As you may know, the State Senate and House are still in the process of negotiating the State budget bill. This bill establishes the budgets for all State agencies, including the UNC campuses, for the fiscal year that begins July 1, 2013. At this time, we do not know whether there will be a legislative increase or not. We also do not yet know whether the new budget will include any special restrictions or approval requirements on salary increases for the upcoming fiscal year that might exceed our current salary administration procedures.

Given this uncertainty, the Office of Human Resources (OHR) is issuing the following restrictions, effective immediately, for SPA and EPA Non-Faculty salary increases:

-- No salary increases should be communicated to current employees or processed with an effective date of 7/1 or later, with the exception of salary offers to internal hires that result from a competitive recruitment or a recruitment waiver. This applies to all permanent employees as well as non-student temporary employees.
-- Salary offers to external hires and salary increases for student employees are unaffected, as are increases processed with an effective date prior to 7/1.
-- In the case of salary increases related to internal hires, whether temporary or permanent, a salary offer can be communicated and processed effective 7/1 or later. However, the employee must be informed in writing that the salary is conditional, subject to approval of the State budget. While we do not recall any prior instance that hiring salaries made conditional to a new State budget have ever been rescinded or reduced, we are required to inform employees in these circumstances that such commitments do have this contingency.

If you have a circumstance where there is a critical retention situation, please contact OHR and we will address these on a case by case basis. If you have specific questions regarding these restrictions, please contact one of the following OHR units:

-- SPA internal hire salary increases: Employment and Staffing Department
-- All other SPA salary increases: Classification and Compensation Department
-- All EPA Non-Faculty salary increases: EPA Non-Faculty HR unit

These restrictions will remain in place until a new State budget is passed and we receive formal salary increase guidelines for the new fiscal year from the Office of State Personnel (for SPA employees) and UNC General Administration (for EPA Non-Faculty employees). We will continue to keep you informed of any developments.

These guidelines do not apply to faculty; any guidance on faculty salary increases will come directly from the Office of the Executive Vice Chancellor and Provost.

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