

**NC State University
EHRA Annual Raise Process (ARP) Guidelines Effective July 1, 2017
August 11, 2017**

An Annual Raise Process (ARP) for EHRA employees must be conducted by NC State that utilizes the allocated legislative salary increase funding.

ARP increases will be **retroactive to July 1, 2017** and must be entered into the HR system **between September 28th and October 13th.**

1. ARP ELIGIBILITY

- a. The employee must have been continuously employed by NC State in a permanent, benefits-eligible (at least .50 FTE) EHRA position as of January 1, 2017, and remain in this status through October 1, 2017.
- b. The ARP pool does not apply to SHRA employees, post docs, graduate assistants, temporary employees, or student workers.
- c. Faculty members who entered the Phased Retirement Program on July 1, 2017 are not eligible for ARP; however, faculty members who entered the Phased Retirement Program July 1, 2016 or earlier are eligible.
- d. Employees whose employment terminates before October 1, 2017 will not receive any ARP increases.
- e. The ARP can only be awarded to filled positions with incumbents – not vacant positions.
- f. **Under no circumstances may the ARP be implemented as an across-the-board increase for all eligible EHRA employees.** Rather, the ARP is intended to be awarded strategically and selectively primarily for **individual meritorious performance, including teaching, service, publications, and/or research productivity of faculty.**

2. ARP INCREASE LIMITATIONS

Any individual **ARP increase cannot result in a new base* salary that is greater than 4.99% of the June 30, 2017 base* salary.** Any base* salary increase made effective July 1, 2017 until October 31, 2017 counts toward the ARP cap of 4.99%, **with the exception of faculty rank promotions.**

***PLEASE NOTE: For the purposes of calculating the ARP cap of 4.99%, “base” includes the employee’s base salary plus any administrative supplement that is permanent or long-term in nature and does not represent short-term or temporary supplemental compensation. Honorific, temporary, and interim supplements are not included in this definition of “base”.**

3. FUNDING FOR ARP INCREASES

Units are expected to fully utilize the appropriated funding provided for EHRA increases and to award and fund the non-appropriated increase amounts. College/units may not supplement the allocation amounts with additional funds.

4. ACTIONS ALREADY ENTERED SINCE JULY 1

ARP actions are to be effective retroactive to July 1, 2017. There are a number of circumstances where salary increase actions with an effective date of July 1 or later have been entered into the HR System for an employee. The employing college/division will need to contact their HRIM specialist in University HR to delete the action. The employing unit can then enter the 7/1 ARP increase and immediately re-enter the deleted action. **Please note, any salary increases made effective July 1, 2017 until the ARP is implemented will count towards the 4.99% cap, except for faculty rank promotions.**

5. MERIT / RETENTION / MARKET / EQUITY INCREASE REASONS

- a. While no specific allocations are mandated by category, under UNC guidelines, particular priority consideration should be given for:
 - i. individual meritorious performance, including teaching, service, publications, and/or research productivity of faculty (*merit*)
 - ii. documented high-impact contributions to the work unit and/or the University as a whole (*merit*)
 - iii. retention of key or hard-to-recruit positions (*retention*)
- b. Secondary criteria that may be considered include employees whose salary:
 - i. is below the minimum of the designated salary range (*market*)
 - ii. may be inequitable relative to comparable positions in the unit, with prior review and confirmation by University HR (*equity*)
 - iii. is below the labor market reference rate for the position (*market*)

6. IMPLEMENTATION OF ARP SALARY INCREASES IN THE HR SYSTEM

- a. Important: ARP increases must be applied by the respective colleges/divisions **AFTER September 28th and NO LATER THAN October 13th**, and will appear in October paychecks retroactive to July 1, 2017. No exceptions will be given past this deadline system entry date.
- b. Use the period between now and September 28, 2017 to plan and finalize all your allocation decisions and be ready to begin data entry as soon as the September payroll lockout is lifted.
- c. Actions that are not entered by October 13th may not subsequently be processed as an ARP increase with a retroactive effective date.

- d. All increases must be entered with one of four unique action/reason codes as defined in Sec 5. above:
 - i. Pay Rate Change – ARP 1: Merit
 - ii. Pay Rate Change – ARP 2: Retention
 - iii. Pay Rate Change – ARP 3: Market
 - iv. Pay Rate Change – ARP 4: Equity

7. ARP MONITORING

- a. The HR System will be monitored by University HR and the University Budget Office to ensure compliance with these guidelines.
 - b. All ARP increases will have to be included in the relevant quarterly salary increase report provided to UNC General Administration.
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