



HR Council July Meeting

July 10, 2025

Agenda

- **Compensation Updates**
 - Points of Contact
 - Continuing Budget
 - “Personnel Cap”
- **Policy Updates**
 - Updates to NCGS 126
 - Pending Legislation
 - Hurricane Helene
- **Other Topics**
 - LEO Special Separation Allowance
 - Annual Process Reminders
 - Looking Forward: FY 2025-26
- **General Discussion**

Upcoming Board of Governors 2025 Meetings

- *July 24 (no CUP)*
- *September 17-18*
- *October 16*
- *November 19-20*

Points of Contact

Thomas Walker	Inquiries from Executive leadership
Anne Schwarz	Primary liaison for general HR questions from CHROs. Anne can direct you appropriately to the right UNCSO staff person.
Raisa Dunton	Primary contact for SAAO/Key Non-SAAO position and salary actions; items requiring Presidential approval
Kevin Adcock	Primary contact for all other SHRA and EPS position and salary actions that require System Office review
Chris Chiron	BOG Policy; Reporting requirements; OSHR liaison

Compensation Updates

- **Continuing Budget Process**

- Not allowed - Salary increase actions, regardless of fund source, including:
 - step increases
 - increases for additional duties
 - pre-emptive (e.g. speculative) retention
 - labor market
 - equity
 - all bonuses
 - SHRA employee competency assessments

****Refer to July 1 email to HR Council & CFO listservs*

Compensation Updates

- **Continuing Budget Process**

- Allowable Actions

- Promotional increases (e.g., internal hires) for existing budgeted positions and/or titles.
 - Recruitment and retention bonus agreements established and in effect prior to June 30, 2023, are eligible to be paid by an institution if funds are available to the university for payment under the certified recurring budget authority.
 - Offers extended to external candidates for existing budgeted positions, including any positions funded by external contracts and grants.
 - Critical retention increases in situations where there is either a documented recruitment effort or an outside offer letter.
 - Increases for individuals assuming an acting or interim appointment for an existing vacant position or for an increase in job responsibilities directly related to the reduction or abolishment of a permanently budgeted position that result in a net salary savings.
 - Increases required by contractual agreements, legal settlements, or any other increase mandated by federal or state law that cannot be delayed.



Dashboard Updates

- **University “Personnel Cap” – Dashboard Available!**
 - Use your Shibboleth credentials (typically your institutional credentials) to access the dashboard.
 - If you are unable to access the dashboard, please email hrdm@northcarolina.edu with the username you typically use to log into your institution's systems.
 - If you would like to assign an additional user at your institution access to the dashboard, please send an email to hrdm@northcarolina.edu with their name, title, and email address.
- **Continue cleaning-up and monitoring your Vacancies through the Vacancy Dashboard**

SL 2025-34 – State Hiring Accessibility and Modernization

- **Section 1: Reduce Barriers to State Employment**
 - Directs Human Resources Commission (SHRC) to regularly assess classification requirements and update class specs to allow experience in addition to education
 - Aligns with Cooper Administration's EO 278
 - Report to GA Oversight Committee by October 2025
- **Section 2: Make Applying for a State Job Easier**
 - Directs OSHR to streamline the application process, allowing resumes or website profiles to be uploaded into the state job application
 - Allows specific info not typically on the state job application and not needed for screening to be collected later in the selection process
 - Implement new application process by 11-01-2025; report to Commission starting in 2026
- **Section 3: Make Job Postings Easier to Understand and Easier to Qualify**
 - Defines “essential qualifications as minimum education and experience”
 - Requires additional qualifications to be *used as management preferences*
 - Limits the number of management preference KSAs in a job posting five (5)

SL 2025-34 – State Hiring Accessibility and Modernization

- **Section 4: Allow Agencies to Create Continuous Posting without Outside Approval**
 - Authorizes agencies to approve their own continuous postings without OSHR approval
- **Section 5: Grant Employing Agency Flexibility in Hiring, Pay, and Classification**
 - Continues flexibility provided in S.L. 2023-134, Sec. 39.3
 - Allows applicants to be considered for future positions within the same or comparable classifications
 - Authorizes agencies to:
 - Hire applicants from job postings in a particular classification across all agencies
 - Classify/reclassify positions provided employees meet the minimum requirements
 - Set salaries within SHRC-determined salary ranges

SL 2025-34 – State Hiring Accessibility and Modernization

- **Section 6: Permanent Hiring of Certain Employees/Specific Conditions**
 - Authorizes hiring temporaries into permanent positions under certain conditions
 - A permanent position must be vacant
 - The temporary employee must:
 - Have worked a minimum of six (6) months
 - Meet the minimum E&E requirements
 - Have been hired initially directly hired by an agency as a temporary
 - Exemption includes not having to complete the following:
 - Public posting of the position
 - Requiring a new application
 - Holding a new interview or new reference checks
 - Selecting applicants from the pool of most qualified persons
 - Following hiring priorities for certain types of applicants

SL 2025-34 – State Hiring Accessibility and Modernization

- **Section 7: Allow Agencies to Immediately Hire One of the Most Qualified Candidates from a Previous Posting**
 - Authorizes agencies to hire, without posting, into vacant positions when the following conditions are met:
 - The agency has previously posted a position that has the same or comparable classification as the newly vacant position.
 - The person being hired:
 - Applied for that previous vacancy
 - Was within the pool of the most qualified for the previous vacancy
 - Meets the minimum education and experience requirements for the classification and has a salary set within the vacant position's salary range
 - Exemption includes not having to complete the following:
 - Public posting of the position
 - Requiring a new application
 - Holding a new interview or new reference checks
 - Selecting applicants from the pool of most qualified persons
 - Following hiring priorities for certain types of applicants

SL 2025-34 – State Hiring Accessibility and Modernization

- **Section 8: Build New Performance Management and Evaluation System**
 - Commission shall adopt new program by March 15, 2026.
- **Section 12: Modernize and Simplify the State Human Resources Act**
 - OSHR shall submit a report to General Assembly leadership with recommended changes to Chapter 126 to modernize, simplify, and align with contemporary HR best practices.
 - At a minimum, the report shall address legislative changes needed to:
 - Streamline hiring processes.
 - Enhance recruitment strategies and increase the attractiveness of State government employment.
 - Develop and maintain a high-quality, well-trained State workforce.
 - Improve State employee retention rates.
 - Complete [OSHR Survey](#) by Friday, July 25.
- **Section 13: Repeal or Amend Rules**
 - Charges SHRC to repeal or amend rules in the administrative code and policy as needed, including use of temporary rulemaking as needed.
 - In the meantime, institutions can move forward with the plain reading of the statutory changes while OSHR policies are being updated.

Other Legislative Items

- **Hurricane Helene Disaster Recovery Revisions**
 - SL 2025-26 - Extends the State of Emergency through October 1, 2025
 - Extends authority to retain temporary employees who are performing Hurricane Helene related work to continue employment without a break in service.
 - Extends authority for retirees under TSERS to return to state employment after one month of retirement rather than after six months.
- **“Eliminating DEI” Bills**
 - H171 – applies to state employment but not the university
 - S558 – applies to UNC and community colleges
 - S227 – applies to public schools
 - Vetoed by Governor; pending further legislative action
 - These are state-level legislative actions and do not change current federal compliance

SL 2025-8 (H50): LEO Special Separation Allowance

- **Provides two methods for calculating special separation allowance at retirement**
 - **Option 1:** 0.85% of annual salary (base pay) for each year that officer's creditable service
 - Officer has completed 30 or more years of creditable service **OR** officer is age 55 or older and completed five or more years of creditable service
 - Officer is less than age 62.
 - Officer has at least 50% of their creditable service in LEO positions
 - Officer completed at least five continuous years of service as an LEO **immediately preceding service retirement** (time under disability qualifies if officer returned to service within 45 days of end of disability benefits)
 - Benefit ends when officer turns age 62, or returns to state employment
 - **Option 2:** 0.85% of annual salary (base pay) at the time the officer attained 30 years of creditable service, multiplied by 30
 - Prior to age 62, officer completes 30 or more years of creditable service with at least 50% as an LEO
 - Officer completed at least five continuous years of service as an LEO **immediately preceding service retirement** (time under disability qualifies if officer returned to service within 45 days of end of disability benefits)
 - Benefit ends when the time receiving the allowance equals 62 years minus the age the officer completed 30 years of service, or returns to state employment
- **Once the employee chooses Option 1 or Option 2, the choice is irrevocable.**

Annual Process Reminders

- **Conflict of Interest**
 - For EHRA, COI forms should be completed annually and External Professional Activities forms should be updated annually and as needed
 - For SHRA, annual updates to Secondary Employment forms, if applicable
- **Provide employees at least annually reminders to update:**
 - Address, phone, and emergency contact information
 - Self-identification of disability status
 - Self-identification of veteran status

Looking Forward: FY 2025-26



General Discussion