SHRA Salary Increase Guidelines

2016 UNC Board of Governors Updates

UNC-Chapel Hill’s Office of Human Resources has on-campus, pre-approval authority for all salary actions that fall within OSHR policy guidelines and do not exceed a cumulative raise of 20% from the employee’s base-salary rate on the previous June 30th, provided that we have delegated authority for the career-banded title.

Which Increases Require UNC General Administration Pre-Approval?

Any salary increase in any amount for a career-banded title for which we do not have delegated authority (or which results in an exemption to any standing OSHR policy) must go to UNC System Office (previously “GA”) Human Resources for pre-approval. That office will consult directly with OSHR as needed to obtain any required pre-approvals.

For any permanent base-salary increase, System Office pre-approval is required when the cumulative amount of all permanent increases for the fiscal year to date exceeds 20% of the most recent June 30th base salary. Current or prior temporary salary increases do not count toward this calculation.

For any temporary salary adjustments, System Office pre-approval is required when the cumulative amount of all currently active temporary salary adjustments in the current fiscal year exceeds 20% of the most recent June 30th base salary. Any individual temporary adjustment that exceeds 12 months in duration also will require System Office pre-approval, regardless of the amount of that adjustment. Permanent base-salary adjustments in the current fiscal year do not count toward these calculations.

When Are Approved Actions Effective?

All actions are effective on the Monday following the receipt of all required approvals. If final approvals occur on a Monday, the action can be effective that day.

What are the Qualifying Reasons for a Salary Increase?

Salary increases are only permitted for the following reasons:

- **Additional job duties**: when there is a substantive increase in the scope and/or complexity of the job. This includes temporary adjustments with a defined start and stop date. **Please note**: Such an increase may not be justified solely on the basis of increased work volume.
- **Position reclassification**: where application of the career banding pay factors will determine the base salary.
• **Competitive-hiring events**: where application of the career banding pay factors will determine the base salary

• **Equity**: when employees in the same position/branch/role/competency are performing very similar work with a similar level of competence to those who have a higher pay rate and the pay discrepancy has no apparent justification

• **Labor Market**: when an employee’s salary is less than the position’s assigned market rate. Managers may request a salary increase up to, but not exceeding, the assigned market rate.

• **Employee retention**: when employees have a documented offer for a comparable position (i.e., not an obvious promotion) outside of state employment and have given that documentation to their managers and the employee has skills or knowledge that would be difficult to replace

• **Increase in SHRA employee competencies**: when there is a documented change in component competency ratings or overall ratings between two Employee Competency Assessment (ECA) reviews

• **Change in FTE due to a schedule change**: when there has been no change in annualized compensation.

**Please note**: Schools and divisions are advised to exercise discretion with regard to granting increases to SHRA temporary employees and to remain within the defined range for employees’ career-banded classifications.

(From: [https://hr.unc.edu/employees/class-comp/policies/salary-increase/](https://hr.unc.edu/employees/class-comp/policies/salary-increase/))
<table>
<thead>
<tr>
<th>Action type</th>
<th>Position Description</th>
<th>Employee Competency Assessment</th>
<th>Non-Faculty Salary Adjustment/Supplement Form</th>
<th>Effective date</th>
<th>System Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion or lateral with salary increase of 20% or less cumulative from June 30</td>
<td>N/A</td>
<td>N/A</td>
<td>Required (also requires hiring proposal)</td>
<td>As negotiated following all necessary approvals (always on a Monday)</td>
<td>Initiate Hire ePAR once the start date is finalized. ePAR must be fully approved in workflow prior to making any commitment to a person for an open position no later than 5:00 p.m. on Wednesday before the new employee orientation session.</td>
</tr>
<tr>
<td>Promotion or lateral with salary increase greater than 20% cumulative from June 30</td>
<td>N/A</td>
<td>N/A</td>
<td>Required (also requires hiring proposal)</td>
<td>As negotiated following all necessary approvals including UNC System Office (always on a Monday)</td>
<td>Initiate Hire ePAR once the start date is finalized. ePAR must be fully approved in workflow prior to making any commitment to a person for an open position no later than 5:00 p.m. on Wednesday before the new employee orientation session.</td>
</tr>
<tr>
<td>Branch/Role or Position Competency Change with salary increase of 20% or less cumulative from June 30</td>
<td>Required</td>
<td>New and previous with signatures from employee and two levels of management.</td>
<td>Required</td>
<td>Monday following all necessary approvals</td>
<td>Enter position ePAR first. Salary ePAR can be initiated following approvals provided the position ePAR has written to the system and the effective date has arrived.</td>
</tr>
<tr>
<td>Branch/Role or Position Competency Change with salary increase greater than 20% cumulative from June 30</td>
<td>Required</td>
<td>New and previous with signatures from employee and two levels of management.</td>
<td>Required</td>
<td>Monday following all necessary approvals including UNC System Office</td>
<td>Enter position ePAR first. Salary ePAR can be initiated following approvals provided the position ePAR has written to the system and the effective date has arrived.</td>
</tr>
<tr>
<td>Increase for demonstrated employee competencies of 10% or less cumulative from June 30</td>
<td>New and previous (strongly recommended at least 90 days apart) with signatures from employee and two levels of management.</td>
<td></td>
<td></td>
<td>Monday following all necessary approvals</td>
<td>Salary ePAR can be initiated following notification of approval.</td>
</tr>
<tr>
<td>Increase for permanent additional duties of 20% or less cumulative from June 30</td>
<td>New and previous with signatures from employee and two levels of management.</td>
<td></td>
<td>Required</td>
<td>Monday following all necessary approvals</td>
<td>Salary ePAR can be initiated following notification of approval.</td>
</tr>
<tr>
<td>Increase for permanent additional duties greater than 20% cumulative from June 30</td>
<td>New and previous with signatures from employee and two levels of management.</td>
<td></td>
<td>Required</td>
<td>Monday following all necessary approvals including UNC System Office</td>
<td>Salary ePAR can be initiated following notification of approval.</td>
</tr>
<tr>
<td>Increase for temporary additional duties of 20% or less cumulative from June 30 regardless of duration</td>
<td>N/A</td>
<td>N/A</td>
<td>Required with temporary additional duties documented in the justification</td>
<td>Monday following all necessary approvals</td>
<td>Salary ePAR can be initiated following notification of approval.</td>
</tr>
<tr>
<td>Increase for temporary additional duties greater than 20% regardless of duration OR greater than twelve months in duration regardless of amount</td>
<td>N/A</td>
<td>N/A</td>
<td>Required with temporary additional duties documented in the justification</td>
<td>Monday following all necessary approvals including UNC System Office</td>
<td>Salary ePAR can be initiated following notification of approval.</td>
</tr>
<tr>
<td>Increase for equity or market rate of 20% or less cumulative from June 30</td>
<td>N/A</td>
<td>N/A</td>
<td>Required</td>
<td>Monday following all necessary approvals</td>
<td>Salary ePAR can be initiated following notification of approval.</td>
</tr>
<tr>
<td>Increase for equity or market rate greater than 20% cumulative from June 30</td>
<td>N/A</td>
<td>N/A</td>
<td>Required</td>
<td>Monday following all necessary approvals including UNC System Office</td>
<td>Salary ePAR can be initiated following notification of approval.</td>
</tr>
<tr>
<td>Increase for retention of 20% or less cumulative from June 30</td>
<td>N/A</td>
<td>N/A</td>
<td>Required</td>
<td>Monday following all necessary approvals</td>
<td>Salary ePAR can be initiated following notification of approval.</td>
</tr>
<tr>
<td>Increase for retention greater than 20% cumulative from June 30</td>
<td>N/A</td>
<td>N/A</td>
<td>Required</td>
<td>Monday following all necessary approvals including UNC System Office</td>
<td>Salary ePAR can be initiated following notification of approval.</td>
</tr>
</tbody>
</table>

**NOTE:** The approval of the relevant Dean or Vice Chancellor is required for all salary increase actions.

**NOTE:** FTE changes with no change in annualized salary do not require pre-approval.

**NOTE:** All salary increases except promotions require a current performance rating of “Meets Expectations” or better and the most recent required employee competency rating to be on file.

**NOTE:** Performance ratings must be completed quarterly in the ePAR system.

**NOTE:** Departments shall exercise discretion in awarding adjustments to temporary employees for sound business reasons. The salary shall remain within the defined range for the equivalent career band.

**NOTE:** Employee Competency Assessments must be completed using only the competencies for the title as defined in the State profile.

**NOTE:** Increases of 5% or greater (fiscal-year cumulative) which result in a salary of $100,000 or greater require pre-approval from the BOG’s Promotion & Tenure Chair. Contact your Classification & Compensation Consultant.

**NOTE:** Employees with a performance rating of “Not Meeting Expectations” or who are on leave without pay are not eligible for increases.

**NOTE:** Increases are allowed for lateral transfers if justified by the application of the career banding pay factors.

**NOTE:** For overall employee competency ratings changes, increases should be 10% or less. For component competency changes, increases should be 5% or less.

**NOTE:** For additional duties within the same classification, increases should be under 10%. Greater amounts can be considered on a case-by-case basis in exceptional circumstances.

**NOTE:** Other conditions apply to retention increases. Please contact your Classification and Compensation Consultant.

**NOTE:** Salary adjustments for position reclassifications are strongly recommended to be capped at 20%. Increases of more than 20% are generally competitive events.

**NOTE:** Equity and labor market adjustments should be capped at 20% except in exceptional circumstances. An incremental approach should be used.

**NOTE:** Increases of 5% or greater (fiscal-year cumulative) which result in a salary of $100,000 or greater require pre-approval from the BOG’s Promotion & Tenure Chair. Contact your Classification & Compensation Consultant.