

Matthew S. Brody Senior Vice President and Chief Human Resources Officer

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VIA ELECTRONIC MAIL

TO: Chief Human Resources Officers

Academic Human Resources Leads

SUBJECT: Salary Increase Freeze Until Adoption of FY 2019-2020 State Budget

DATE: July 3, 2019

Given the lack of an adopted State Budget for FY 2019-2020, the System Office has received official guidance from the Office of State Budget and Management (OSBM) of a temporary freeze for many types of salary adjustments **regardless of funding source and employee type** effective July 1, 2019 or later until further notice. See attached memorandum from OSBM for general reference.

This freeze does not preclude processing promotional increases for existing budgeted positions and/or titles, critical retention increases in situations where an individual has a documented outside offer or an offer is confirmed to be forthcoming, increases for individuals assuming an acting or interim appointment for an existing vacant position, legal settlements, or any other increase mandated by federal or state law. This freeze is also not intended to cause any interruption to offers to external candidates for existing budgeted positions.

All other salary increase actions that are effective July 1 or later are prohibited until further notice.

This includes actions already in-process, but not yet approved and communicated to the employee with a July 1 effective date or later. For those actions that remain permissible during this freeze, all of the regular UNC System salary pre-approval procedures remain in effect.

We do hope this will be a relatively short-term interruption and we will keep you closely advised as we hear more from our Finance Division and OSBM.

If you have questions regarding any salary increase actions, please contact a member of the classification and compensation team in System Office Human Resources. If you have budget-related questions, please contact <u>Lindsay McCollum Farling</u>, System Office Vice President for Financial Planning and Analysis at <u>klmccollum@northcarolina.edu</u> or 919-962-4601.

Sincerely,

Matthew S. Brody

Senior Vice President for Human Resources

Cc: Interim President Bill Roper

Chancellors, Provosts, Chief Financial Officers,

Chiefs of Staff