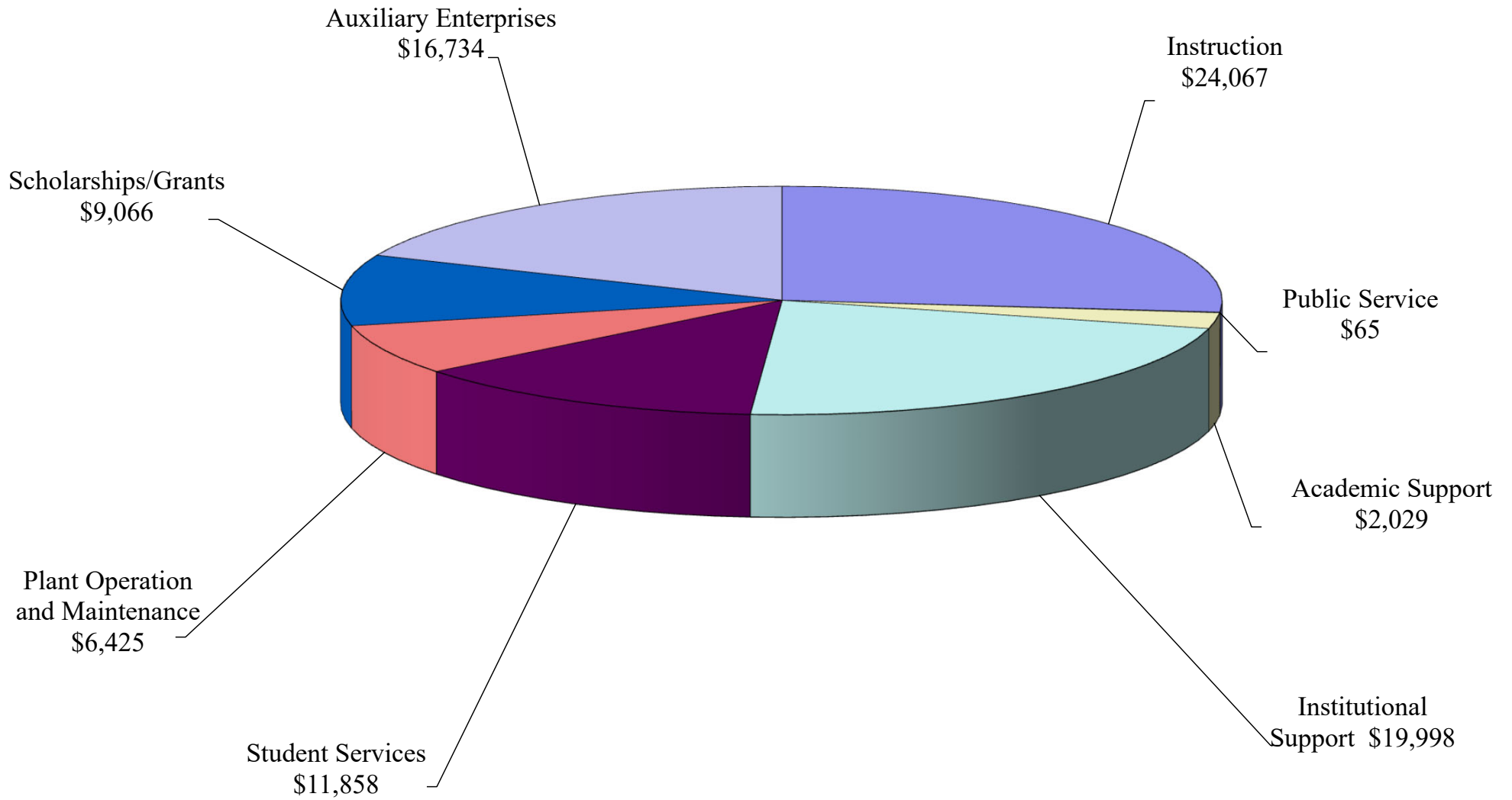
Permanent approved position counts are 420.

SMCM Budget Development FY24		
Exhibit C		
	October FY23 Budget	FY24 Budget
FY24 BUDGET PROJECTIONS - LEADSHEET (DRAFT)		
<u>REVENUE:</u>		
Tuition	\$20,714,381	\$22,992,164
Fees	\$3,224,562	\$3,484,609
State Appropriations - General Fund	\$29,765,086	\$36,635,000
State Appropriations - HEIF	\$2,549,840	\$2,549,840
Auxiliary Enterprises <i>(includes room, board, bookstore operations)</i>	\$18,384,518	\$18,947,333
Sales & Services - Educational <i>(conference revenues, foreign program fees, non-credit tuition)</i>	\$812,675	\$812,675
Quasi-Endowment / Interest Income <i>(\$95K from Quasi endowment, balance from MD interest)</i>	\$287,500	\$382,500
Other <i>(career center reg fees, faculty housing revenue, misc.)</i>	\$254,400	\$254,400
Transfer from Fund Balance	\$2,239,043	
Total Revenues	\$78,307,005	\$86,058,521
<u>EXPENSE:</u>		
Base Budgets		
Operating <i>(supply/expense, non-personnel)</i>	\$18,484,428	\$19,069,411
Utilities	\$3,741,218	\$4,506,400
Institutional Expense <i>(institutional contingency, plant/auxiliary contingency, insurance)</i>	\$623,831	\$644,372
Debt Services	\$3,811,841	\$3,806,841
Dining Services <i>(Bon Appetit costs)</i>	\$4,655,827	\$4,908,659
Bookstore Operations	\$816,027	\$962,069
Tuition Waivers	\$782,684	\$836,445
Total Scholarships	\$8,078,498	\$8,450,000
Sub Total (non-personnel)	\$40,994,354	\$43,184,197
Personnel - Wages (includes \$275K of Foundation offsets)	\$28,389,327	\$32,215,108
Personnel - Benefits, wage changes, misc. items, savings, etc.	\$11,321,847	\$13,031,770
Sub Total (Personnel)	\$39,711,174	\$45,246,878
Total Expenses	\$80,705,528	\$88,431,075
Additional expense		
ERP Implementation and Program Customization		\$1,000,000
Wi-Fi Upgrades		\$400,000
Security Camera Annual Lease		\$388,413
Additional revenue (cash)		
Anticipated Bond Offload		-\$3,760,251
Treasury Note Interest Return		-\$422,257
Surplus		\$21,541

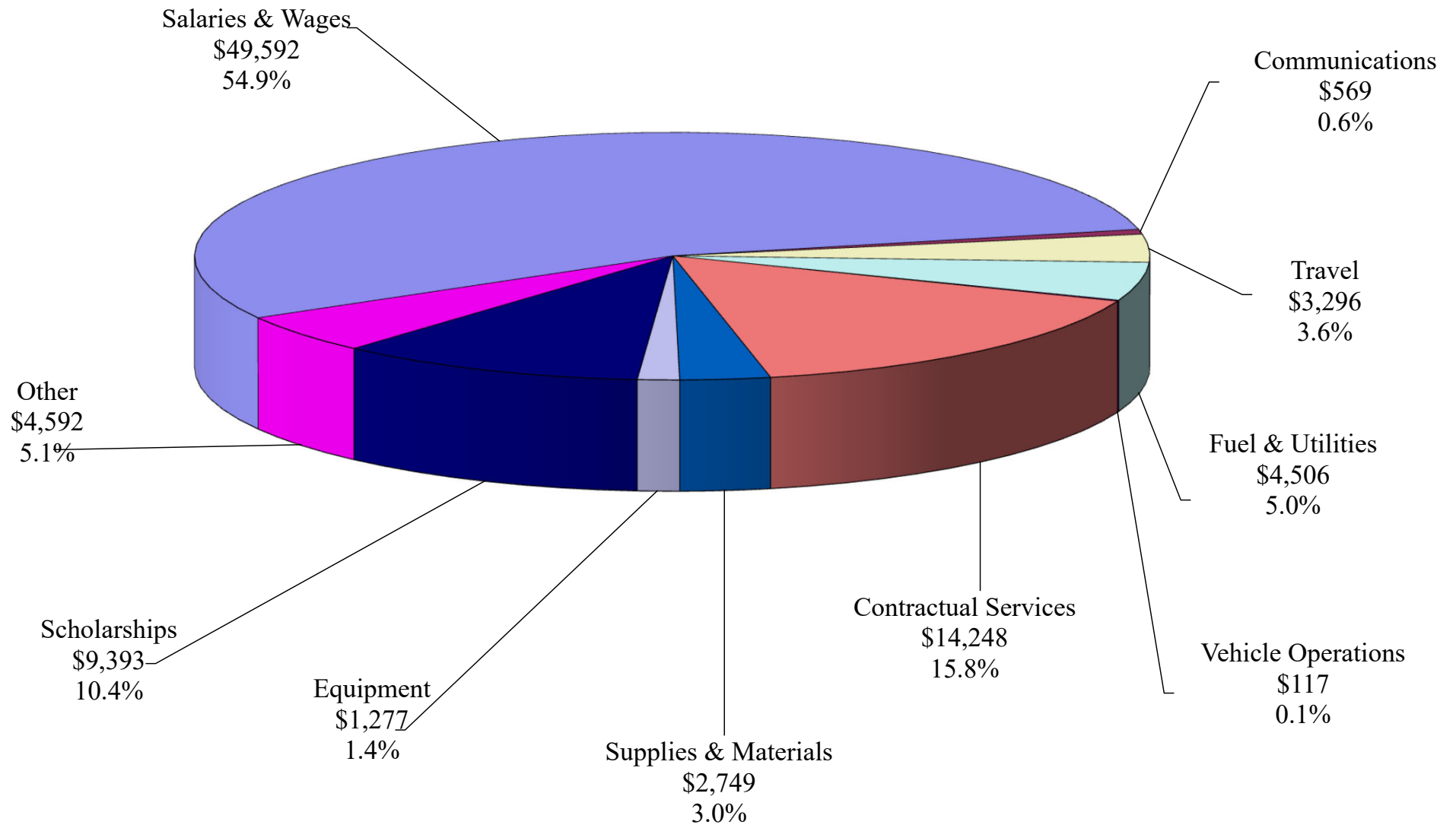
SMCM FY24 Operating Budget
CFU Revenues by Source
(\$000s)
Exhibit D



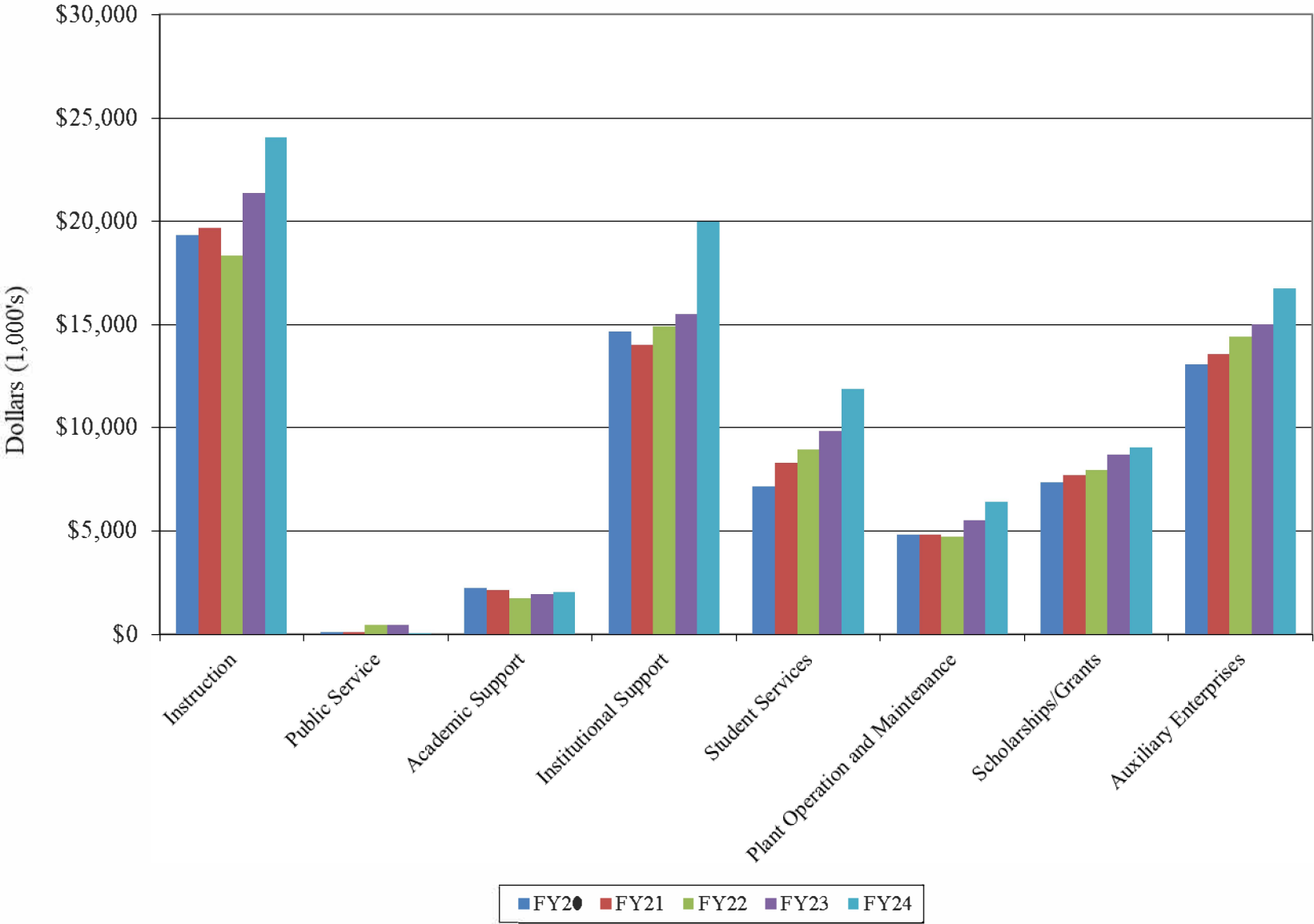
SMCM FY24 Operating Budget
Unrestricted Expenditures by Program
(000's)
Exhibit E



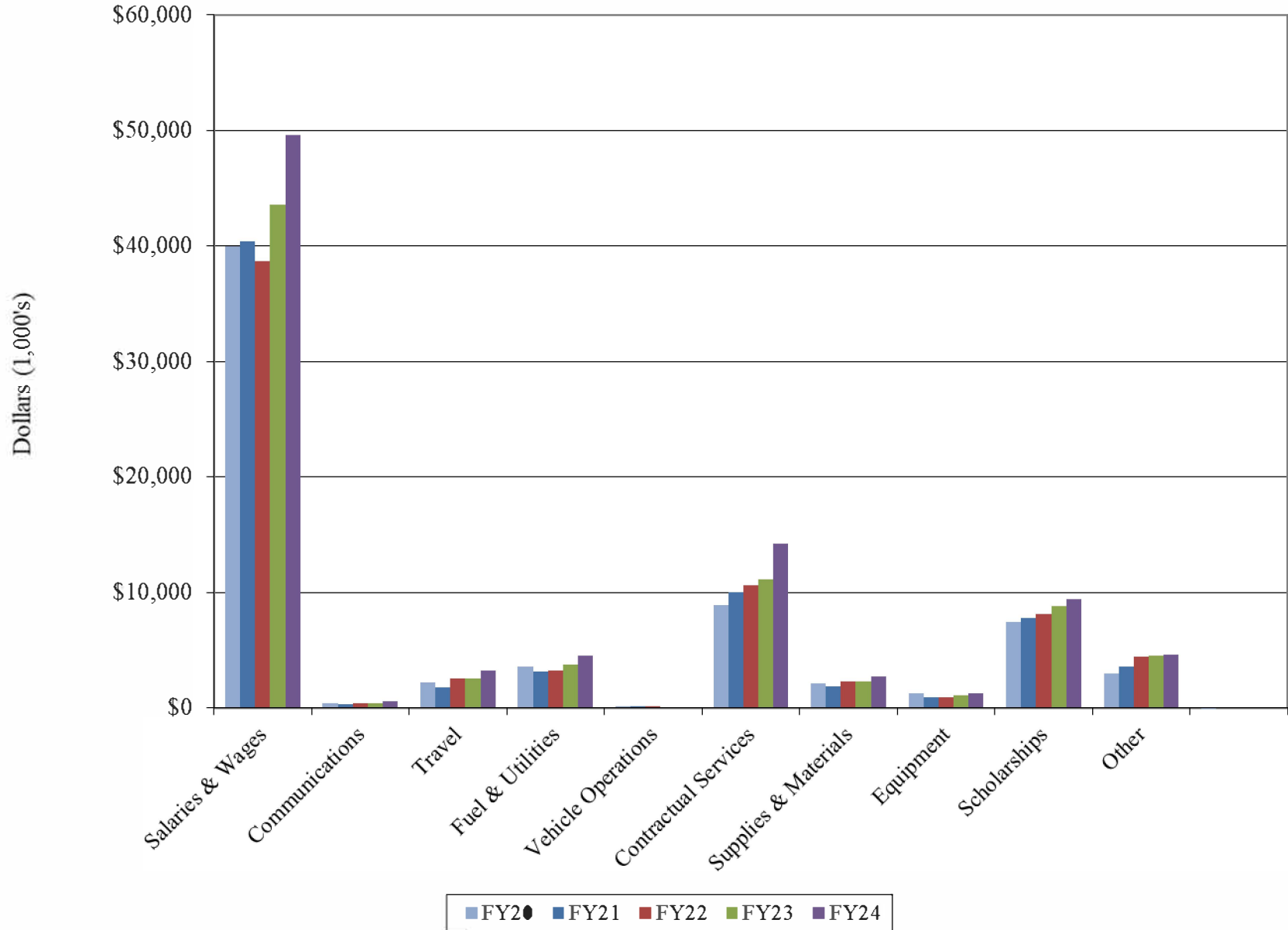
**SMCM FY23
Operating Budget
Unrestricted Expenditures by Object
(\$000s)
Exhibit F**



SMCM Five-Year Operating Budgets **Program of Expenditure** **Exhibit G**



SMCM Comparative Operating Budget Expenditure by Object Exhibit H



FY24 Operating Budget
Reconciliation of State Appropriation (General Fund Grant)
Exhibit I

**2024 Legislative Session
Results**

Beginning Base for FY24	\$29,274,245
Prior Salary Enhancements	\$1,451,555
Beginning Base for FY24	\$30,725,800
<u>FY24 Adjustments</u>	<hr/>
Base Inflator Amount	\$617,650
Adjustment to Governor's Allowance	\$5,291,550
Total Adjustments	<hr/> \$5,909,200
Allowance	<hr/> \$36,635,000
HEIF Portion	<hr/> \$2,549,840
FY22 General Fund Grant Total	<hr/> <hr/> \$39,184,840

FY24 CFU Contingency Items Exhibit J

Item	Amount
Institutional Contingency Balance	\$300,000
Institutional Contingency Amount	<u>\$300,000</u>
<u>Study Abroad</u>	
International Signature Programs	<u>\$1,267,079</u>
Study Tours	<u>\$700,000</u>
<i>(Both international programs and tours are offset by anticipated revenues.)</i>	
Total Contingency Items	<u><u>\$2,267,079</u></u>

FY24 CFU Planned Expenditures Greater than \$100,000
Each to a Single Vendor
Exhibit K

Description	Vendor	Estimated Amount
<u>IT & Library Related</u>		
Administrative Software Campus Management	TBD	\$523,675
University of Maryland Acad. Telecom. Sys. - Internet	Maryland Broadband	\$291,000
Life Cycle Replacements	Dell	\$400,000
Administrative Systems	Jenzabar	\$130,000
Library Mgt. System	USM & Affiliated Institutions (USMAI)	\$140,000
Library Databases	Lyrasis	\$200,000
Library Serials	Ebsco	\$175,000
		<u>\$1,859,675</u>
<u>Maintenance and Utilities</u>		
Housekeeping Services	Shine Brite	\$220,000
Sewage Services	METCOM	\$345,000
Electricity	SMECO	\$1,800,000
Postage	US Postal Service	\$400,000
Heating Oil	Burch Oil	\$1,593,000
Trash Disposal	Waste Management	\$150,000
		<u>\$4,508,000</u>

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF MAY 12, 2023
ACTION ITEM II.E.
APPROVAL OF THE FY24 PLANT FUND CAPITAL BUDGET**

RECOMMENDED ACTION

The Finance, Investment, and Audit Committee recommends approval by the Board of Trustees, St. Mary's College of Maryland, contingent upon a favorable endorsement by the Technology, Buildings and Grounds Committee, of the proposed FY24 Plant Fund Capital Budget in the amount of \$2.316M. The primary source of funding comes from the student facility fee in the amount of \$1.575M. Additional funding of \$541K from bond proceeds and \$200K from private gifts will be provided in FY24 to offset the cost of the Schaefer Hall marine

RATIONALE

The Technology, Buildings, and Grounds Committee is charged with the responsibility to establish priorities for capital projects. These priorities were forwarded to the Finance, Investment, and Audit Committee for consideration. A cost breakdown by priority categories and a listing of FY24 plant budget projects is provided in the materials.

.

**ST. MARY'S COLLEGE OF MARYLAND
FY24 PLANT PROJECT SUMMARY
PRIORITY A PROJECTS LIST**

	Estimated Cost
Major Capital Projects	
Schaefer Hall Marine Science Lab Renovation	\$741,000
Miscellaneous Capital Projects < \$200,000	\$267,000
<i>Subtotal</i>	\$1,008,000
 Maintenance and Repair	
Miscellaneous Maintenance and Repair Projects < \$200,000	\$571,000
<i>Subtotal</i>	\$571,000
 Program Support	
Miscellaneous Projects < \$200,000	\$182,000
<i>Subtotal</i>	\$182,000
 Residence Hall Renewal Program	
Crescents New Furniture Phase 1	\$200,000
Miscellaneous Residence Hall Projects < \$200,000	\$355,000
<i>Subtotal</i>	\$555,000
	 \$2,316,000

FY24 Priority A Projects List

PROJECT	ESTIMATED COST
<u>CAPITAL PROJECTS</u>	
Schaefer Hall Marine Science Lab Renovation	\$741,000
Montgomery Hall - Backfill Plan Phase 2	\$20,000
Traditional Halls - Lobby Refresh Phase 1	\$60,000
Public Safety - Steel Shed	\$12,000
Campus Master Plan	\$75,000
Montgomery Hall - Visioning and Programming Phase	\$100,000
TOTAL COST OF CAPITAL PROJECTS	\$1,008,000
<u>MAINTENANCE & REPAIR</u>	
Miscellaneous Maintenance and Repair Projects - Unknown	\$32,000
Plant Contingency	\$50,000
Campus-Wide - Roof repairs	\$47,000
Campus-Wide - Building Automation	\$20,000
Campus-Wide - ADA Automatic Doors	\$12,000
Campus-Wide - Parking Lot Repairs/Maintenance	\$10,000
Residence Hall - Fire Alarm Upgrade Phase 4	\$80,000
Traditional Residence Halls - Life Safety Sprinklers Phase 1	\$125,000
Lewis Quad - HVAC and Mechanical Upgrade Phase 3 of 3 (8 units)	\$120,000
Baltimore Hall - HVAC Replacement	\$45,000
Goodpaster Hall - Pergola Replacement	\$10,000
Lucille Clifton House - Basement Waterproofing	\$20,000
TOTAL COST OF MAINTENANCE AND REPAIR PROJECTS	\$571,000
PROJECT	ESTIMATED COST
<u>PROGRAM SUPPORT</u>	
Miscellaneous Enhancements - Unknown	\$12,000
Miscellaneous Site Improvement Projects - Unknown	\$10,000
Artist House - Building Repairs	\$15,000
Campus Center - Furniture Update - First Floor Hallway	\$10,000
Wellness Center - Flooring Replacement	\$25,000
O'Brien ARC - Hawks Nest Field Renovation - Phase 2	\$70,000
Cobb House - Window Replacement	\$30,000
Admission - Golf Cart Protective Shed	\$5,000
Schaefer Hall - Roof Gutter Modification/Addition	\$5,000
TOTAL COST OF PROGRAM SUPPORT PROJECTS	\$182,000

<u>RESIDENCE HALL RENEWAL PROGRAM</u>	
Miscellaneous Residence Hall Repairs	\$30,000
PG Hall - First Floor Restroom Upgrade	\$100,000
Dorchester Hall - Third Floor Bathroom Upgrade	\$50,000
Crescents - New Furniture Phase 2	\$200,000
Dorchester Hall - Interior Refresh	\$175,000
TOTAL COST OF RESIDENCE HALL PROJECTS	\$555,000
TOTAL COST OF PRIORITY A PROJECTS	\$2,316,000

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF MAY 12, 2023
ACTION ITEM II.F.
APPROVAL OF THE FY25-FY29 STATE CAPITAL BUDGET PROPOSAL**

RECOMMENDED ACTION

The Finance, Investment, and Audit Committee recommends approval by the Board of Trustees, St. Mary's College of Maryland, contingent upon a favorable endorsement by the Technology, Buildings and Grounds Committee, of the attached FY25-FY29 State Capital Budget Proposal.

The proposed FY25-FY29 state-funded capital budget request includes funding of various campus infrastructure improvements, funding for the design and renovation of Montgomery Hall, and design and renovation costs associated with interior improvements and ADA compliance issues in Calvert Hall.

RATIONALE

The attached chart summarizes our FY25-FY29 state capital budget request and provides a comparison to the governor's five-year Capital Improvement Plan (CIP). Details follow below:

Campus Infrastructure Improvements

This budget continues to fund infrastructure improvements annually in multiple phases. The previous FY24 allocation of \$2.1M will fund improvements to the North Campus nodal loop.

Additional highlighted projects proposed for FY25-FY29 include Kent Hall HVAC replacement, Schaefer Hall fume hood replacement and automation controls upgrades, Goodpastor Hall automation controls upgrades, masonry restoration and slate roof replacement for the historic campus area, Hilda C. Landers Library/OIT generator and transfer switch replacement, and other projects. The total request for infrastructure projects in FY25-FY29 is \$10.0M.

Montgomery Hall Renovation

Montgomery Hall was constructed in 1979 and currently supports programs in English and the fine and performing arts. Except for the Bruce Davis Theater renovation in 2010, Montgomery Hall has only received minor renovations and cosmetic improvements.

This renovation project remains core to our strategic planning efforts to provide adequate facilities for our academic programs as identified in the College's 2012-2027 Master Plan. With the completion of the Learning Commons and the Nancy R. and Norton T. Dodge Performing Arts Center complex this past summer, the College's music department relocated from Montgomery Hall, freeing space for other disciplines in the building. An extensive renovation of the entire 40-year-old building is anticipated to improve energy efficiency, update code compliance, and address programmatic space deficiencies.

The governor's CIP provided \$2.59M in FY24 to begin the design process and we are requesting the final design funding of \$1.65M for FY25. Further, we are requesting \$14.34M in initial construction support in FY26, and the remaining \$23.77M in construction and equipment funding in FY27 and FY28 to finish the renovation. Total project costs are forecasted at \$42.35M.

Calvert Hall Interior Renovation

The College requested \$2.08M in FY28 for design funding to begin planning the interior renovations of Calvert Hall, the primary administrative building for the College constructed in 1932. Recent Department of Budget and Management funded infrastructure projects have addressed significant building envelope deficiencies (HVAC and electrical system upgrades, masonry repair and slate roof replacement, and window replacement); we now focus on the life safety improvements and interior upgrades for this ninety-year-old building needed to meet ADA code compliance, installation of an elevator and fire suppression system, upgraded restrooms, and other internal improvements. Renovation construction costs are estimated at approximately \$20.51M, and the renovation funding will be split equally over two fiscal years (FY29 and FY30). Total project costs are \$22.59M.

SMCM - Capital Budget Plan FY24-FY30

Design

Construction

 in \$M

Next Request

FY24

FY25

FY26

FY27

FY28

FY29

FY30

Infrastructure	State (FY23 CIP)	2.1	2.0	2.0	2.0	2.0	2.0	2.0
Montgomery Hall	State	2.5	1.6	14.3	17.1	6.6		
Calvert Hall	State						2.1	10.5
								10.0
SMCM	State	4.6	3.6	16.3	19.1	10.7	12.5	12.0
	College	0	0	0	0	0	0	0
GOVERNOR'S CIP FY24	INFRASTRUCTURE	2.1	2.0	2.0	2.0	2.0	2.0	
	MONTGOMERY HALL	2.5	1.6	14.3	17.1	6.6		
	CALVERT HALL					2.1	10.5	
	TOTAL	4.6	3.6	16.3	19.1	10.7	12.5	

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF MAY 12, 2023
INFORMATION ITEM III.A.
FY23 FINANCIAL RESULTS TO DATE**

Comprehensive revenue collections are 88% of the budgeted level, 18.4% higher than the equivalent period last year. Tuition collected is at 98% of budget. Auxiliary enterprise revenue is at 97% of budget and reflects an increase of 4% over the previous year. State appropriations to the College's general fund grant are on track with third quarter expectations at 78% of budget. Finally, interest income is significantly higher than the previous year due to the broad increase in interest rates economy-wide.

All expenditures through the 3rd quarter of FY23 are 75% of the budgeted amount and 8.4% higher than last year, with utilities, dining services, and tuition waivers that were higher by more than 10% compared to the prior year. Operating expenses (non-personnel) are running at 82% of budget amount, in line with expectations. Payroll expenditures and benefits are at 69% of budgeted amount, or 7.7% higher than the previous year, which was anticipated due to the cumulative 8% COLA increase that employees received over the past year.

<u>FY23</u>	<u>Category</u>	<u>Status</u>	<u>YTD Budget vs. Actual (March 2023)</u>	<u>Remarks</u>
REVENUE				
	State Appropriation		\$32.3M / \$25.3M = 78.3%	Tracking to overall budgeted expectations.
	Tuition		\$20.7M / \$20.2M = 97.5%	Tracking to overall budgeted expectations.
	Fees		\$3.2M / \$4.3M = 133.4%	Tracking to overall budgeted expectations, fee payment due to SGA.
	Sales & Services		\$809K / \$233K = 28.8%	Expect bulk of revenue transfer in 4th quarter.
	Investment Income		\$287K / \$685K = 238.4%	Favorable interest return rates.
	Auxiliary Enterprises		\$18.4M / \$17.8M = 96.9%	Tracking to overall budgeted expectations.
	Foundation, Other Revenue		\$329K / \$387K = 117.6%	Tracking to overall budgeted expectations.
	Additions to Fund Balance		\$2.2M / \$410 = 0.2%	Anticipated bond draw down for approved FY23 expenditures, distribution occurs in June.
	Overall Revenue		\$78.3M / \$68.9M = 88.0%	Tracking precisely to overall budgeted expectations.
EXPENSE				
	Operating (Supply/Expense)		\$18.4 / \$13.5M = 71.6%	Department/unit expenses trending with historical spending.
	Utilities		\$3.7M / \$2.9M = 77.6%	Awaiting billing, costs in line with expectation.
	Debt Service		\$3.81M / \$3.80M = 99.7%	Principal and interest paid for entire year.
	Institutional Expense		\$624K / \$16.5K = 2.6%	Contingency funds not used yet, later in FY.
	Dining Services		\$4.7M / \$3.9M = 85.5%	Tracking to overall budgeted expectations.
	Bookstore Operations		\$816K / \$748K = 90.5%	Tracking to overall budgeted expectations.
	Scholarships/Tuition Waivers		\$8.9M / \$8.7M = 97.7%	Tracking to overall budgeted expectations.
	Personnel Wages/Benefits		\$39.7M / \$27.2M = 68.7%	Completely in line with budget.
	Overall Expense		\$80.7M / \$60.9M = 75.4%	Within expectations, expenses now include \$2,398,591 in encumbered rollover.

Tracking, no issues

Acceptable, but monitor periodically

Concern, monitor closely

**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF MAY 12, 2023
INFORMATION ITEM III.B.
JOINT INVESTMENT ACTIVITIES**

The Foundation's Joint Investment and Advisory Committee met on April 27, 2023, to review the Foundation's endowment portfolio with its investment manager J.P. Morgan. The Committee also received a report on the College's endowment/quasi endowment.

St. Mary's College of Maryland Foundation

As of March 31, 2023, the total market value of the Foundation's endowment was \$36.8M. The Foundation's endowment is comprised of three parts: a portion of the JP Morgan portfolio (\$36M), the Student Investment Group account (\$587K), and WesBanco shares (\$243K).

Of the endowment managed by JP Morgan, the fiscal year-to-date increase in market value of \$921K includes \$1.23M in contributions, \$618K in income, \$472K increase in investment value, and distributions of \$1.4M.

On a fiscal YTD basis, the portfolio has returned +2.8% on a net-of-fees basis.

St. Mary's College of Maryland Endowment and Quasi Endowment

The College holds investments totaling \$4.51M consisting of endowment and quasi-endowment. \$3.5M are funds functioning as endowment (quasi) and \$1.0M represents the Blackistone Endowment. Invested endowment funds, managed by 19/19 Investment Council, have a market value of \$4.23M as of March 31, 2023. Funds are currently invested in a mix of fixed income instruments and equities. The annualized rate of return is +2.92%.

The remaining \$271K of College endowment is currently held in a cash investment pool by the Maryland State Treasurer.

St Mary's College of Maryland Foundation, Inc
Consolidated Investment Statement
for the period July 1, 2022 to March 31, 2023

	<u>Beginning Market Value</u> <u>7/1/2022</u>	<u>Ending Market Value</u> <u>3/31/2023</u>
<u>JP Morgan Portfolio</u>		
Endowed Accounts	35,055,606.71	35,977,050
Gift Annuity	1,081,274	1,108,977
Current Funds	3,752,160	6,501,993
Endowment Allocated Spending Funds	-	576,071
Total Investment Accounts Market Value	39,889,040	44,164,092
Endowed Funds Allocated Spending Account	670	1,369
Gift Annuity Cash Account	37,592	14,514
SGA Investment	580,025	587,317
Total JP Morgan Portfolio	40,507,327	44,767,292
<u>Other Assets</u>		
Perpetual Trust, PNC	1,428,098	1,490,609
WesBanco shares	250,572	242,591
<u>Cash</u>		
Checking Account	1,418,151	1,077,898
Endowment Spending Account	1,351,877	421,317
<u>Total</u>	44,956,025	47,999,708

*** In addition to the JP Morgan Portfolio, the Foundation Endowment includes the WesBanco Shares & the SGA investment

*** The College holds a quasi-endowment in addition to the above funds

St. Mary's College of Maryland
Endowment Fund

	<u>6/30/2022 Balance</u>		<u>3/31/2023 Balance</u>	
Legg Mason / 1919 Investments - Cash & Equivalents	\$347,216		\$340,372	
Legg Mason / 1919 Investments - Fixed Income	\$2,174,235	Fixed & Cash	\$2,293,319	
Legg Mason / 1919 Investments - Equity Portfolio	\$1,558,461		\$1,605,211	
	\$4,079,912		\$4,238,902	2.92%
Cash with Treasurer	\$271,434		\$271,434	Cash
Investable Total	\$4,351,346		\$4,510,336	2.74%
Other Investments	\$978		\$978	
Total Investments	\$4,352,324		\$4,511,313	

Asset Allocation *				
	Current	Lower	Target	Upper
Domestic Equities	32.6%	20%	30%	50%
International Equities	5.3%	0%	5%	10%
Fixed Income	54.1%	50%	60%	70%
Cash	8.0%	30%	5%	15%
	100.0%	100%	100%	145%

Note: Asset Allocation per Board of Trustees Approved Investment Policy

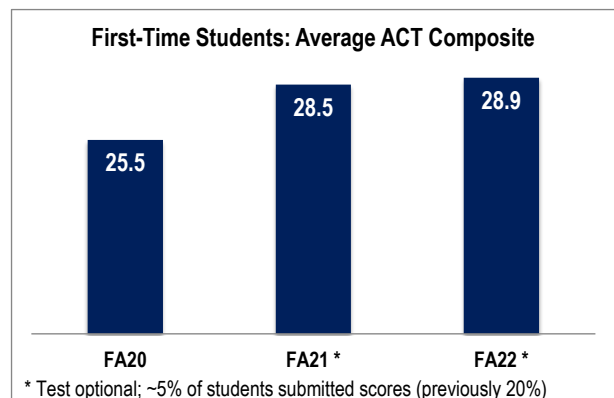
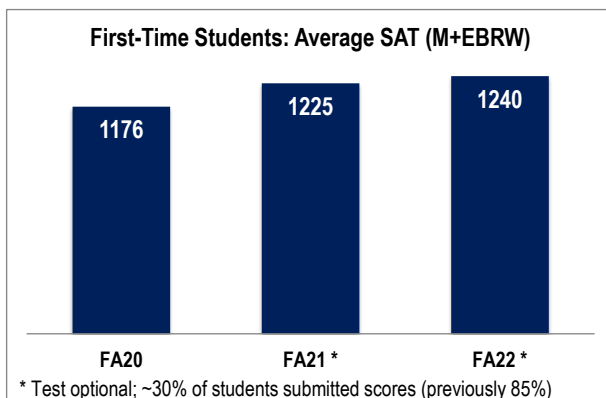
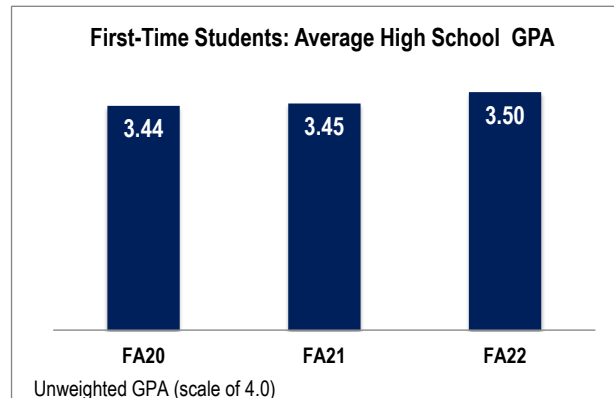
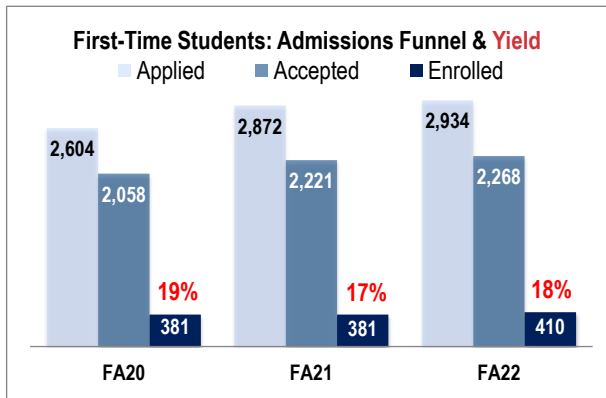
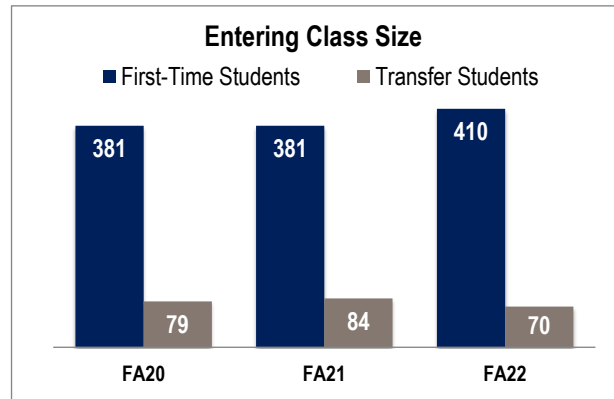
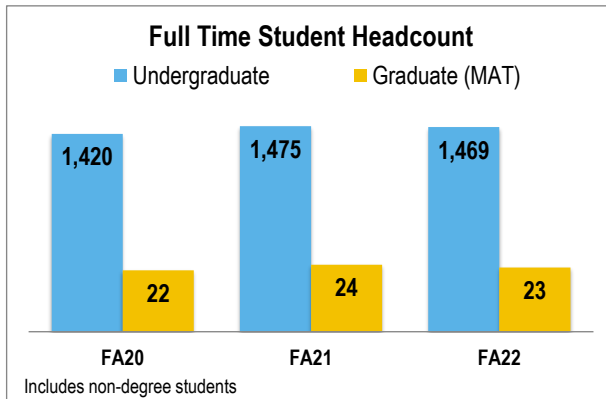
**BOARD OF TRUSTEES
ST. MARY'S COLLEGE OF MARYLAND
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
MEETING OF MAY 12, 2023
INFORMATION ITEM III.C.
REPORTABLE PROCUREMENT ITEMS**

Payee	Description	Amount
Data Networks	Calvert Hall Juniper and Aruba Equipment	\$154,597
Data Networks	Calvert Hall Network Replacement	\$375,255
Reynolds Restoration	Calvert Hall Demolition and Restoration	\$135,500
S.E. Davis Construction	GP Hall Renovations	\$1,746,539
Vincent Enterprises	Calvert Hall Emergency Duct Cleaning	\$105,600
Apogee Telecom	Annual Cable/TV lease	\$105,435
Wilkinson and Son	Calvert Hall Painting	\$116,285
Griffin's Flooring	Calvert Hall Floor Tile Replacement	\$238,582
Computershare Trust Company	January Interest Payment for Bonds	\$707,620
Capital Brand Group	Calvert Hall Mechanical System	\$513,217
Maryland Correction Enterprise	Crescent Townhouse Furniture	\$169,240

Board of Trustees Dashboard - May 2023

Student Characteristics in Enrollment **

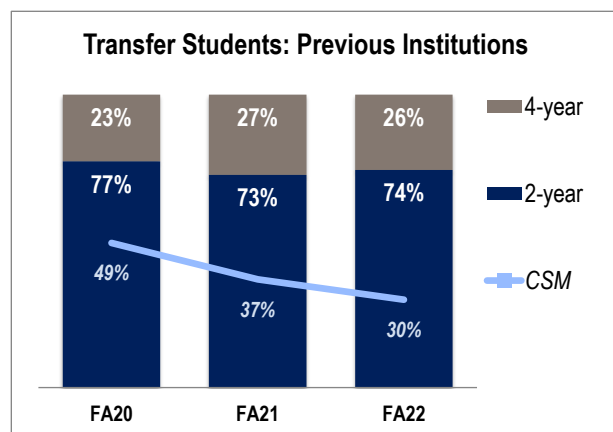
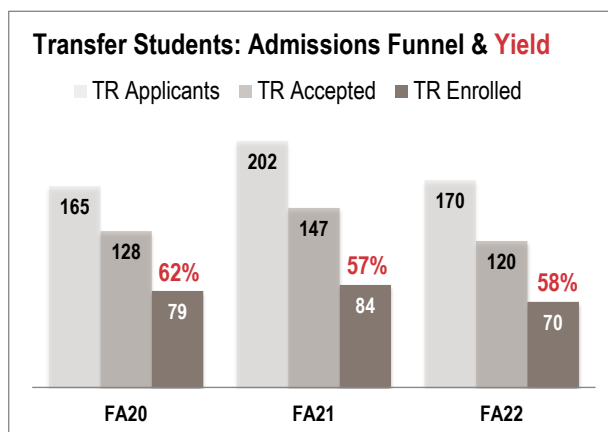
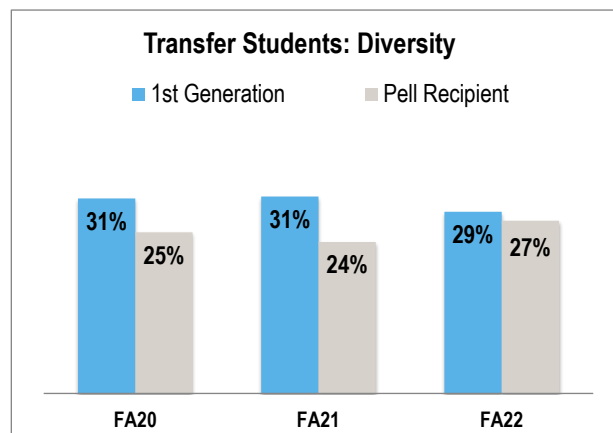
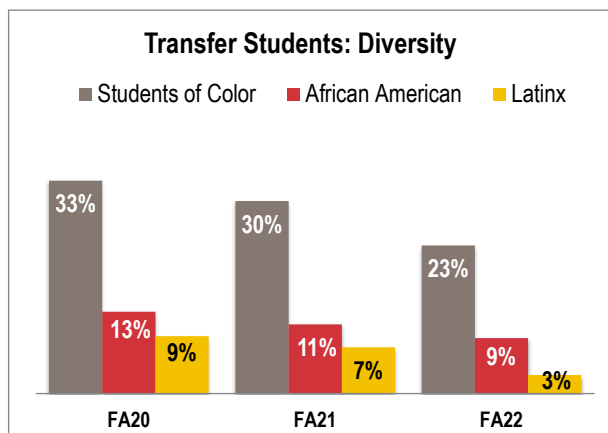
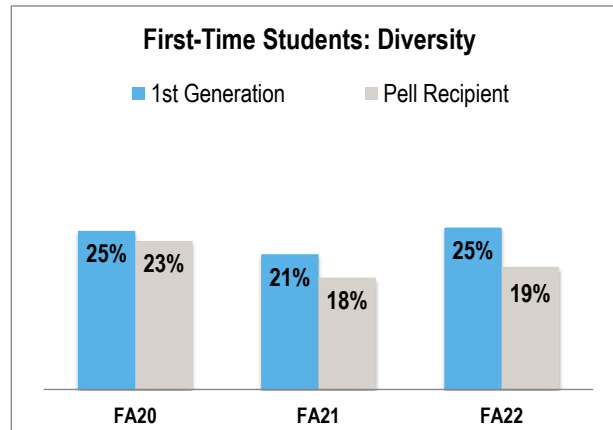
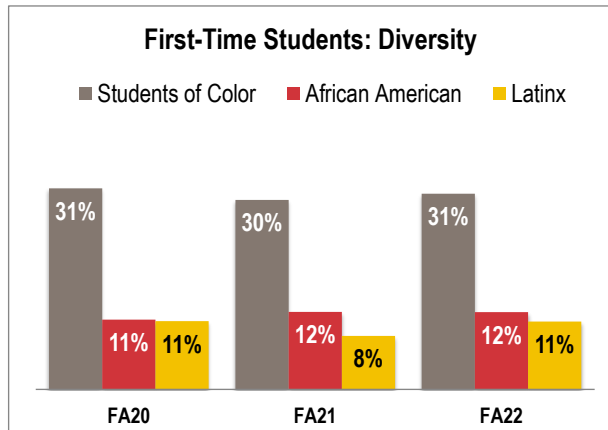
Fall 2022 figures based on final census (freeze) data, 9/26/2022



Board of Trustees Dashboard - May 2023

Student Characteristics in Enrollment **

Fall 2022 figures based on final census (freeze) data, 9/26/2022

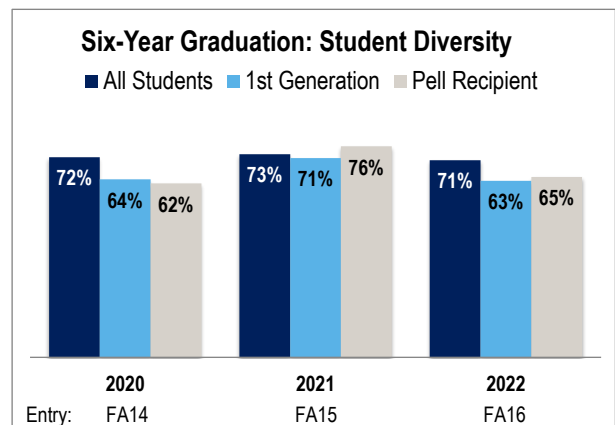
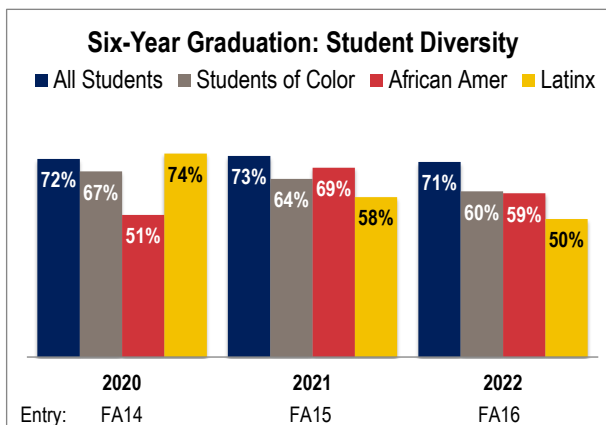
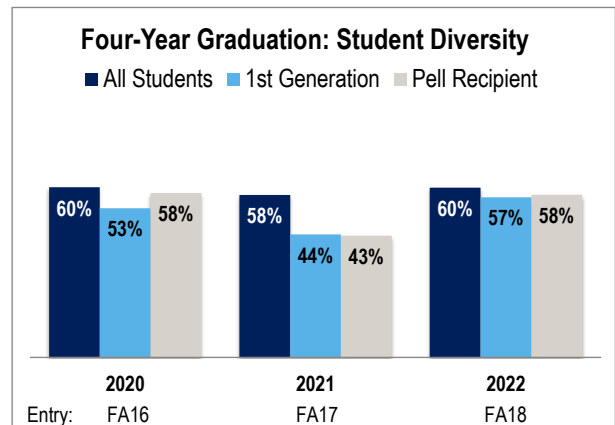
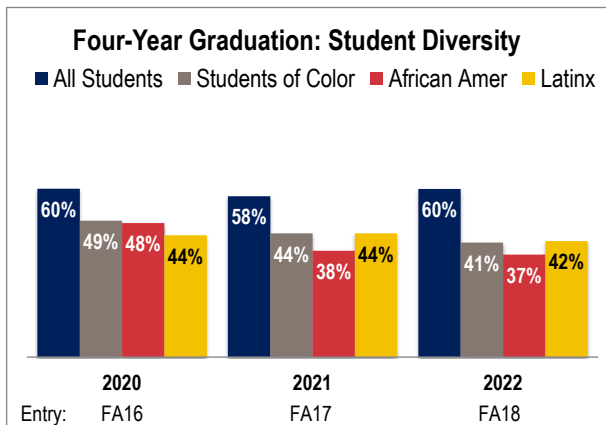
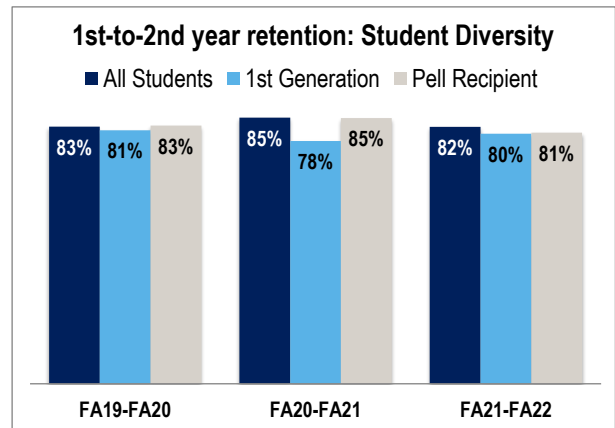
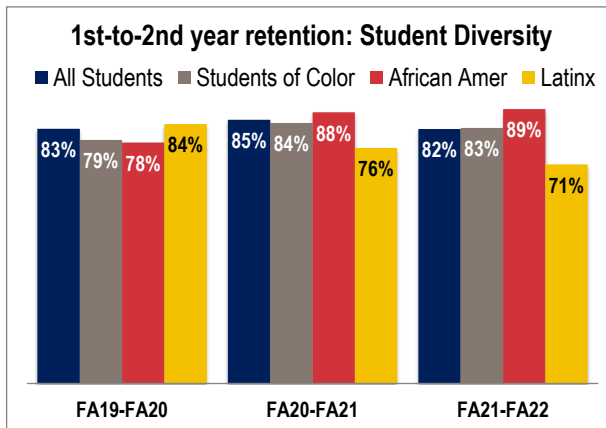


** Goals were temporarily removed for all measures. Revised goals will be established during the strategic planning process.

Board of Trustees Dashboard - May 2023

Student Retention and Persistence (First-Time Students) **

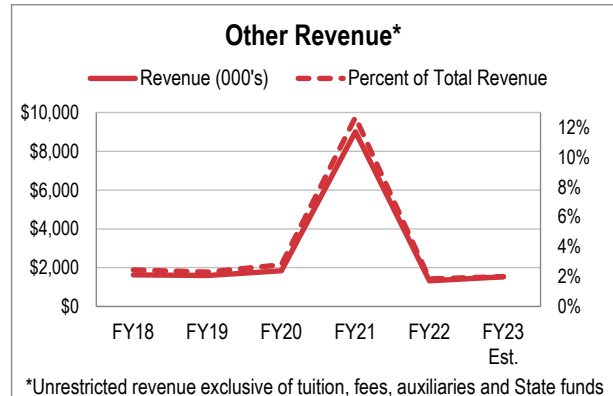
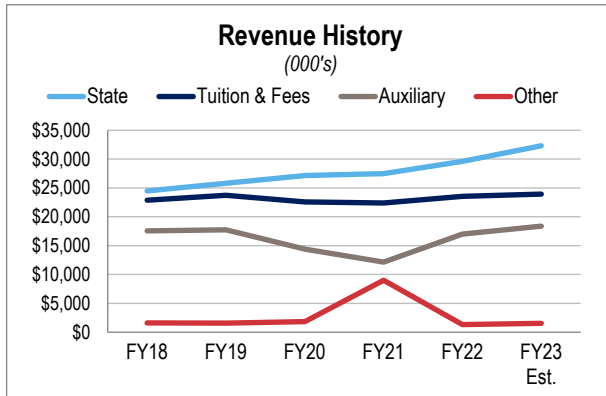
Fall 2022 figures based on final census (freeze) data, 9/26/2022



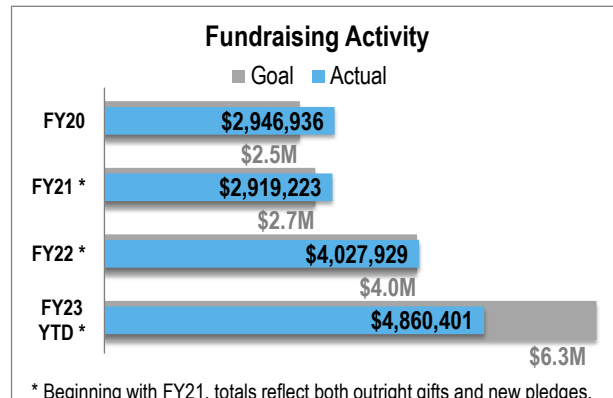
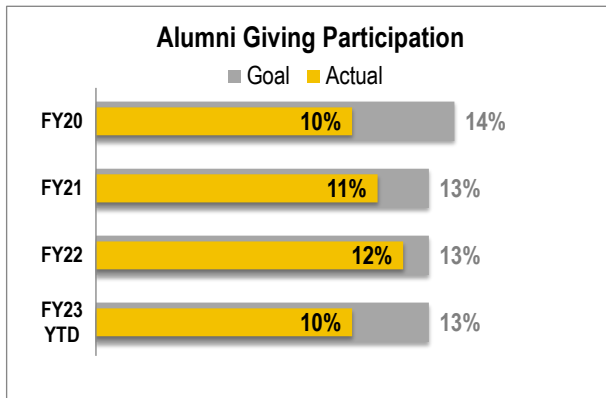
** Goals were temporarily removed for all measures. Revised goals will be established during the strategic planning process.

Board of Trustees Dashboard - May 2023

Revenue and Fundraising



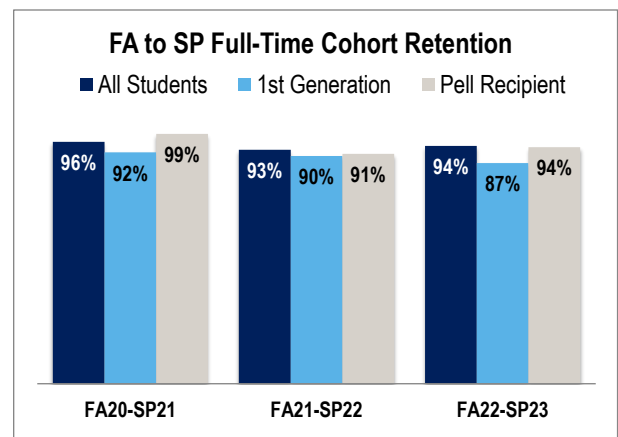
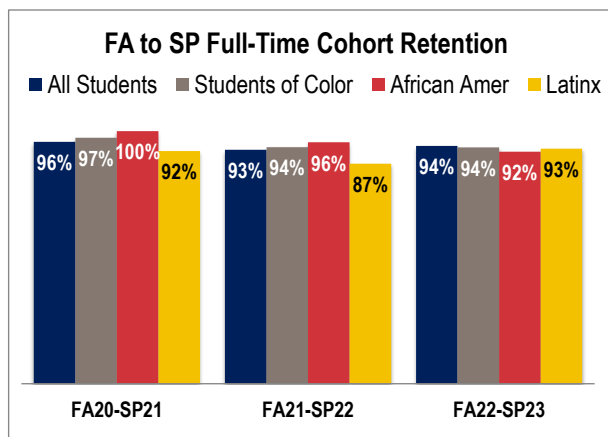
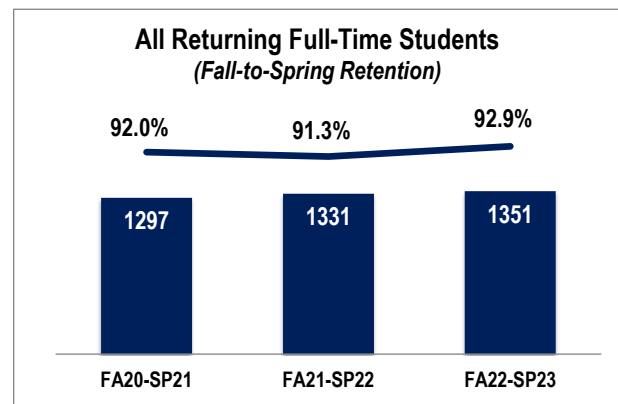
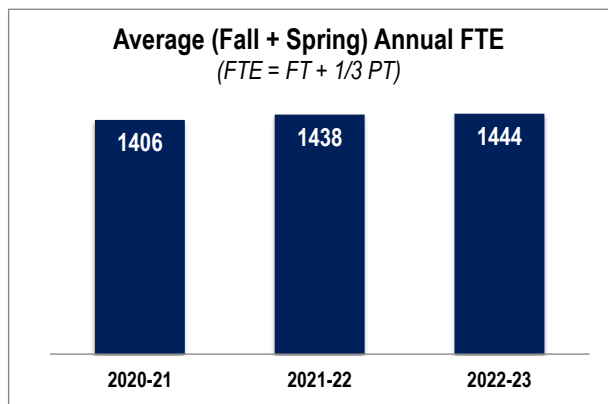
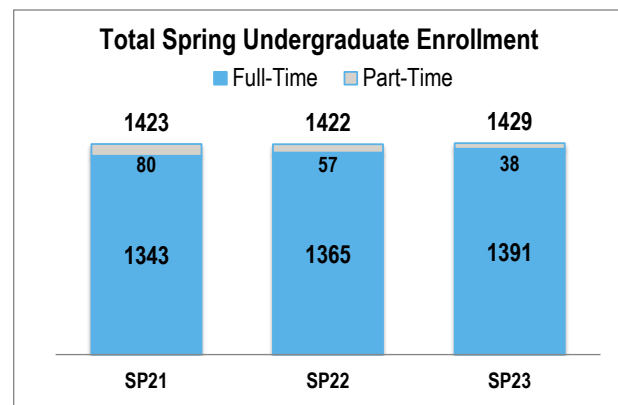
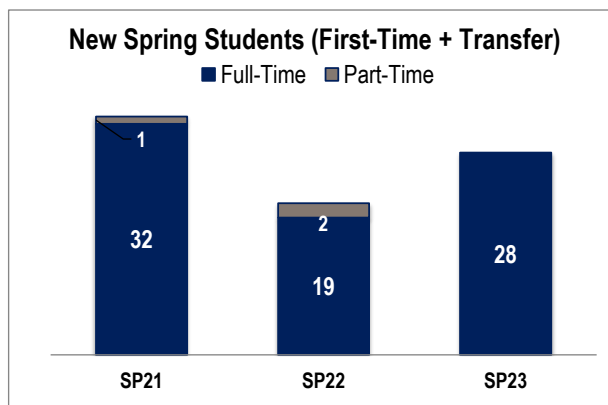
Note regarding FY21 Revenue: The COVID-19 pandemic had major impacts on Auxiliary revenues. A significant portion of the student population chose to study remotely, leading to substantial decreases in on-campus living and dining participation rates. Offsetting revenue increases were recorded in the Other category in the form of CARES act institutional support (\$1.1 million), Paycheck Protection Plan loan forgiveness (\$6.7 million) and federally funded COVID expense reimbursements through the state (\$1.5 million).



Board of Trustees Dashboard - May 2023

Spring Semester Enrollment and Persistence

Spring 2023 figures based on final census (freeze) data, 2/13/2023





BOARD OF TRUSTEES
FINANCE, INVESTMENT, AND AUDIT COMMITTEE
OPEN SESSION
MINUTES

Date of Meeting: February 3, 2023

Status of Minutes: Approved March 20, 2023

Committee Members Present: Committee Chair John Wobensmith '93, Anirban Basu, John Bell '95, Board Chair Susan Dyer, Sven Holmes, President Tuajuanda Jordan, Faculty Finance Delegate Shanen Sherrer, Ray Wernecke

Committee Members Absent: None

Staff Member: Paul Pusecker

Others Present: Nicolas Abrams '99, Jamie Athey, Betsy Barreto, Alice Bonner '03, Mary Broadwater, Peter Bruns, Donny Bryan '73, Jeff Byrd, Paula Collins, Carolyn Curry, Peg Duchesne '77, Jennifer Falkowski, Judy Fillius '79, Katie Gantz, Elizabeth Graves '95, Cynthia Greb, Mary Grube, David Hautanen, Gail Harmon, Melanie Hilley '92, Jerri Howland, Shannon Jarboe, Lawrence Leak '76, Douglass Mayer '04, Jesse Price '92, Brayan Ruiz Lopez '24, Dereck Rovaris, Aaron Tomarchio '96, David Taylor, Danielle Troyan '92, Chris True, Anna Yates

Executive Summary

Finance, Investment, and Audit Committee Chair John Wobensmith '93 called the meeting to order at 3:06 p.m. Attendees participated both in-person and via videoconference.

Vice President Paul Pusecker reported that the College received an A2 Stable rating from Moody's Investors Service, citing the strong state support the College receives, our recent positive enrollment trend, and our excellent governance. Further, Moody's stated that more than one-third of the higher education institutions they have evaluated were moved to either a negative status or were assigned a lower rating.

Discussion Items

FY23 Financial Results to Date

Revenue collections are 76% of the budgeted level, 7.1% higher than this time last year. State appropriations to the College's general fund grant are on track and are 17% higher than last year. Operating expenditures in FY23 are 13% higher this year. Supply/operating expenses, utilities, and scholarships are running above last year. Payroll expenditures and benefits are 11% higher due to the cumulative 8% COLA increase that employees received over the past year. Details regarding revenue and expenses were provided in the material.

Strategic Investments from Bond Proceeds

The cost of issuing the bond was \$716K, which left an available starting balance of \$19.28M. At the close of FY22, the College had drawn down \$3,184,107 for approved bond supported expenses, leaving a balance of \$16.1M. To date, FY23 anticipated expenses to be supported by the bond total \$3.47M. Since the October meeting, only one additional anticipated expense has been added for FY23 that will be used for study abroad financial assistance, leaving an anticipated balance of \$12,627,837.

Bond Proceeds – Investment in Treasury Notes

The bond proceeds were held in a low interest-bearing money market account with Wells Fargo Bank to be drawn down annually to cover anticipated approved expenditures. With the positive changes in interest rates, especially for Treasury Notes, and based on conversations with the Finance, Investment, and Audit Committee Chair, the College engaged Wells Fargo Bank to determine the feasibility of placing the remaining bond proceeds into higher interest-bearing Treasury Notes. On October 18, 2022, Wells Fargo Bank executed our trades for a series of Treasury Notes totaling \$15.91M. Yields for these Treasury Notes will range from 4.141% to 4.511%. The final maturity date is September 15, 2025, at which time we anticipate a total yield of \$1.41M in interest.

Information Items

Joint Investment Activities

As of December 31, 2022, the total market value of the St. Mary's College of Maryland Foundation's endowment was \$35.3M. Donations totaling \$134K in cash will be transferred to the endowment. Of the endowment managed by JP Morgan, the fiscal year-to-date decrease in market value was \$562K. The Foundation's main investment portfolio stood at \$34.6M. On a fiscal YTD basis, the portfolio has returned -0.8% on a net-of-fees basis. On a full calendar 2022 basis, the portfolio returned -11.5%, outperforming the -12.6% return for the policy index by an estimated 1.1%.

The College holds investments totaling \$4.35M consisting of endowment and quasi-endowment. \$3.4M are funds functioning as quasi-endowment and \$1.0M represents the Blackstone Endowment. Invested endowment funds, managed by 19/19 Investment Council, have a market value of \$3.35M. Funds are currently invested in a mix of fixed income instruments and equities. The annualized rate of return is 0.04%. The remaining \$271K of College endowment is currently held in a cash investment pool by the State Treasurer.

Action Items

II.A. Approval of FY24 Tuition, Fees, Room, and Board Rates

The Committee reviewed the recommended FY24 student rates for tuition, fees, room, and board, which proposed that tuition remain equal to the FY23 rate. Due to inflation and the higher costs for goods and services, the Committee was asked to authorize an increase of 2% for mandatory fees and room rates, and a 4% increase for board rates. This action would be applicable for Maryland resident undergraduate students, non-resident undergraduate students, DC resident undergraduate students, and MAT students. The objective of not increasing tuition in FY24, for the fourth consecutive year, is to encourage affordable enrollment growth and to continue closing the in-state tuition price gap between St. Mary's College of Maryland and the University of Maryland, College Park. A motion to approve the action item was made by Committee Chair John

Wobensmith '93. The motion was seconded and the action was approved unanimously.

II.B. Approval of a Revision to the FY23 Plant Fund (Capital) Budget

With the endorsement of the Technology, Buildings, and Grounds Committee, the Committee was asked to approve revisions to the FY23 Plant Budget in the amount of \$1.983M. Since the May 2022 meeting, two additional projects were added to the FY23 plant project list that utilized funding sources other than the student facility fee. The first project is the throwing sports field, which was funded using \$288K in private donor funds and \$100K from bond proceeds. The second is the Schaefer Hall renovation project design cost, which totaled \$161K and was fully funded by the bond proceeds, for the new marine science lab. A motion to approve the action item was made by Committee Chair John Wobensmith '93. The motion was seconded and the action item was approved unanimously.

II.C. Approval of an Amendment to the St. Mary's College of Maryland Procurement Policy

The Committee was asked to review and approve revisions to the St. Mary's College of Maryland Procurement Policy that would ensure compliance with State regulations in accordance with 2016 Maryland Laws, Chapter 65, Senate Bill 342. The proposed revisions include the addition of amendments regarding service contracts and union negotiations. Implementation of the revised policy would begin after approval by the St. Mary's College of Maryland Board of Trustees, the Administrative, Executive, and Legislative Review Committee of the General Assembly, and the Maryland Board of Public Works. A motion to approve the action item was made by Committee Chair John Wobensmith '93. The motion was seconded and the action item was approved unanimously.

The meeting adjourned at 3:29 p.m.



Employee Handbook



This handbook is not a contract, express or implied, guaranteeing employment for any specific duration. Although we hope that your employment with St. Mary's College will be long term, either party may terminate this relationship at any time, for any reason, with or without cause.

COLLECTIVE BARGAINING

On October 24, 2006, the first Memorandum of Understanding (MOU) was ratified by the St. Mary's College Board of Trustees and the American Federation of State, County, and Municipal Employees (AFSCME).

Council 3 represents employees who hold positions that are identified to be eligible for collective bargaining. AFSCME Local 3980, St. Mary's United, Maryland's First College Local and First College Charter represent all union employees of St. Mary's College of Maryland.

Non-exempt positions: A non-exempt position is eligible for overtime as defined by the Fair Labor Standards Act. Employees holding non-exempt positions are covered under the MOU unless the position has been identified as confidential, managerial or supervisory as defined by the Board of Trustees and AFSCME.

Exempt positions: An exempt position is not eligible for overtime as defined by the Fair Labor Standards Act. Employees holding exempt positions are covered under the MOU unless the position has been identified as managerial, confidential, or supervisory.

Employee Handbook: Rules and regulations contained in this handbook are applicable to employees covered by the MOU only in the event that the rule or regulation is not part of the MOU.

Union employees: All employees who hold a position that has been identified as one covered by collective bargaining should contact one of the shop stewards in reference to employment-related problems, issues, and concerns during their employment at St. Mary's College of Maryland.



Welcome to St. Mary's College of Maryland (The "College"). We expect you will thoroughly enjoy being a member of the campus community.

As an institution of higher education, St. Mary's College is the national public honors college and is committed to achieving and continuing excellence in the quality of education and services provided to our students, faculty, staff, and community. We believe strongly that to achieve the goals of the College, we must maintain excellent employees in a supportive environment. St. Mary's is committed to equal employment opportunity and affirmative action; it treats employees and applicants fairly and without regard to **race, color, religion, sex (including pregnancy and parental status), national origin, gender identity/expression, sexual orientation, ethnicity, age, marital status, physical or mental disability, protected veteran status, or any other characteristic protected by law.**

St. Mary's College is pleased to have you join its educational community. Joining a new employer requires some adjustment. You meet new people, work in different surroundings, and are confronted with new policies, rules, and employee benefits. In order to more readily acquaint you with the College, we have prepared this Employee Handbook. The College strives to provide excellent benefits and working conditions, and you, as an employee, agree to make important contributions and provide excellent service.

While this handbook will answer many of your questions and remain a continuing source of reference during your career with St. Mary's College, it is not an employment contract. The College reserves the right to modify, revoke, suspend, terminate, or change any or all of the policies and procedures, in whole or in part, at any time, with or without notice. Employment may be terminated at any time by either you or the College with or without cause. The College will make every attempt to ensure that the policies are consistent and fair. Your supervisor or a member of the human resources office will be glad to help you by answering any questions you may have at any time while employed at St. Mary's College of Maryland.

Once again, we say, "Welcome," and we wish you every success in your career here at St. Mary's College.

ST. MARY'S COLLEGE AND THE STATE SYSTEM OF HIGHER EDUCATION

By action of the Maryland State Legislature in 1964 and 1992, St. Mary's College of Maryland was authorized to become a public, four-year honors college with its own board of trustees. As part of the Maryland system of higher education, St. Mary's operates under the provisions of state law, including the applicable policies and regulations of the Maryland Higher Education Commission and other state agencies. Within this framework, the authority to govern St. Mary's College of Maryland is vested in the Board of Trustees of the College.

THE BOARD OF TRUSTEES OF ST. MARY'S COLLEGE OF MARYLAND

The Board of Trustees consists of 23 voting Trustees who are appointed by the Governor. In addition, there is a student Trustee and two ex-officio voting Trustees, who are, as long as they are in their respective positions, the chair, or designee, of the Historic St. Mary's City Commission, and the president of the St. Mary's College Alumni Association. The Board of Trustees is vested with the authority to govern the College.

These powers include, but are not limited to the following:

1. Authorization of an operating and capital budget for the College, including the setting of tuition and other fees and charges, and the setting and oversight of procurement standards and practices.
2. Authorization of the curricula to be offered and conferring of such appropriate degrees as it shall determine and prescribe.

Agendas for Board of Trustees meetings are available in advance to the extent practical. The Board of Trustees Liaison is responsible for maintaining all materials concerning the Board of Trustees. Inquiries about, and communication with, the Board of Trustees should be addressed to the Board of Trustees Liaison. The President of the College has final authority to implement decisions made by the Board of Trustees. The [St. Mary's College of Maryland Board of Trustees Bylaws](#) are available on the College's website.

POLICY AND REGULATIONS

EMPLOYMENT POLICY STATEMENT

Eligibility for employment at the College is based on the ability to perform the duties assigned to a particular position. Continuation of employment depends on the satisfactory performance of assigned responsibilities.

St. Mary's College of Maryland does not discriminate or condone discrimination on the basis of race, color, religion, sex (including pregnancy and parental status), national origin, gender identity/expression, sexual orientation, ethnicity, age, marital status, physical or mental disability, protected veteran status, or any other characteristic protected by law in appointments, assignments, promotions, and conditions of employment. St. Mary's College of Maryland is an Equal Opportunity Employer and complies with all state and federal regulations governing employment.

All employees are entitled, at any time, to make an appointment with staff in the Office of Human Resources in reference to employment-related problems, issues, and concerns during their employment at St. Mary's College of Maryland. Employees covered by the MOU may choose to contact one of the stewards for work-related issues.

College policy prohibits family members or individuals who have an economic relationship to supervise one another or to work in positions which have an audit or control function over the relative/individual. Employees and applicants are expected to disclose these relationships whenever they come into existence. Failure to notify the human resources office may lead to disciplinary action. Economic relationships include roommates, landlord/tenant, creditor/debtor, etc. Family relationships include marriage, intimate personal relationships, parents, siblings, in-laws, aunts, uncles, and step-relatives. Normally, if these relationships come into existence after employment, an attempt will be made to transfer employees to comparable positions or another supervisor. This policy is designed to prevent favoritism, conflicts of interest, violations of security, and unlawful discrimination.

AFFIRMATIVE ACTION

St. Mary's College of Maryland is fully committed to the principles of equal employment opportunity and affirmative action. St. Mary's College of Maryland does not discriminate or condone discrimination or harassment in the workplace on the basis of race, color, religion, sex (including pregnancy and parental status), national origin, gender identity/expression, sexual orientation, ethnicity, age, marital status, physical or mental disability, protected veteran status, or any other characteristic protected by law. See the [Affirmative Action Policy](#) for further information.

EMPLOYMENT OF FOREIGN NATIONALS

It is the policy of the College that it may employ, or make employment offers to, foreign nationals only when U.S. citizens or permanent residents of equal training, experience and competence for

the position are unavailable. Such a determination can only be made following a completely documented search and evaluation process. Employment of foreign nationals will be authorized only under the provisions of this policy and only when conditions and visa requirements established by federal law are ensured and documented. Under no circumstances may any employee of the College knowingly employ, or contract employment with, an unauthorized alien. Any offer of employment to a foreign national under a nonimmigrant program is considered temporary and is subject to the terms and conditions of the specific program's work authorization. See the [Employment of Foreign Nationals Policy](#) for further information.

NON-DISCRIMINATION

St. Mary's College of Maryland is fully committed to equal employment and educational opportunities for its employees and students. The College does not discriminate or condone discrimination or harassment in the workplace or academic setting on the **basis of race, color, religion, sex (including pregnancy and parental status), national origin, gender identity/expression, sexual orientation, ethnicity, age, marital status, physical or mental disability, protected veteran status, or any other characteristic protected by law.** See the [Non-Discrimination Policy](#) for further information.

CRIMINAL BACKGROUND CHECKS

In order to protect the campus community, students, staff, and guests, as well as to secure the integrity of the institution, the College needs to ensure that all job applicants offered employment have no history of criminal behavior in the past seven years that could in any way jeopardize the safety, health, welfare, or fiscal security of the College community. Background checks are conducted on new applicants extended contingent offers of employment with the College. Within this policy, all employees hold sensitive positions to include: all faculty and staff hired into permanent positions, all faculty and staff hired into contractual positions, and certain student employees hired into programs with criminal background check requirements. Criminal background checks are not required for current employees unless: a) the College is required by law to conduct a background investigation, b) an existing faculty or staff member changes job responsibilities or is promoted to the extent that the sensitivity of the new position is significantly different than the sensitivity of the existing position. (Faculty promotions to associate professor and professor are not considered significantly different and not subject to criminal background checks). Applicants hired or promoted will need to complete an authorization form giving the College permission to conduct a background investigation. Job offers made are contingent upon this investigation. The College will conduct and utilize these background investigations as they relate to the fitness of duty for a particular position, in accordance with the law. See the [Criminal Background Check Policy](#) for further information.

DUAL EMPLOYMENT

An employee, with the written consent of the president, may engage in limited self-employment or employment for remuneration outside the College provided that such activities on the part of the appointee do not interfere with the appointee's duties at the College.

LOSING DRIVING PRIVILEGES

Employees must notify the College within five working days of losing their driving privileges.

HOURS OF OPERATION

The normal business hours of the College are 8 a.m. to 5 p.m., Monday through Friday. All full-time and part-time permanent employees shall receive a duty-free unpaid lunch period of one hour; or 30 minutes if approved by the supervisor. The lunch period should be scheduled around the mid-point of the employee's regular work shift with no restrictions. With the approval of the supervisor, an employee may schedule lunch at another time. Adjustments to the typical workweek may be made by supervisors to meet the needs of the College and/or department. Accordingly, exempt employees may need to work additional hours beyond those in a normal workweek in order to carry out their assigned duties. Exempt employees are considered "exempt" from overtime compensation.

The College expects employees to be at work during their regularly scheduled hours unless the College is closed and an employee is not identified to be "essential." Non-exempt employees who fail to report to work at the designated time or who leave before the end of their shift must charge hours missed against accumulated leave, or have those hours deducted from their pay.

Employees performing strenuous duties may be granted up to two 15-minute breaks per day that shall be considered time worked. Working breaks must take place on campus, and if two breaks are permitted, the supervisor must ensure that one break occurs mid-morning and one in mid-afternoon.

APPOINTMENTS - EXEMPT

Appointments shall be made by the president, exercising authority delegated by the Board of Trustees. The president will report to the Board of Trustees, at each regular meeting, any exempt appointments made on delegated authority since their last meeting.

All new exempt appointees not in positions covered by the bargaining unit normally receive a probationary appointment of at least one year. Such probationary appointments may be renewed no more than once; it shall be for a specific period of time, but not longer than one year. A probationary appointee's employment shall terminate automatically at the end of the appointment period unless the probationary appointment is renewed or unless the appointee is transferred to a non-probationary status which takes effect upon signing a new contract. Appointees in a probationary status may be terminated by the College with notice at any time, with or without cause.

Exempt employees of the College are expected to fulfill all employment obligations detailed in their contract.

All exempt appointees not in a probationary status shall serve at the pleasure of the president and

the Board of Trustees. This means that such appointments may be terminated by the president at any time with or without cause.

APPOINTMENTS - NON-EXEMPT

Employees holding non-exempt positions that are identified as confidential, managerial or supervisory are covered under the handbook. (See glossary for definitions.)

TYPES OF POSITIONS

Employees at the College are hired into positions that are either permanent or contingent. Determination of the position type will be made when the position is created.

Permanent Positions: An employee who occupies a position categorized as permanent works on a regular basis, either full-time or part-time, 12-month or academic year, and performs responsibilities deemed as ongoing and continuing from year to year based on the needs of the College. Employees in permanent positions must work at least half-time (20 hours per week).

Contractual Positions: Employees who occupy positions categorized as contingent usually are performing duties for a specific period of time (term appointment) or are working on an irregular basis, with a work schedule based on departmental needs. Contractual positions are eligible for limited College benefits, other than those mandated by law, i.e., FICA, Unemployment Insurance, and Workers' Compensation.

Hiring consideration will be given to contractual employees to fill a vacant position in the same or similar classification in which the contractual employee is employed.

ESSENTIAL EMPLOYEES

An employee categorized as essential is designated by the College as one whose duties are of such a nature as to require the employee's continued presence at the work site when others have been sent home, or an employee who must report to work to continue College operations during an emergency. The Office of Public Safety is an essential 24/7 operation.

Employees who are deemed essential to ensure operational capability during an emergency may be required to report to work or remain at work during an emergency closing. The appropriate supervisors may either excuse personnel from duty or require their presence, as circumstances and conditions warrant. Employees categorized as essential shall be notified in accordance with the Memorandum of Understanding. Non-exempt employees working during an emergency closing shall be paid for administrative leave offered to other College employees occupying permanent positions. In addition, essential non-exempt employees will receive straight time for hours actually worked at the College during the emergency situation.

There shall be no additional compensation for exempt employees who are required to work during an emergency closing; however, supervisors are encouraged to permit essential employees to work a flexible schedule during such periods.

If an essential employee fails to report to duty or remain on duty during an emergency situation, disciplinary action may be taken, depending on the circumstances.

TARDINESS AND ABSENTEEISM

The College reserves the right to terminate employment for repeated lateness, absence, or insufficient leave balances. Terminations for this reason must be approved by the senior administrator, through the Office of Human Resources.

An employee who is continually absent because of illness, or who is suspected of abusing sick leave, may be referred for a physical examination by a licensed physician/medical provider of the College's choice or the State Medical Director. The results of the examination, in the form of a written statement from the provider to the College, shall include a prognosis regarding the employee's ability to return to work and will be used to determine whether or not the employee is capable of performing the essential duties of the position.

PERFORMANCE EVALUATIONS

On an annual basis, all St. Mary's College employees' performance will be assessed. Exempt and non-exempt employees' performance will be assessed using the Staff Performance Review form. Details will be provided to all College employees by the Office of Human Resources prior to the evaluation period. Employee performance reviews become a permanent part of the employee's confidential personnel file.

COMPENSATION

The College strives to provide competitive compensation for all employees. The College will continuously monitor and analyze its staff compensation to that of the local market area and other State agencies and, on the basis of available financial resources, make every effort to provide competitive salaries for work of a similar nature.

The initial compensation level for an employee is based on the market median for the position, the candidate's qualifications and the budget for the position. The compensation for all employment offers must be approved by the Office of Human Resources.

An employee transferring from one position to another at the same or lower level may not be given a salary increase. If an employee accepts a lower-level position, a decrease in salary may be appropriate.

Positions may be reclassified to meet the needs of the College. In the case of a position reclassification or a promotion of an employee the *Staff Reclassification and Promotion Process* (see appendix) is utilized.

OVERTIME

All compensable overtime work must be authorized by the employee's immediate supervisor in

advance. Non-exempt employees who work hours in excess of 40 per week will be paid at one and one-half times their regular hourly rates. A minimum of three hours of overtime will be paid to any non-exempt employee called back into work after the normal workday has ended.

ON CALL

On call time will be paid at the employee's regular rate of pay or at the employee's overtime rate if the employee qualifies for overtime. On call pay begins when the employee leaves their residence. Any on call employee who is required to report to work will be paid for at least a minimum of two hours at overtime. An employee will be considered "on call" if they are required to remain on College premises or so close that they are unable to use time effectively for their own purposes.

SHIFT DIFFERENTIAL

Non-exempt employees shall be eligible to receive shift differential for working all or part of a qualifying shift on an occasional or rotating basis. A qualifying shift is defined as one that begins between 2 p.m. and 6:00 a.m.

Employees working in a position specifically established for permanent evening or night work shall have shift differential compensation included in their regular hourly rates. Shift differential shall be paid in addition to any overtime payments due and will be paid at the rate of \$14.00 per shift or one \$1.75 per hour. Shift differential will not be offered to employees on paid leave.

ASBESTOS DIFFERENTIAL

In compliance with Maryland state law, St. Mary's College pays a 50% work differential to non-exempt employees who hold a certification and are designated as an asbestos worker for time spent in performing asbestos-related activities. Asbestos work differential shall be paid in 1/10-hour increments, including time spent by the employee changing into and removing program-specified clothing and equipment.

The asbestos pay differential is authorized for employees who have completed the state asbestos training program and who have had medical examinations and who have signed a consent form. The rate of compensation for eligible employees shall be one and one-half times the regular hourly rate.

ACTING CAPACITY PAY

Any College employee, placed in an acting capacity role that is expected to last more than 30 working days, shall be paid additional compensation and when the acting capacity position has a rate of pay higher than their current rate. The supervisor and the Office of Human Resources will determine if the employee is, in fact, performing such duties, and if so, will formally appoint the employee to the acting position. The rate of compensation for acting capacity will be determined by the senior administrator, based on the percentage of duties that will be performed and based on the current compensation plan. The rate shall not exceed the amount which the employee would be paid if they had been promoted to the higher paying position.

TRAVEL EXPENSES

The College pays all reasonable out-of-pocket expenses of employees who travel on College approved business. Authorization to incur such expenses, however, must be approved in advance by an appropriate officer of the College, and is subject to College procurement/travel guidelines administered by the business office. Personal vehicles used on campus for College business are not entitled to mileage. See the [Travel Guide](#) and the [Procurement Policies](#) for additional information.

MOVING EXPENSES

A reasonable receiptable allowance toward moving expenses may be authorized for reimbursement with the initial appointment of a member of the College's exempt staff (department head level and above), as specified in the letter of appointment from the hiring department. Moving expenses include the actual cost of transportation of household goods, furnishings, and personal effects, as well as actual travel expenses for the employee and family members who live in the employee's household.

Procurement of moving services is subject to requirements of the St. Mary's College of Maryland procurement policy, including the number of quotes (bids) required to be obtained by the individual moving. All written bids must be submitted to the procurement officer for review and approval prior to contracting with a moving company. In addition, single expenses that exceed \$5,000 and submitted for reimbursement require compliance with State of Maryland procurement rules and regulations. Contact the business office for more information prior to paying for services in excess of \$5,000. Moving expenses are charged to the hiring department's operating budget.

When funds are available, and at the discretion of the provost, moving expenses, for tenure track faculty, may be partially or wholly paid by the College in accordance with the College procurement policy.

EMPLOYEE SKILLS DEVELOPMENT PLAN

This plan is intended to create pathways for advancement among our union eligible staff in order to improve the quality of the services staff provide to the College and to encourage and reward those employees who demonstrate initiative and interest in performance improvement with additional compensation. This plan is voluntary and is not required by the College to maintain employment. There will be no negative impact to employees who do not wish to participate in this voluntary plan. Lack of interest or ability to participate in this program will specifically not lead to a negative evaluation within the "professional development" section of the Annual Employee Review.

Prior to utilizing the [Employee Skills Development Plan](#), an employee must submit the Skills Development form prior to course registration and with the understanding that the approval of the plan will occur within 30 days of receipt by the Office of Human Resources.

BENEFITS - PERMANENT POSITIONS

PAID LEAVE

Paid leave is offered to non-faculty employees occupying permanent positions. To be eligible for benefits, an employee must work at least 50% of a permanent position. In most cases, unless specifically identified to the contrary, paid leave benefits will be offered on a pro-rated basis to employees who occupy a permanent position on a part-time basis. The pro-rated amount of benefit is based on the percentage he/she is employed. With certain exceptions as outlined in the following paragraphs, leave must be approved in advance by the supervisor. Supervisors do not have the authority to grant unpaid leave.

All exempt employees are required to submit an Exempt Staff Monthly Leave Report, approved by the supervisor, at the end of each month. Employees who work less than 40 hours per week are required to report leave used on the monthly report. This report is due to the Office of Human Resources by the 5th day of the following month.

All non-exempt employees are required to submit a non-exempt timesheet that reflects all leave used on a biweekly basis. This worksheet must be approved by the supervisor prior to submission. Non-exempt timesheets are due in the Office of Human Resources within five business days of the completion of the pay period being reported.

ANNUAL LEAVE (VACATION)

Annual leave is provided to non-faculty employees occupying permanent positions. The purpose of annual leave is to provide the employee with vacation days or miscellaneous time off.

With the exception of two days per year, annual leave use must be approved in advance by the supervisor. Two annual leave days per year may be taken without securing advance approval but requires notification to the supervisor no later than 15 minutes from the start of an employee's shift. Employees may not use annual leave in excess of accumulation.

College employees are permitted to carry over no more than 25 days (200 hours) of accumulated annual leave from one fiscal year to the next. Annual leave exceeding the 25 day (200 hours) maximum carryover at the end of the fiscal year will be forfeited.

Non-exempt employees accrue annual leave based on the number of years' service at the College.

<u>Years of Service</u>	<u>Days per Year</u>	<u>Hours per Pay</u>
Through 3 years of service	12	3.69
4 through 8 years of service	15	4.62
9 through 20 years of service	20	6.15
Over 20 years of service	22	6.77

Exempt employees accrue 14.67 hours of annual leave per month, or 22 days per fiscal year.

SICK LEAVE

To the extent earned, sick leave is available to College employees occupying permanent positions for use in the event of an illness or temporary disability sufficiently severe to keep the employee from work. In addition, sick leave may be used to care for a member of the employee's immediate family (see below). Except in cases of extreme incapacity, an employee using sick leave must inform their supervisor within 15 minutes of the scheduled start of the workday.

All full-time employees occupying permanent positions earn 1.25 sick leave days per month or 4.62 hours per pay period. Part-time employees occupying permanent positions will earn sick leave on a pro-rated basis depending on their percentage employed. Sick leave may not be earned for hours worked in excess of the employee's normal workweek. In instances of childbirth or serious illness of the employee or a family member, the Family and Medical Leave Act of 1993 provides for a maximum of 12 workweeks of leave in a 12-month period. Specific guidance relating to the use of Family/Medical Leave will be provided by the Office of Human Resources. See the [Family/Medical Leave Policy](#) for additional information.

Although advance approval for the use of sick leave is not required, employees aware of potential sick leave use should notify their supervisors as early as possible. An employee may use sick leave for the following purposes only:

- Disability or illness of the employee.
- Medical appointment for the employee with a licensed healthcare professional.
- Immediate family as used in this section shall include a spouse, biological, adopted, step or foster child, grandchild, mother, father, mother-in-law, father-in-law, brother, sister, grandparent, brother-in-law, sister-in-law, or dependent of the employee who permanently resides in the employee's household for whom the employee has an obligation to provide care. The College may require an employee to provide certification by a medical provider to authenticate the need for the employee to care for the ill family member.
- A medical appointment for a member of the employee's immediate family.

If a College employee is absent from work for five or more consecutive days and uses sick leave, an original sick certificate that authenticates the period of illness must be provided to the Office of Human Resources upon the employee's return to work. A certificate should also be submitted in advance of an expected illness, such as previously scheduled surgery. If an illness of one day or more occurs during a period of annual or personal leave, the College shall grant sick leave provided that a certificate is provided that authenticates the period of illness, is signed by an authorized medical provider, and submitted to the College.

Employees using five or more consecutive sick leave days to care for a family member shall be required to provide documentation authenticating the period of illness for the employee's immediate family member.

The College may request the State Medical Director or a physician of its choice to conduct an investigation into the medical condition of a member of an employee's immediate family if the employee has used sick leave because of illness or because of a medical appointment of the family

member. An investigation of this type may be requested only if there is cause (i.e., the employee's use of sick leave does not appear to be in proportion to the severity of the family member's illness). It is only to ascertain whether the employee's absences in relation to the family member's medical condition are justified.

In order to prevent the abuse of leave, to assure that the employee is obtaining adequate medical attention, is fit for duty, or for any other reason the College determines necessary, the College may require that an employee provide documentation which authenticates a period of illness of the employee of less than five days. This document shall be signed by an authorized medical provider.

To ensure safety, prevent abuse, or to ascertain whether an employee is physically capable of performing their duties, the College may, at its discretion, request the Medical Director or a physician mutually agreed upon by employer and employee of its choice to conduct an investigation, which may include a physical or mental examination of an employee who uses excessive time from employment because of illness. An investigation may also be used to determine if the employee has a disability which prevents proper performance of duties, or to substantiate sick leave that is considered questionable. St. Mary's College of Maryland makes every attempt to offer employees with disabilities reasonable accommodations.

Employees may contribute sick leave held in excess of 30 days to a designated College employee who has a serious injury or illness that requires the employee to be absent and has exhausted all of their own accrued leave. The donation must be arranged through the Office of Human Resources, and medical documentation is required before the transfer of leave can be approved. Additionally, the total amount of leave received cannot exceed that amount actually used. Donations may not be made by an employee who has tendered their resignation or whose employment has been discontinued.

St. Mary's College of Maryland employees are not eligible to use the State of Maryland Leave Bank.

Upon retirement, employees in the State Retirement Agency will be credited with one month of state service for every 22 days of unused sick leave. For more information in reference to this benefit, please contact the Office of Human Resources.

PARENTAL LEAVE

Sixty days of Parental Leave is provided to employees who occupy permanent full-time positions, for the purposes of birth and/or adjustment to the introduction of a child into the employee's home (including adoption or placement prior to adoption), immediately following:

- The birth of the employee's child, or
- The placement of the child under six years of age with the employee for adoption.

Employees should notify their supervisors as far in advance as possible of their desire to use parental leave. The Office of Human Resources must receive the parental leave request forms prior to the birth or placement of the child.

Any employee who has been employed by the College for a period of at least one year in a permanent full-time position and is approved for Parental Leave, will be provided with 60 days of paid leave for the birth or adoption of a child. The birth or adoption of the child must occur after one year of full-time employment in a permanent position. Parental Leave will commence on the first day's absence from work following the birth of the employee's child or the placement of a child with the employee for adoption.

An employee approved for parental leave will be provided 60 days paid leave. At the employee's preference and with the approval of the supervisor, the leave may be used incrementally such as 24 weeks at half time or any combination thereof.

Two College/state employees who otherwise are eligible for parental leave are not eligible during the same Parental Leave period for care of the same child. All leave used must run concurrent with the use of any entitlement under the Family Medical Leave Act and count towards the total 12 weeks of family/medical leave available. Parental leave shall not exceed 60 days.

Upon request for leave in excess of 60 days, eligible employees will be granted such leave to extend the period in accordance with the College's Family Medical Leave policy. Specific guidance relating to the use of family/medical leave will be provided by the Office of Human Resources.

If parental leave is used and the employee voluntarily ends their employment with the College within one year after the last day used for parental leave, the employee must reimburse the College for all parental leave used, including all fringe benefits or other costs paid by the College as a result of the employee's employment with the College. See the [Parental Leave Agreement for Staff](#) or the [Parental Leave Agreement for Faculty](#) for further information.

HOLIDAY LEAVE

Paid holidays are offered to employees who occupy permanent positions. St. Mary's College of Maryland offers fifteen (18) paid holidays during the calendar year.

The holiday schedule will be posted annually by the Office of Human Resources. The College's policy is to earn holidays on the same days the College is closed, with the exception of one floating holiday earned on Martin Luther King's birthday. Once earned, the floating holiday may be used on or after this date with supervisory approval. Prior approval is not required for the remainder of the holidays, provided they are taken in accordance with the College's schedule of observances.

Employees will be paid for all accumulated unused holiday leave at time of separation from employment.

Holidays may not be carried over from one fiscal year to the next. Unused holidays remaining at the end of the fiscal year are forfeited.

PERSONAL LEAVE

Personal leave is provided to exempt and non-exempt College employees occupying permanent positions (excluding 10-month employees) and may be used for any reason at the employee's discretion.

In each fiscal year, eligible employees are entitled to three days of personal leave (pro-rated if part-time permanent employee or new employee). In most cases, personal leave use does not require prior approval but does require that the employee notify their supervisor within 15 minutes after the employee's normal reporting/starting time. Employees employed by departments performing 24-hours, seven-days-a-week services must secure prior approval from their supervisors before using personal leave. Based on staffing issues, a supervisor may deny the use of personal leave. Failure to appropriately notify a supervisor of personal leave use may result in a loss of pay and/or disciplinary action.

Personal leave must be taken in at least two-hour increments, but a smaller amount may be approved by the supervisor for emergency situations, such requests shall not be unreasonably denied. Personal leave may not be carried over from one fiscal year to the next and is forfeited if employees are separated from employment prior to use. However, unused personal leave will be converted at the end of the fiscal year as annual leave if the total hours do not exceed the cap.

ADVANCE SICK LEAVE

Employees who occupy a permanent position may be granted advance sick leave, the purpose of which is to provide leave, in advance of earning, to a College employee with a serious disability, ailment, or illness.

Provided an employee has been employed by the College for at least two consecutive years, advance sick leave may be granted at the rate of 15 days per year of service at the College to a maximum of 60 days in any one year. When advance sick leave is requested because of a compensable on-the-job injury, the two-- year service requirement is waived. Advance sick leave may be used only after all earned leave (sick, holiday, personal, annual) has been exhausted.

Advance sick leave must be approved by the appropriate senior administrator and may be denied for good and sufficient reasons, including excessive prior use of sick leave. Prior to being granted advance sick leave, the employee must contact the Office of Human Resources to complete paperwork and provide medical documentation from an authorized medical provider authenticating the disability, illness, or ailment, confirming that the employee is unable to perform the responsibilities of their position, and stating an anticipated date that the employee will return to work.

An employee's ability to return to work (able to fulfill all essential responsibilities of the position) will be used as a criterion in the issuing of advance sick leave. Advance sick leave must be paid back by the employee, either with other accumulated leave, in cash payment, or at the rate of at least one half of the monthly accrual, until the debt is satisfied.

FAMILY/MEDICAL LEAVE

In accordance with the [Family and Medical Leave Act](#) of 1993 (FMLA), eligible employees are entitled to a total of 12 work weeks of unpaid leave during any rolling 12-month period for one or more of the following:

- birth of a child of the employee and in order to care for such child;
- placement of a child with the employee for adoption or foster care;
- to care for the spouse, child or parent of the employee if such spouse, child or parent has a serious condition;
- a serious health condition that makes the employee unable to perform the essential functions of their position.

Upon approval, the employee using family/medical leave will exhaust all forms of paid leave to which he/she is entitled under the circumstances, including but not limited to personal, sick, annual, and parental leave, before being given any unpaid leave under the Family and Medical Leave Act of 1993. All leave used will count towards the total 12 weeks of family/medical leave available. Additional leave beyond the 12 weeks may be granted depending upon the circumstances and needs of the employee with appropriate documentation.

If the employee using family/medical leave is enrolled in one of the College's group health plans, this health coverage will continue (at the same level and under the same conditions) for the duration of the period of leave, not to exceed 12 work weeks. Additionally, all benefits normally provided to the employee will continue to be provided during any period of paid leave. However, if all paid leave is exhausted and the employee is on unpaid leave, certain benefits paid through payroll deduction, will cease and arrangements will need to be made for the payment of health benefit premiums. Specific guidance relating to the use of family/medical leave will be provided by the Office of Human Resources.

Intermittent leave or reduced work schedule may not be taken unless prior approval is obtained from an employee's supervisor and the Office of Human Resources. If intermittent leave or a reduced work schedule is warranted, a schedule must be submitted to the Office of Human Resources prior to approval.

Upon mutual agreement between the department head and the employee a longer period of unpaid leave may be granted. Documentation from the employee's medical provider must be submitted to the Office of Human Resources for an extended leave beyond the 12 weeks mandated under the FMLA.

The College may extend the period of FMLA leave beyond twelve weeks, as provided below:

<u>Length of Service with the College at Start of FMLA</u>	<u>Additional FMLA Leave</u>
At least 3 years	4 Weeks
More than 3 years, but less than 9 years	8 Weeks
9 years or more years, but less than 20 years	12 Weeks
20 years or more	16 Weeks

For any extended leave period, all FMLA requirements continue to apply.

MISCELLANEOUS PAID LEAVE

The College provides paid administrative leave or release time to all employees occupying permanent positions who are absent from work due to extreme weather conditions (in accordance with the College's emergency closing policy), jury duty, legal actions requiring the employee's participation (provided the employee is not a plaintiff to the legal action), certain military obligations, approved out-service training, organization, and professional conferences/seminars. Part-time permanent employees will be granted paid leave only for those days on which they are scheduled to work. With the exception of emergency release time, the use of miscellaneous paid leave or release time must be substantiated with supporting documentation.

The following are brief descriptions of miscellaneous leave types available:

- Emergency release time will be granted on an as-needed basis to safeguard non-essential employees against harmful or unsafe conditions. Emergency release time does not apply if an employee is on approved paid leave when the emergency release time is authorized.
- Employees may be granted paid administrative leave who are:
 - Called to jury duty for the period of time that they are needed by the court.
 - Summoned to appear in a court action, before a grand jury, before an Administrative hearing board, or to give deposition, provided the employee is neither a paid witness nor a party to the action, if the appearance is required during the employee's regularly scheduled business hours. The length of time depends on the specific action.
 - Meeting certain military obligations. The amount available is 20 days annually.
 - On pre-scheduled leave during certain situations where administrative leave is granted.
- At the discretion of the supervisor and the approval of the appropriate senior administrator, employees may be granted release time to attend:
 - Out-service training programs, that are directly related to or enhances the performance of the employee's current responsibilities.
 - Employee organization meetings/events of which they are members. Requests for such leave must be made in writing to the supervisor.
 - Professional conferences/seminars that are requested in advance and approved by the employee's immediate supervisor.
- Paid leave granted to employees for events that involve union activities will be addressed through agreements set between St. Mary's College of Maryland and the respective bargaining units.

ORGAN DONATION LEAVE

In any 12-month period, an employee may use up to three days of [Organ Donation Leave](#) to serve as a bone marrow donor and 10 days of organ donation leave to serve as an organ donor. Organ donation leave may be used only for the actual donation procedure, the preparation for the actual donation procedure and recovery from the actual donation procedure. It may be used in increments in one hour or more. An employee, or if incapacitated, his or her authorized representative, may request organ donation leave by submitting a request in writing, and appending the relevant

medical documentation. The College shall render its decision on the request for organ donation leave within five business days of the Office of Human Resources receiving the request. Organ donation leave shall be denied only if the employee fails to provide the medical documentation that is required to establish his or her status as a donor. This may be an FMLA qualifying event.

EMPLOYEE TO EMPLOYEE LEAVE DONATION

Employees shall have the right to [donate leave](#) from one employee to another. Employees may contribute up to 80 hours of sick leave to a designated College employee who has a qualified FMLA event that requires the employee to be absent and has exhausted all of his/her own accrued leave. The donation must be arranged through the Office of Human Resources, and medical documentation is required before the transfer of leave can be approved. Solicitation of leave shall not occur until approved by Human Resources. Additionally, the total amount of leave received cannot exceed that amount actually used. Employees who donate leave must retain a minimum of 180 hours of sick leave. Employee to employee donations may not be made by an employee whose employment has been terminated or is scheduled to end within the next 30 calendar days.

LEAVE FOR EMPLOYMENT-RELATED INJURY OR ILLNESS

Accident leave is leave for which the employee receives two-thirds of their regular pay. An employee who is injured while performing their duties and responsibilities while at work and is unable to return to work as a result of the work accident may be eligible to receive up to 10 days of accident leave.

When an on-the-job injury occurs, whether or not the employee requires medical treatment, the supervisor must file, with the Office of Human Resources, a [First Report of Injury](#) form within one working day after being notified of the accident. Employees must immediately report all injuries to their supervisor. The Office of Human Resources will then file the Employer's First Report of Injury with the Injured Workers' Insurance Fund.

In order for an employee to obtain workers' compensation benefits, the injury or illness must be deemed compensable by the Injured Workers' Insurance Fund/Workers' Compensation Commission. If the injury or illness is deemed non-compensable, the employee must use their own sick leave. Appropriate documentation from an authorized medical provider, certifying the need for release from work, is required for all time missed as a result of the injury/illness. Additionally, the employee may not return to work until an authorized medical provider certifies, in writing, that the employee is able to return to work and perform all essential job duties. St. Mary's College does not recognize "light duty work." An employee returning to work with a note from the attending physician that makes physical restriction recommendations will be given reasonable accommodations.

If the Injured Workers' Insurance Fund/Workers' Compensation Commission deems an employee's injury/illness compensable for time missed, the employee must choose to use accident leave, their own accrued leave or file for temporary total disability. If an employee chooses temporary total disability payments, the benefit is calculated at 60% of normal pay. While on

temporary total disability benefits, the injured employee becomes responsible for directly paying all deductions normally taken from their bi-weekly check. A written notification of an employee's choice of whether to use accrued leave or temporary total disability is due to the human resources office upon notification of compensability. An injured employee cannot collect temporary total disability benefits simultaneously with accrued leave.

ACCIDENT LEAVE

Employees occupying permanent positions who experience a compensable injury during the performance of their duties are eligible for accident leave.

All eligible employees may be granted up to two weeks (10 working days) of accident leave for any documented injury sustained while in the actual performance of job duties and deemed compensable by the Injured Workers' Insurance Fund/Workers' Compensation. The eligibility to use the two weeks (10 working days) may not extend beyond one year from the date of the injury, does not have to be used consecutively, and is contingent on the employee being under the care of an authorized medical provider. Any employee on accident leave may not return to work until an authorized medical provider certifies, in writing, that the employee is able to return to work and perform all essential job duties.

If accident leave is granted, and the period of absence from work extends beyond two weeks, the employee may elect to file for temporary total disability benefits from Workers' Compensation or may choose to use accrued sick leave. If the injury did not occur in the actual performance of the employee's duties, but is deemed compensable, no accident leave will be extended, and the employee may either begin to use accrued sick leave or apply for temporary total disability benefits. If the accident is deemed non-compensable, no accident leave will be granted, and the employee will use their own accrued leave.

Workers' compensation temporary total disability benefits will not be paid while an employee is on accident leave.

BEREAVEMENT LEAVE

[Bereavement leave](#) is sick leave that is granted to any employee occupying a permanent position, in the event of a death in their immediate family. The amount of sick leave available is as follows:

A maximum of five working days may be charged to sick leave in the event of the death of one of the following members of an employee's immediate family (if travel requiring an overnight stay is involved, a maximum of seven days may be charged to sick leave).

The following are considered immediate family:

- Spouse
- Brother/sister of employee or spouse
- Child (biological, adopted, step or foster)
- Parent of the employee or spouse, or another, taking the place of a parent
- Relative living as a member of the employee's household

A maximum of one day may be charged to sick leave in the event of the death of one of the following relatives of the employee or their spouse:

- Grandparent, Grandchild
- Aunt, Uncle
- Nephew, Niece
- Brother-in-law, Sister-in-law
- Son-in-law, Daughter-in-law

UNPAID LEAVE

All employees occupying permanent positions at the College may be granted unpaid leave for family, medical, military, or personal reasons. Unpaid leave may not be used without first exhausting all accumulated paid leave. Scheduled unpaid leave must be requested in writing to the Office of Human Resources. The granting of unpaid leave must be approved by the appropriate senior administrator through the Office of Human Resources. Prior leave use will be used as one of the criteria for approving unpaid leave. Normally, unpaid leave will be for a period not to exceed three months. Exceptions to the normal limit can be made if, in the College's judgment, circumstances warrant an extension. During the period of unpaid leave, no benefits will be accrued or subsidized. Additionally, reinstatement rights must be negotiated with the senior administrator at the time of the request for a leave of absence.

If unpaid leave is requested in conjunction with the Family and Medical Leave Act of 1993, certain other conditions apply. Specific guidance relating to the use of family/medical leave will be provided by the Office of Human Resources. See the [Family/Medical Leave](#) for further information.

MEDICAL INSURANCE

As state employees, College employees occupying permanent positions are eligible to select one of several health care plans, dental, prescription drug coverage, and health/dependent care spending accounts to cover the needs of themselves and their families.

Eligible employees who wish to enroll in a medical insurance plan must do so within the first 60 days of employment. For new active employees enrolling the first-time insurance will begin the first of the month after the date of hire, or if hired on the first of the month, the hire date. If a new employee fails to enroll within the first 60 days of employment, they will be required to wait until the next scheduled open enrollment period, held once a year, usually during the fall.

As a general rule, eligible dependents include the employee's spouse and dependent children.

On an annual basis, the Office of Human Resources will provide employees with information that describes the benefits, costs, exclusions, limitations, and policies of each plan offered to eligible employees.

When an employee is separated from College employment, whether voluntarily or involuntarily, health benefits coverage continues in effect through the time period covered by the date of the

employee's last deduction regardless of the termination date. Under the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) enacted by the federal government, employees and their dependents must be offered health coverage under COBRA when they lose health insurance coverage because of a qualifying event, such as termination, resignation, lay-off, divorce or legal separation, dependent ineligibility due to age, marriage, loss of student status, or spousal ineligibility due to death of employee. The Office of Human Resources will notify employees or dependents of their right to COBRA when informed of a qualifying event.

RETIREMENT

All non-exempt employees occupying permanent positions, whether full-time or part-time, must participate in the Maryland State Retirement and Pension System. Enrollment must take place **on the first day of employment**.

All exempt employees occupying permanent positions, whether full-time or part-time, must participate in either the Maryland State Retirement/Pension System or an optional retirement plan. Enrollment must take place **on the first day of employment**. Complete details on retirement will be provided by Office of Human Resources during new-employee orientation.

Employees who retire directly from the College in good standing with at least 30 years of state service and at least 20 of those years with St. Mary's College of Maryland, or who have been granted emeritus status by the Board, may be issued a College identification card designating them as a College retiree and allowing them the use of some College facilities. The list of facilities that College retirees are provided access to may be amended from time to time. Any College retiree requesting an identification card must be approved by the Board of Trustees prior to receipt.

DISABILITY INSURANCE

Employees who participate in the Maryland State Retirement and Pension System (MSRPS) receive disability insurance at no cost. Accidental disability retirement (disability as a result of an on-the-job accident) is available immediately.

TUITION BENEFITS - EDUCATIONAL OPPORTUNITIES

Full-time employees and possibly dependents are eligible for certain educational benefits. Please review the tuition benefits policies listed in the Appendix or located on the Human Resources website.

BENEFITS-CONTRACTUAL POSITIONS

SAFE AND SICK LEAVE

Employees occupying contractual positions are eligible for earned sick and safe leave which begins to accrue on the date an employee begins employment. An employee accrues earned sick and safe leave at a rate of at least one hour for every 30 hours worked. An employee is not entitled to earn

more than 40 hours of earned sick and safe leave in a year or accrue more than 64 hours of earned sick and safe leave at any time.

LEAVE USAGE

An employee is allowed to use earned sick and safe leave under the following conditions:

- To care for or treat the employee's mental or physical illness, injury, or condition;
- To obtain preventative medical care for the employee or the employee's family member;
- To care for a family member with a mental or physical illness, injury, or condition;
- For maternity or paternity leave; or
- The absence from work is necessary due to domestic violence, sexual assault, or stalking committed against the employee or the employee's family member and the leave is being used: (1) to obtain medical or mental health attention; (2) to obtain services from a victim services organization; (3) for legal services or proceedings; or (4) because the employee has temporarily relocated as a result of the domestic violence, sexual assault, or stalking.

A family member includes a spouse, child, parent, grandparent, grandchild, or sibling.

Employees are permitted to use earned sick and safe leave in increments in certain amounts established by their employer. Employees are required to give notice of the need to use earned sick and safe leave when it is foreseeable. An employer may deny leave in certain circumstances.

HEALTH BENEFITS

All employees have the option to enroll in Health Benefits. Employment status determines whether or not a premium subsidy is provided. Contractual employees or temporary employees occupying a contingent position, may be eligible for subsidized Health Benefits. A contractual employee is defined as an employee who is hired for a specified period of time and is not occupying a permanent state-line position. Benefit premium subsidy eligibility is based on contract language and actual hours worked.

- Contractual and temporary employees with a contract for 30+ hours per week or 75% of course load (ex. teaching three, three-credit courses equal 30 hours per week) for non-tenure track faculty **AND** for more than 90 days are considered full-time and are eligible for the 75% premium subsidy for medical and drug coverage, immediately upon hire with coverage effective the first of the month following date of hire.
- Contractual and temporary employees with contracts for less than 30 hours per week and/or less than 90 days are not immediately eligible for subsidized benefits and are instead assessed during the "administrative period" to determine if they worked enough hours during the measurement period (12 -month period spanning 10/15 and 10/14) to be eligible for subsidized benefits in the following plan year.
- An employee approved for the subsidy remains eligible for the subsidy for the duration of the calendar year, as long as they remain employed and provided their hours do not drop to zero for greater than 30 days.

- The State of Maryland provides eligibility, through email to enroll in Health Benefits. Employees have 60 days from their date of hire to enroll in health benefits.

PAYROLL INFORMATION

PAYROLL

In order to be placed on payroll, a newly hired employee must complete certain forms and questionnaires, including but not limited to an Employee Withholding Allowance Certificate (W-4) form for federal and state income tax, and an Employment Eligibility Verification (I-9) form to prove identity and eligibility to work in the United States. Additionally, the new employee must provide the Office of Human Resources with their social security number, as well as read and acknowledge receipt of the College's substance abuse, drug testing, prohibited behavior, software code of ethics, computer usage, and sexual misconduct policies.

PAYDAYS, PAYCHECKS

Paydays occur every two weeks, on Wednesday. As of January 1, 2001, the State of Maryland has made direct deposit of net pay a condition of employment.

TIME SHEETS, LEAVE REPORTS

All time sheets and leave reports are due to the human resources office by their respective due dates. Time sheets and leave reports must be completed personally by the employee. Supervisors are required to review and sign all time sheets and leave reports. Signature stamps, in lieu of the supervisor's original signature, are not acceptable. Any corrections or alterations of a time sheet or leave report must be completed, initialed, and dated by the employee.

PROFESSIONAL WORKPLACE STANDARDS

All College policies and benefits may be subject to change at any time. College employees will be notified of College policy changes, and such changes will be posted on the Office of Human Resources Web site. All new employees are required to sign an acknowledgement of notice of prohibited behavior upon hire. Please reference the employee handbook appendix or consult the Office of Human Resources for other employment related policies that require employee signature acknowledgement. Copies of College policies are kept on file in the College Library.

NOTICE OF EMPLOYER-PROHIBITED BEHAVIOR

“UNDER MARYLAND LAW, AN EMPLOYER MAY NOT REQUIRE OR DEMAND, AS A CONDITION OF EMPLOYMENT, PROSPECTIVE EMPLOYMENT, OR CONTINUED EMPLOYMENT, THAT AN INDIVIDUAL SUBMIT TO OR TAKE A LIE DETECTOR OR

SIMILAR TEST. ANY EMPLOYER WHO VIOLATES THIS PROVISION IS GUILTY OF A MISDEMEANOR AND SUBJECT TO A FINE NOT TO EXCEED \$100.”

VIOLENCE ON COLLEGE PREMISES

St. Mary’s College of Maryland has a zero-tolerance policy with regard to violence at the workplace. Any employee found to exhibit violent behavior will be disciplined including, but not limited to, termination.

DOMESTIC VIOLENCE AND THE WORKPLACE

Domestic violence is not a private family matter. It follows victims to their places of employment and deprives victims and their co-workers of a safe and productive workplace. College employees have a basic right to be safe and free from intimidation, threats, and injury, both at home and in the workplace.

Domestic violence is abusive behavior whereby a person intends to establish and maintain power and control over a person with whom he or she has, or has had, a considerable personal relationship. Power and control are exerted through physical, sexual, psychological and or economic manners.

Many victims of domestic violence are embarrassed or afraid to report their abuse; however, it is very important to seek help. Any College employee who feels they or someone they know is the victim of domestic violence should contact the Office of Human Resources immediately. See the [State of Maryland’s Executive Order regarding Domestic Violence](#) for further information.

BULLYING IN THE WORKPLACE

It is the intent of St. Mary’s College of Maryland to educate all employees about bullying in the workplace and to ensure that bullying is not tolerated. Where it is found to have occurred, it will be dealt with in an appropriate manner, which may include the imposition of disciplinary action, up to and including termination of employment. See [Bullying in the Workplace Policy](#) for further information.

REPORTING OF SUSPECTED CHILD ABUSE AND NEGLECT

The purpose of this policy is to provide guidance to staff, faculty, and students of the St. Mary’s College of Maryland community regarding the mandatory requirements in Maryland law that govern the reporting of suspected cases of child abuse and child neglect; and to affirm the commitment of St. Mary’s College to the protection of the safety and welfare of children who come into contact with the St. Mary’s College community. See the [Policy on Reporting of Suspected Child Abuse and Neglect](#) for further information.

REASONABLE ACCOMMODATION FOR DISABILITIES DUE TO PREGNANCY

If you incur a disability as a result of or contributed to by pregnancy you have the right to request a reasonable accommodation. See [Reasonable Accommodation – Pregnant and Working Policy](#) for further information.

SEXUAL MISCONDUCT

St. Mary's College of Maryland prohibits sexual harassment and misconduct in the College's workplace and educational programs. Sexual harassment or misconduct is expressly prohibited by anyone, including College employees, students and visitors. The College is committed to cultivating and maintaining a workplace and educational environment that reflects respect for the dignity of each member of its community and is free of sexual harassment or misconduct. See the [Policy Against Sexual Harassment](#) for further information.

SUBSTANCE ABUSE, DRUG TESTING

The College is committed to the development and maintenance of a drug-free environment and, in accordance with the Drug-Free Workplace Act of 1988, will not tolerate the unlawful possession or use of controlled substances on its premises. The unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in and on property owned or controlled by the College.

The use of alcohol on College premises, except as specifically authorized by College administration, is also prohibited. This prohibition includes, but is not limited to, driving vehicles while under the influence of alcohol or any other consumption of alcohol on College property.

Compliance with the provisions of this policy shall be a condition of employment. Disciplinary action up to and including termination of employment and/or satisfactory participation in a drug/alcohol rehabilitation program may be required of any employee who is found to be in violation of this policy.

In compliance with the Drug-Free Workplace Act of 1988, an employee must notify the Head of Human Resources within five calendar days of a conviction of any criminal drug statute violation that has occurred in or on the workplace premises.

Additionally, in compliance with the College's drug-testing policy, all College employees may be subject to drug testing for reasonable cause. Further, applicants hired into "sensitive" positions will be subject to drug testing. The College's drug-testing policy is available for review in the Office of Human Resources. The College's efforts to establish and maintain a drug-free workplace include dissemination of drug awareness information, as well as implementation and strict enforcement of this policy. The Office of Human Resources can provide appropriate referrals for assistance. See the [Policy and Procedure for the Testing of Employees for the Illegal Use of Drugs](#) for more information.

TITLE IX

St. Mary's College complies with Title IX of the Education Amendments of 1972, which prohibits discrimination (including sexual harassment, sexual misconduct and sexual violence) based on sex in the College's educational programs and activities. Title IX also prohibits retaliation for asserting such claims of discrimination. Title IX policy and complaint procedures can be located on the [Title IX website](#) or the [Office of Human Resources website](#).

For information or for filing complaints regarding Title IX compliance and complaint procedures, contact the College's Title IX Office:

Michelle Carter

Assistant Vice President of Equity & Inclusion

Title IX Coordinator

St. Mary's College of Maryland

mmcarter@smcm.edu

240-895-4105

WHISTLEBLOWER – REPORTING FISCAL IRREGULARITIES, ILLEGAL ACTIVITY, AND VIOLATIONS OF POLICY

St. Mary's College encourages its employees, students, and the public to report serious issues of suspected or known fiscal irregularities, illegal activity, and violations of policy by SMCM and by its administrative and academic officers, faculty, employees, fellows, students and volunteers (collectively, "SMCM Personnel"). A SMCM hotline has been established to provide a means for such reports to be made which can be accessed by telephone or the internet. Reports, or whistleblowers, may remain anonymous, may request that their identity not be disclosed to those who are the subjects or reports, or may identify themselves. See the [Whistleblower Policy on Reporting Fiscal Irregularities, Illegal Activity, and Violations of this Policy](#) for further information.

The SMCM HOTLINE is 855-481-6236 or you may visit the [website](#).

PETS AND OTHER ANIMALS

Due to health and safety concerns, pets and other animals are not permitted in any College administration building, classroom, dining, or athletic facility. This policy applies to all students and all (administrative, faculty, and staff) employees of the College. However, students are allowed to house non-meat-eating fish and non-venomous reptiles in closed aquariums within their personal rooms in the College's residence halls.

Employees should exercise common and professional courtesy in bringing pets to campus to visit. "Visiting pets" are not allowed inside College buildings. Owners are responsible for the clean-up of any mess left on the College campus by these pets. Students and employees should make their visitors aware of the policy to prevent misunderstandings for visitors who may wish to bring their pets to campus.

Service animals as defined by the Americans with Disabilities Act (ADA) are permitted on campus. Persons bringing service animals onto the College campus should contact the College's ADA Coordinator for assistance and further guidance. The ADA Coordinator for staff employees can be reached at 240-895-4309, located in the Office of Human Resources.

DRESS CODE

Employees are encouraged to be mindful in the manner of dress and decorum while serving the

campus community. Departmental guidelines regarding appropriate dress and decorum should be established and employees are expected to adhere to such guidelines.

EMAIL USE

Electronic mail is a tool provided by the College that serves as a primary means of communication. The purpose of this policy is to detail the College's usage guidelines for the email system. This policy will help the College reduce risk of an email-related security incident, foster good campus communications both internal and external to the College, and provide for consistent and professional application of the College's email principles. College users are responsible to use their email account in an efficient, ethical, and lawful manner. See the [Email Policy](#) for further information.

DISCIPLINE AND GRIEVANCE

DISCIPLINARY PROCEDURES (Non-Union Employees)

It is the policy of St. Mary's College of Maryland to apply corrective discipline in a progressive manner, increasingly severe penalties each time the employee is disciplined. With the exception of serious offenses, employees are rarely terminated for a first offense. The primary objective is to counsel employees at an early stage in the disciplinary process, concentrating on helping the employee figure out ways to prevent a problem from recurring.

Depending on the particular circumstances, supervisors are encouraged to follow a disciplinary sequence that includes (in order) counseling/oral reprimand, written reprimand/warning, suspension, and discharge/termination.

Decisions to accelerate the disciplinary process will be based on the severity of the case and must be approved by the appropriate senior administrator, through the Office of Human Resources.

GRIEVANCES

First and foremost, employees are encouraged to discuss with their supervisors on an informal basis any concerns or dissatisfactions they have regarding co-workers or management. When a complaint cannot be resolved informally, the College provides for a formal grievance procedure, which must be initiated by the employee within 10 working days from the date of the alleged incident or knowledge of alleged incident. Sexual harassment or misconduct grievances will follow the complaint procedures set forth in the [Sexual Misconduct Complaint Procedures](#). Any employee filing and following the sexual harassment or misconduct grievance procedure is limited to that grievance (complaint) procedure. No employee shall be discriminated against because he/she elects to use the formal grievance procedure. The formal grievance procedure consists of the following steps:

1. The employee presents the grievance, in writing, to the department head, who will hold the Step 1 Hearing within 10 working days of the end of the business day in which he/she

received such written notice. The department head will make a decision within 10 working days of the conclusion of the Step 1 Hearing. If the grievance is resolved, the procedure ends. (If the grievance is with the department head, the employee will present the grievance in writing to the department head's supervisor or designee, who will then hear the grievance.) If the grievance is not resolved, the employee has the right to request a Step 2 Hearing.

2. The Step 2 Hearing will be held by the Head of Human Resources or their designee, within 10 working days of receipt of request for Step 2 Hearing, and a decision will be made within 10 working days of the Step 2 Hearing. If the grievance is resolved, the procedure ends. If the grievance is not resolved, the employee may request a Step 3 Hearing.
3. The Step 3 Hearing will be held by a Grievance Advisory Board (consisting of the Vice President for Business and Finance or their designee, a non-exempt representative, and an exempt representative, both appointed by the Vice President for Business and Finance), within 10 working days unless there is good cause to extend this time period. A decision will be made by the Board within 10 working days of the Step 3 Hearing.

Throughout the three-step process, an employee is entitled to be represented or accompanied by a representative of his or her choice, including employee organizations. Forms for filing grievances are available online from the Office of Human Resources.

Grievances and complaints concerning appointment or retention of exempt appointees will be subject to the Bylaws of the College and any and all modifications to the Bylaws, approved by the Board of Trustees. The College Bylaws may be accessed by all College employees through the Office of Human Resources, the faculty Web site, or the College Library.

SEPARATION FROM EMPLOYMENT

JOB ABANDONMENT

Any employee who does not report to work and does not notify their supervisor may, after two consecutive days missed, be terminated for job abandonment. This termination must be approved by the Office of Human Resources.

VOLUNTARY SEPARATION

Employees terminating their service with the College are expected to give reasonable notice of at least two weeks (preferably, one month). In cases of retirement, the decision is usually made well in advance of the actual date and, as such, the College expects a longer notice. Employees retiring should contact the Office of Human Resources for an appointment for retirement counseling at least 3 months prior to retirement.

Employees resigning should notify their supervisors in writing of their intention to leave and provide a specific date for the last day they expect to be paid on payroll. Copies of this letter of

resignation should be provided to their senior administrator and to the Office of Human Resources by the employee's supervisor.

INVOLUNTARY SEPARATION

Involuntary separation from the College will occur when the employee does not initiate the termination. The following are examples of involuntary terminations:

1. Lay off for lack of work when the College reduces its work force for financial exigency or other reasons.
2. Release without fault when an employee, through no fault of their own, is unsuited for or incapable of performing work assigned and no appropriate change of assignment is available.
3. A departmental/College reorganization in which the position is abolished or reassigned.

Exempt employees who are terminated *without cause* will receive the following: “Forty-five (45) days’ severance pay plus unused accrued annual and holiday leave. Under no circumstances will severance pay be granted for resignations or to part-time or temporary employees or employees serving in a probationary status.”

If separation from College employment is involuntary, either with or without cause, the employee will be provided appropriate notice. Immediate termination or suspension will occur when there has been a violation of College rules or policies (including but not limited to gross misconduct, falsification of College records, intentional and malicious injury, unsafe behavior, harassment of fellow employees or students, etc.)

Involuntary separation may occur after an employee has been warned of unsatisfactory job performance or violation of College policies, provided that a reasonable amount of time to correct identified problems has been provided.

If separation from employment occurs as a result of lack of work, reorganization, or fiscal emergency, every effort will be made to give the employee as much notice as possible. In such cases, the College will make reasonable efforts to find other suitable employment for the employee being terminated. Seniority will be considered in making decisions on job abolishment only in cases where two employees performing the same duties are in an area slated for reorganization, downsizing, or elimination.

Employees separated from College employment will be entitled to pay for any accumulated annual and holiday leave.

REEMPLOYMENT/REINSTATEMENT

Former employees who leave in good standing and return after a break of less than three years in service from St. Mary’s College of Maryland or state employment are considered reinstated

employees. Former employees who return within three years of separation shall be governed by the [Employee Reinstatement Policy](#).

A former regular exempt or non-exempt employee who returns to St. Mary's College of Maryland service after a break in service of three or more years shall be considered a new employee.

Staff Employee Reclassification and Promotion Process

Overview

St. Mary's College of Maryland (hereinafter "College") has established these procedures for the reclassification and promotion of staff employees. Following these procedures ensures fairness and equity in the reclassification and promotion of employees.

The reclassification and promotion of employees who are covered by a collective bargaining agreement will be conducted in accordance with the terms and conditions of the College's collective bargaining agreement with AFSCME.

The College will follow the provisions set forth below but reserves the right to change them at any time as may be required under the circumstances.

Purpose

The process is designed to provide leadership with a process and specific guidelines for the consideration of recommendations for staff reclassifications and promotions.

A reclassification may occur when the ongoing, substantive job duties (level of skill, supervisory effort, responsibility, and complexity of work) have changed for less than 50% of a position's duties. Basically, the position itself and associated responsibilities have changed. Reclassifications include lateral, upward, and downward job movement.

A promotion may occur when an evaluation of the position determines that new duties and responsibilities constitute more than a 50% change from the existing position description. Promotions include a significantly higher level of responsibility, position title, and rank.

This process ensures fairness, equity, and compliance with Affirmative Action, applicable state and federal laws governing compensation, such as the Equal Pay Act, the Fair Labor Standards Act ("FLSA"), and all other applicable laws and regulations.

Process

1. The vice presidents engage their direct report supervisors and provide them with the *Reclassification and Promotion Recommendation Template* to identify possible recommendations for staff employees within their department. Supervisors will evaluate the current employees' duties and responsibilities relative to their current position description.
2. If the direct supervisors believe that consideration for a possible reclassification or promotion is warranted, then the direct report supervisors populate the *Reclassification and Promotion Recommendation Template* to include summaries of justification and update the affected position descriptions utilizing track changes. Revised position descriptions in track changes mode must be submitted with the Reclassification and Promotion request in order to be considered.

3. Vice Presidents work with their direct reports to refine and finalize recommendations for consideration, and once satisfied that the action is warranted, the Vice Presidents provide final recommendations to the assistant vice president of human resources.
4. The assistant vice president of human resources reviews submissions in consideration of:
 - a. Changes to position title
 - b. Specialized knowledge, skill, and training
 - c. Complexity and decision making, planning, and problem-solving of the position
 - d. Workload and supervisory responsibilities of the position
 - e. External market data analysis
 - f. Internal compensation equity
 - g. Prior promotions, demotions, and work performance of the employee
5. The assistant vice president of human resources will provide the vice president for business/CFO a final list of reclassification and promotion recommendations to include:
 - a. Recommendations listed in order of priority
 - b. Summaries of justification
 - c. Appropriate title recommendations
 - d. Appropriate salary recommendations
 - e. Additional items for consideration
6. The vice president for business/CFO will present the recommendations to the Executive Council.
7. Implementation of Approved Changes.
 - a. The vice president for business/CFO notifies the assistant vice president of human resources of final decisions and provides updated reclassification and promotion recommendations for implementation.
 - b. The assistant vice president of human resources verifies and confirms information within the spreadsheet and sends each Vice President an email confirming approved reclassifications and promotions within their supervision. The associate director of human resources and payroll is copied on each notification email.
 - c. Vice presidents communicate approved changes to direct supervisors, who provide verbal notice of the changes to affected staff employees within five working days.
 - d. The Office of Human Resources will provide updated contracts and revised position descriptions to affected employees within 15 working days of the email notification with a copy to the associate director of human resources and payroll.
 - e. Department leaders provide notice of changes to departments and the campus community as appropriate.