TO: All University Faculty and Staff

FROM: Elizabeth A. Hardin
Vice Chancellor for Business Affairs

DATE: August 26, 2013

SUBJECT: Fiscal Year 2013-2014 Salary Administration

Salary Restrictions Extended and Expanded

This memorandum updates salary guidance provided in spring 2013 during the period of continuing resolution pending approval of a final state budget. The FY 2013-14 Budget Bill has now become law, and The University of North Carolina General Administration (UNC-GA)/Board of Governors (BoG) guidance on EPA and SPA adjustments has been provided to campuses.

The salary administration requirements of this year’s legislation include the following:

- No legislative salary increase was enacted.
- Salary increases continue to be restricted, with allowances only for specific, extraordinary circumstances.
- Any cumulative salary increase of 10% or more, including those for competitive promotions, must be pre-approved by the BoG or The University of North Carolina (UNC) President.
- University employees who are eligible to earn leave will receive a one-time additional five (5) days of special leave (prorated for less than full-time). This additional leave, to be called FY 14 Special Leave, is “use or lose” and expires June 30, 2014. Separate information has already been provided from HR.

As allowed by statute, UNC Charlotte will continue its current practice of administering salary adjustments consistently for all EPA and SPA employees without regard to source of funds to ensure internal equity as we make salary decisions. However, there can be limited exceptions made for market or merit-based salary adjustments from non-state funding upon appropriate approval.
### Summary of Allowable Salary Adjustments

<table>
<thead>
<tr>
<th>Type of Salary Adjustment (see note 1)</th>
<th>Applies to:</th>
<th>State Funding</th>
<th>Non-State</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard increase for promotion in rank</td>
<td>Faculty</td>
<td>Yes</td>
<td>N/A</td>
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<tr>
<td>Countroffer from another university</td>
<td>Faculty</td>
<td>From recruitment and retention funds, from state funds for counteroffer-with pre-authorization <em>(see note 2)</em></td>
<td>Yes, requires pre-authorization</td>
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<tr>
<td>Retention offer meeting all mandatory standards</td>
<td>EPA &amp; SPA Staff</td>
<td>Limited; but 10% or greater must be pre-approved by BoG/UNC President</td>
<td>Limited; but 10% or greater must be pre-approved by BoG/UNC President</td>
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<tr>
<td>Promotion through a competitive search.</td>
<td>Faculty &amp; EPA &amp; SPA Staff</td>
<td>Yes, but 10% or greater must be pre-approved by BoG/UNC President</td>
<td>Yes, but 10% or greater must be pre-approved by BoG/UNC President</td>
</tr>
<tr>
<td>Significant Job Change SPA: Increase related to reclassification/reallocation due to job change or for career progression for demonstrated increased competencies required for the position</td>
<td>SPA Staff</td>
<td>Yes, but 10% or greater must be pre-approved by BoG/UNC President</td>
<td>Yes, but 10% or greater must be pre-approved by BoG/UNC President</td>
</tr>
<tr>
<td>Significant job change EPA &amp; Faculty</td>
<td>Faculty &amp; EPA Staff</td>
<td>Yes, but 10% or greater must be pre-approved by BoG/UNC President</td>
<td>Yes, but 10% or greater must be pre-approved by BoG/UNC President</td>
</tr>
<tr>
<td>Equity-based adjustments</td>
<td>Faculty &amp; EPA &amp; SPA Staff</td>
<td>Limited; but 10% or greater must be pre-approved by BoG/UNC President</td>
<td>Limited; but 10% or greater must be pre-approved by BoG/UNC President</td>
</tr>
<tr>
<td>Student Adjustments (for GA’s, GTA’s, GRA’s, Post-Docs)</td>
<td>Students</td>
<td>Normal stipulations</td>
<td>Normal stipulations</td>
</tr>
</tbody>
</table>

**Notes:**
1. Cumulative salary adjustments of 10% or greater must be approved in advance by the BoG/UNC President.
2. The UNC President’s Recruitment & Retention Fund has limited funds for retaining faculty who receive a written counter-offer from another university.
Approval and Reporting Processes

Any request for salary adjustment paid from state or non-state funds must be authorized in advance on our campus, as follows:

The Provost (for all Academic Affairs units) and appropriate Vice Chancellors (for other divisions) must pre-endorse any request for salary adjustment based on the information in the table above by receiving compelling examples and evidence that an exception is warranted in writing. If the request is based on a substantial increase in duties, the requester should submit the significant increase or change in complexity of duties in writing. Also, this specifically includes any request for exception in using non-state funds.

EPA (faculty and staff) requests must be in writing (include justification and amount/percentage of increase) and sent to Ramah Carle, who will coordinate for review and pre-approval by the Provost and Chancellor and with UNC-GA on increases intended to be 10% or greater.

SPA requests should be sent through HRMS to HR. Gary Stinnett will coordinate pre-approval by the Chancellor and with UNC-GA on increases intended to be 10% or greater.

Quarterly Review

As also required in the Budget Bill, every salary adjustment will be reported quarterly through UNC-GA to the Office of State Budget and Management (OSBM) and the Office of State Personnel (OSP).

Please know that the Chancellor’s Cabinet and human resources leaders in both Academic Affairs and Business Affairs recognize the significant hardship these legislative mandates cause. We need your cooperation to implement these policies as smoothly as possible, despite the challenges.

Please direct questions to

SPA: Gary Stinnett, AVC-HR, extension 7-0643.

EPA: Dawn Tench (extension 7-5773) or Ramah Carle (extension 7-5774) in Academic Affairs

Position budgets: May be referred to the respective college and division business officer first, then to Hong Vu, Budget Office, extension 7-5593.