



April 29, 2022

Dear SMU employees,

As we near the end of this school year, we have much to be thankful for. With your collective efforts, we have kept our campus healthy, employees gainfully employed, and students engaged in excellent academics and enriching activities. Now as we turn the corner, inflation is bringing new concerns about the rising cost of living. We recognize this added strain, and the University has taken several steps to lessen its impact on you. The following is a lot of information, but I think you'll find it informative.

For the upcoming fiscal year beginning June 1, 2022, **SMU has increased the merit pay allocation for employee compensation from 2% to 2.5%, while maintaining the 1% one-time bonus pool that has been in place for several years.** Compensation for our employees has always been a top priority. Even during difficult times, SMU provided pay increases that were often above inflation rates. To stay competitive, we conduct a market analysis every two years and make appropriate adjustments. The most recent one resulted in over 100 employees receiving salary increases.

In addition, Human Resources has recently performed a benchmark survey to compare our total benefits package with 12 of our peer and/or aspirant higher education institutions and five major Dallas/Fort Worth area employers. For the most part, we are right in line with or ahead of them, and in some areas, such as our

retirement matching, emeriti retiree health plan, life insurance and tuition benefits, we excel.

The benchmark report led to certain changes that I think you will all welcome. **The University is adding one floating holiday a year for staff, beginning June 1, 2022.**

To further support our employees and ensure our benefits remain competitive, **SMU is raising the Long-Term Disability benefit (60% of salary) to a monthly maximum of \$15,000**, up from the current \$7,500, also effective June 1, 2022. And to provide another important benefit for our employees and their family, SMU HR is currently finalizing a new Long-Term Care (LTC) provider that will offer options during open enrollment for calendar year 2023. New enrollment is no longer available through our current LTC provider.

Caring for our employees' mental health is also important, and as a reminder, mental health services are covered under our health plan. To supplement this support, **we are increasing the available no-cost counseling visits under the Employee Assistance Program (EAP) from three to five visits, beginning June 1, 2022.**

To keep costs as low as possible for employees, **SMU is absorbing the increase in health insurance premiums for this calendar year.** While health insurance costs are rising nationally by an average of 7%, this year the University is paying for the full increase in medical, dental and pharmacy costs of our health benefit plan administered by Blue Cross Blue Shield of Texas (BCBSTX) for 2022. As we have throughout the pandemic, SMU is fully covering the cost of COVID-19 testing and treatment for all employees and their dependents.

We are sensitive to the pressure that inflation places on our employees and will continue to look for viable ways to ease this

burden. I greatly appreciate the work you do and the part you play in the lives and education of our students.

Sincerely,

A handwritten signature in black ink, reading "R. Gerald Turner". The signature is written in a cursive style with a large, prominent initial "R" and a long, sweeping underline.

R. Gerald Turner  
SMU President