

MEMORANDUM

TO: Deans, Directors, and Department Heads

FROM: Warwick A. Arden, Executive Vice Chancellor and Provost

Scott R. Douglass, Vice Chancellor, Finance and Administration

SUBJECT: **SHRA Salary Adjustment Fund (SAF)**

DATE: November 13, 2017

Section 35.14(a) of Session Law 2017-57 allocated funding for the Salary Adjustment Fund (SAF) available to state agencies and the UNC System. As part of this funding, \$133,000 has been allocated to NC State University for employees whose positions are subject to the State Human Resources Act (SHRA) and whose compensation falls at a market index of 90% or less. Employees whose positions are exempt from the State Human Resources Act (EHRA) are not eligible.

UNC-General Administration (UNC-GA) SHRA SAF Eligibility Guidelines:

Eligibility for increases under the SAF process was determined in accordance with the following guidelines provided by UNC-GA:

- SHRA employee's current base salary must be at or below 90% of their assigned competency market rate.
- Eligible employees must have a performance evaluation of "meets or exceeds expectations." Employees who have not been at the University for a full performance cycle are still eligible for this increase.
- Eligible employees must have no active disciplinary actions.
- The SAF increase may not exceed the lesser amount of 5% of the current salary or \$4,000.
- **NC State SHRA SAF Funding Allocation Process:**
The dollar amount allocated to NC State was not sufficient to support an increase to bring the salary of all eligible SHRA employees up to 90% of their assigned competency market rate.
- The SAF increase amount for eligible employees is therefore capped at 86% of the market rate for their current classification at the lesser amount of either 86% of market or 4.99% of the current salary, or \$4,000.

SAF increases will be entered and applied centrally by University Human Resources, and will be retroactive to September 1, 2017. Eligible SHRA employees will receive a letter to notify them of the salary adjustment; and the SAF increase will be processed in time to appear in their November paycheck.

Funding Sources:

The amount of funding allocated to the University by UNC-GA is state appropriated and can only be used to provide increases to employees in positions funded by state appropriations. However, the salary increases will be applied based on current distribution to all funding sources. Therefore, campus units are responsible for providing the budget amount necessary for adjustments to eligible employees who are entirely or partially compensated with non-state appropriate funding sources.

The state appropriated budget will be provided to colleges/units in November.

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For questions about the eligibility for the SHRA SAF, please contact Stephanie DiMatteo in University Human Resources at 919-515-4293 or sldimatt@ncsu.edu. If you have questions regarding budgets or distributions, please contact Sharon Wright in the University Budget Office at 919-515-6458 or swright@ncsu.edu.

cc: Barbara Moses, Associate Vice Chancellor, Budget and Resource Management and University Budget Director
Marie Williams, Associate Vice Chancellor, Human Resources