



THE UNIVERSITY OF NORTH CAROLINA SYSTEM

DARRYL BASS

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MEMORANDUM

TO: Chief Human Resources Officers and Academic Human Resources Leads

FROM:

Darryl Bass

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Darryl Bass
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Vice President for Human Resources & Chief Human Resources Officer

DATE: October 2, 2023

SUBJECT: *Fiscal Year 2023-2024 Legislative Salary Increase Instructions* **(Final Copy)**

Following the enactment of the new state budget and having received further clarifications and guidance from the Offices of State Budget and Management (OSBM) and State Human Resources (OSHR), we have prepared the Legislative Salary Increase (LSI) instructions for both EHRA and SHRA University employees.

INSTRUCTIONS FOR FY 2023-2024 LEGISLATIVE SALARY INCREASE

Each constituent institution is required to conduct an Annual Raise Process (ARP) process for both EHRA and SHRA employees in accordance with these instructions.

OVERVIEW OF LSI COMPONENTS	<ul style="list-style-type: none"> A mandatory legislative base salary adjustment of 4% for EHRA and SHRA employees.
EFFECTIVE DATE	<ul style="list-style-type: none"> The mandatory legislative increase will be effective on July 1, 2023.
IMPLEMENTATION TIMING	<ul style="list-style-type: none"> The mandatory legislative increase must be implemented by constituent institutions in the October 2023 Payrolls. If you have extenuating circumstances that will prevent your institution from processing the LSI in October, please send an email directly to me at dbass@northcarolina.edu, with an explanation as to why. Upon receipt of that information, we will review it and let you know if your request can be allowed.
MANDATORY LEGISLATIVE BASE SALARY INCREASE AND RETROACTIVE LUMP-SUM	<ul style="list-style-type: none"> All EHRA faculty, EHRA non-faculty staff, and SHRA staff shall receive a 4% across-the-board mandatory base salary increase calculated against the June 30, 2023, base salary with a July 1, 2023, effective date. This calculation for the mandatory legislative increase shall exclude

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PAYMENT	<p>any non-permanent administrative salary supplements in effect as of June 30, 2023, such as interim and acting appointments, temporary additional duties, or secondary administrative titles. Solely at the institution's discretion, long-term EHRA salary supplements for individuals, such as Academic Department Heads/Chairs, may be included in this calculation if applied consistently across similarly situated groups of employees.</p> <ul style="list-style-type: none"> • The mandatory legislative increase must be implemented even if it results in a new base salary that exceeds an established salary range. • Employees currently on disability or who are on a leave of absence (paid or unpaid) may be eligible for the mandatory legislative increase and retroactive lump-sum payment upon their return if they satisfy all other criteria as set forth in the ARP instructions.
Labor Market Adjustment Reserve (LMAR)	<ul style="list-style-type: none"> • The Labor Market Adjustment Reserve funding is not available to the UNC System.
CHANCELLOR SALARY ADJUSTMENTS	<ul style="list-style-type: none"> • Chancellors shall receive the mandatory legislative salary increase.
SHRA ANNUAL LONGEVITY PAYMENTS	<ul style="list-style-type: none"> • For SHRA employees who receive their annual longevity payment for total state service anniversaries on or after July 1, 2023, the longevity payment must include the mandatory legislative increase.
SPECIAL PROVISIONS FOR FACULTY PARTICIPATING IN PHASED RETIREMENT	<ul style="list-style-type: none"> • Subject to any limitations imposed under the State Retirement System and the legislative appropriations process, faculty members who entered the Phased Retirement Program on July 1, 2023, <u>are not</u> eligible for the mandatory legislative increase or any of the discretionary ARP increases. • Faculty members who entered the Phased Retirement Program in 2022 or prior years <u>are</u> eligible for the mandatory legislative increase and the discretionary ARP increases.
LAB SCHOOL EMPLOYEES	<ul style="list-style-type: none"> • The mandatory legislative increase as outlined in this document also applies to all UNC Laboratory School employees. • As of now, the System Office is not aware of any additional teacher base salary increases or bonuses that are likely to apply to UNC System Laboratory Schools employees based on current eligibility criteria. However, the System Office will continue to monitor this and if any additional adjustments should apply, a separate set of instructions will be issued to the affected constituent institutions.

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TRANSFER EMPLOYEES	<ul style="list-style-type: none">Any SHRA employee who transfers with an effective date of July 1, 2023, or earlier is eligible to receive the mandatory legislative salary increase based on the employee's June 30, 2023, base salary.
TEMPORARY STAFF	<ul style="list-style-type: none">Although not required, wage increases may be provided to temporary SHRA and EHRA employees using available funds. Constituent institutions are encouraged to review temporary employee salaries given recent developments with inflation and other cost of living factors.

POINTS OF CONTACT FOR QUESTIONS

- For questions concerning LSI instructions for EHRA and/or SHRA employees, please contact Keith Dupuis at kedupuis@northcarolina.edu.
- For questions about legislative salary increase-related budget allocations, please contact Brandy Andrews via email at bbandrews@northcarolina.edu.

cc: System Office Senior Officers
 Chancellors
 Chief Financial Officers
 Chief Academic Officers
 Chiefs of Staff
 File