May 11, 2015

MEMORANDUM

TO: Deans, Directors, and Department Heads

FROM: Warwick A. Arden, Provost and Executive Vice Chancellor
       Charles D. Leffler, Vice Chancellor for Finance and Business

SUBJECT: Limits on Salary Actions with Effective Dates of July 1, 2015 or later

Please see the attached memorandum from UNC General Administration. Effective immediately, and until salary guidelines for the next fiscal year have been issued by the State and by UNC-GA, campuses are asked to restrict their requests for, and commitments of, salary increases that would have effective dates of July 1, 2015, or later.

Campuses are instructed not to approve any further salary adjustments of less than 10% at the campus level – or to request UNC-GA approval of adjustments of 10% or more – with July 1 or later effective dates, except if the adjustment falls into one of the scenarios described in the attached memo.

These restrictions continue to allow for consideration of competitive search recruitments with significant job changes, retention counteroffers, promotions in faculty rank, and similar, but they curtail actions such as minor reclassification, merit, and equity adjustments with effective dates of July 1 or later. These restrictions cover all positions, regardless of source of funds.

We expect that these restrictions will remain in place until the State has passed an official budget for fiscal year 2015-16 and issued guidance and funding to the UNC-GA Board of Governors, and until UNC-GA issues subsequent guidance to the campuses. UNC-GA has indicated it will monitor salary activity closely for compliance.

If you have questions, please contact Human Resources’ Talent Solutions at 919-515-7175 or EPA Administration at 919-513-7630.

cc: Barbara Carroll, Associate Vice Chancellor for Human Resources
    Steve Keto, Associate Vice Chancellor for Finance & Resource Management
    Kathy Lambert, Senior Director, Human Resources
    Barbara Moses, University Budget Officer
    College & Division Financial and HR Leads

Attachment
April 30, 2015

To: CAOs, CHROs, CFOs

From: Junius Gonzales, Sr. Vice President for Academic Affairs and Matthew S. Brody, Vice President for Human Resources

As you’re all aware, the end of the fiscal year presents a period of uncertainty until the State Budget is finalized and the Board of Governors establishes EPA salary administration guidelines for the upcoming fiscal year (2015-16).

During this period of time, we do not want to unduly restrict campus flexibility with regard to time sensitive compensation decisions, or those that impact critical operations. On the other hand, we also do not want to prematurely process EPA salary actions effective July 1st or later that might circumvent the upcoming EPA annual raise process guidelines that must be approved by the Board of Governors.

Accordingly, effective immediately, campuses should begin limiting EPA salary increases effective July 1st or after, regardless of amount, ONLY to the following specific salary increase reasons. [Note: This does not impact actions with an effective date prior to July 1st]:

- Competitive events and waivers of recruitment, when the individual is assuming an entirely new position
- Promotions to a higher faculty rank
- Reclassifications that result in a substantially different job title, EPA classification, or job duties [added compensation resulting from non-critical or less substantial changes in titles or duties should be recognized in the annual raise process]
- Addition of a non-permanent faculty administrative title, such as Associate Dean, Chair, Vice Chair, etc.
- Renewal of a term appointment
- Retention increases, when an individual is actively under recruitment or has received a documented job offer [purely pre-emptive retention increases should await the upcoming annual raise process]
- Temporary additional duties, including acting/interim assignments
• US DOL prevailing wage decisions

• Contractual obligations, including special employment agreements, approved incentive pay plans, and other legal commitments

• Salary increases that must be accomplished on a specific date (e.g., 7/1) by federal regulation or federally sponsored research guidelines, such as certain postdoctoral scholar salary increases which may only occur within a specific time window and cannot await the annual raise process [where there is discretion with respect to the timing, the increase should be addressed in the annual raise process]

• Urgent or time critical equity adjustments that address a specific, active EEO concern [others should await the upcoming annual raise process]

• Salary increases for temporary EPA employees

Increases the fall under the above reasons continue to follow the normal 10% pre-approval guidelines, when applicable. Outside the specific circumstances noted above, campuses should defer all remaining discretionary EPA salary increases (e.g., market, equity, permanent additional duties, merit, etc.) until such time as GA releases salary increase instructions for FY 2015-16.

Campuses may use their discretion in proceeding with any salary increase action effective July 1st or later that was already formerly submitted and in-process with the central HR Office or Provost’s Office, on or before the date of this memo, in accord with current guidelines. But a good faith effort should be made to limit this activity from this point forward. The above guidelines also have no effect on the processing of SPA salary increases. Any limitations on SPA actions will follow relevant guidelines from OSHR, if and when issued.

Finally, we would also like to note that while the BOG P&T Committee does not officially meet in June and July, we will be proposing the scheduling of one or more off-cycle P&T telephone meetings during that time, in order to handle the 10% pre-approval process. Details will soon follow.

Please contact GA Human Resources or GA Academic Affairs, as appropriate, if you have any questions with respect to the above matters.

Cc: GA Human Resources Council