



Executive Vice Chancellor
And Provost
and
Vice Chancellor for
Finance and Administration

Holladay Hall
Raleigh, NC

MEMORANDUM

TO: Executive Officers, Deans and Vice Provosts

FROM: Warwick A. Arden
Executive Vice Chancellor and Provost

Scott R. Douglass
Vice Chancellor, Finance and Administration

SUBJECT: FY 2017-18 State Budget Update – **EHRA Annual Raise Process (ARP)**

DATE: August 11, 2017

The 2017-19 biennial state budget, as approved by the General Assembly, provided several compensation-related items for SHRA and EHRA employees. On July 27, 2017, UNC-General Administration issued EHRA ARP implementation instructions for system institutions.

Important Instruction from UNC-General Administration:
ARP increases shall not be considered an employee entitlement and **should not be implemented as an across-the-board increase** by any college, division or administrative unit.

In accordance with the attached NC State EHRA ARP implementation guidelines, eligible EHRA employees may be awarded an ARP increase that **cannot exceed 4.99% of the employee’s June 30, 2017 base salary** and must be allocated strategically and selectively based on **individual meritorious performance, including teaching, service, publications, and/or research productivity for faculty**. *Salary adjustments for faculty rank promotions are excluded from the 4.99% ARP cap calculation.* ARP increases may also be awarded, at management’s discretion, for the retention of key or hard-to recruit personnel. Secondary criteria that may be considered include equity and labor market. ARP increases will be paid on October 31, 2017, retroactive to July 1 2017.

UNC-General Administration will not provide state appropriated campus allocation amounts until the Board of Governors meeting on September 8, 2017. However, to allow as much planning time as possible, we are moving forward using an estimated allocation pool amount. Employee eligibility and distribution data (effective July 1, 2017) was pulled on August 8th. The University Budget Office anticipates sending out individual college/unit increase allocation amounts by early next week. Units are expected to fully utilize the appropriated funding provided for EHRA increases and to award and fund the non-appropriated increase amounts. If the appropriated allocation pool provided by UNC-GA is significantly different from our estimate, we will notify campus with revised allocation amounts.

Please contact the University Budget Office if you have ARP budget questions or University Human Resources if you have questions about NC State University’s EHRA ARP implementation guidelines.

cc: W. Randolph Woodson, Chancellor
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Marie Williams, Associate Vice Chancellor, Human Resources
Barbara Moses, Associate Vice Chancellor, Budget and Resource Management
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