



DR. THOMAS WALKER

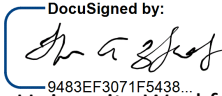
SENIOR ADVISOR FOR UNIVERSITY WORKFORCE POLICY

223 S. West Street, Suite 1800, Raleigh, NC 27603

Phone: 919-843-5369 | Email: tawalker@northcarolina.edu

MEMORANDUM

TO: Chief Human Resources Officers and Academic Human Resources Leads

FROM: Thomas Walker 
Senior Advisor for University Workforce Policy

DATE: June 14, 2024

SUBJECT: *Fiscal Year 2024-2025 Legislative Salary Increase (LSI) Instructions*

As provided for in the 2023 Appropriations Act (S.L. 2023-134) 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 Faculty, SAAO, EPS, and SHRA University employees.

INSTRUCTIONS FOR FY 2024-2025 LEGISLATIVE SALARY INCREASE

Each constituent institution is required to conduct an Annual Raise Process (“ARP”) for Faculty, Senior Academic and Administrative Officers (SAAO), Exempt Professional Staff (EPS), and SHRA employees in accordance with these instructions.

OVERVIEW OF LSI COMPONENTS	→ A mandatory legislative base salary adjustment of 3% for Faculty, SAAO, EPS, and SHRA employees.
EFFECTIVE DATE	→ The mandatory legislative increase will be effective on July 1, 2024.
IMPLEMENTATION TIMING	→ The mandatory legislative increase must be implemented by constituent institutions in the July 2024 Payrolls. If you have extenuating circumstances that will prevent your institution from processing the LSI in July, please send an email directly to me at tawalker@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	<div>→ All Faculty, SAAO, EPS, and SHRA employees will receive a 3% across-the-board mandatory base salary increase calculated against the June 30, 2024, base salary with a July 1, 2024, effective date.</div> <div>→ This calculation for the mandatory legislative increase shall exclude any non-permanent administrative salary supplements in effect as of June 30, 2024, such as interim and acting appointments, temporary additional duties, or secondary administrative titles. Solely at the institution’s</div>

Fiscal Year 2024-2025 Legislative Salary Increase Instructions and Compensation Updates**June 14, 2024****Page 2**

	<p>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> <p>→ The mandatory legislative increase must be implemented even if it results in a new base salary that exceeds an established salary range.</p> <p>→ 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.</p>
CHANCELLOR SALARY ADJUSTMENTS	→ Chancellors shall receive the mandatory legislative salary increase.
SHRA ANNUAL LONGEVITY PAYMENTS	→ For SHRA employees who receive their annual longevity payment for total state service anniversaries on or after July 1, 2024, the longevity payment must include the mandatory legislative increase.
SPECIAL PROVISIONS FOR FACULTY PARTICIPATING IN PHASED RETIREMENT	<p>→ 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, 2024, <u>are not</u> eligible for the mandatory legislative increase.</p> <p>→ Faculty members who entered the Phased Retirement Program in 2023 or prior years <u>are</u> eligible for the mandatory legislative increase and the discretionary ARP increases.</p>
LAB SCHOOL EMPLOYEES	<p>→ The mandatory legislative increase as outlined in this document also applies to all UNC Laboratory School employees.</p> <p>→ 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.</p>
UNIVERSITY/AGENCY TRANSFER EMPLOYEES	→ Any Faculty, SAAO, EPS, or SHRA employee who transfers with an effective date of July 1, 2024, or later is eligible to receive the mandatory legislative salary increase based on the employee's June 30, 2024, base salary.
TEMPORARY STAFF	→ Although not required, wage increases may be provided to temporary SHRA and EPS employees using available funds. Constituent institutions are encouraged to review temporary employee salaries given recent developments with inflation and other cost of living factors.

Attached you will find a *Frequently Asked Questions* document that provides more detail relative to the LSI that we hope will be helpful to you and your teams.

Fiscal Year 2024-2025 Legislative Salary Increase Instructions and Compensation Updates

June 14, 2024

Page 3

POINTS OF CONTACT FOR QUESTIONS

- For questions concerning LSI instructions for Faculty, SAAO, EPS, 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.

Have a great weekend!

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