Process for Board of Governors Monitoring and Consultation for Selected Salary and Position Actions Under Section 35.24 of the Current Operations Appropriations Act of 2017

I. Overview and Purpose

A. Section 35.24 of the Current Operations Appropriations Act of 2017 established a requirement that, as of July 1, 2017, the Board of Governors monitor certain human resources actions and be consulted prior to those actions taking effect. This document describes the actions subject to the monitoring and consultation requirements and the associated process that shall be used to implement these requirements.

B. This process applies to SHRA, EHRA non-faculty¹, and EHRA faculty salary and position actions that are effective July 1, 2017 or later, irrespective of whether they are associated with permanent or temporary employment.

C. Except as otherwise described herein, all other existing delegations of authority with respect to human resource actions remain in effect for individual salary actions where both the June 30 and newly planned total annual compensation² is less than $100,000, or for newly created positions that are budgeted at less than $70,000.

D. A complete summary of current salary and position pre-authorization guidelines, including the consultation and reporting requirements described in this document, are reflected in the delegations of authority matrices located on the General Administration Human Resources (GA-HR) web site.

II. Salary Actions

A. Consistent with the authority delegated to the President, and as required by G.S. 116-17.3, GA-HR shall pre-review and submit for Board of Governors reporting and consultation any proposed salary actions:

1. Where either the June 30 or newly proposed total annual compensation² for the employee is $100,000 or greater; and

2. Where the newly proposed total annual compensation² for the employee is 5% or greater of the June 30 total annual compensation².

B. Both conditions II.A.1. and II.A.2. must be true for an action to be subject to this process.

C. The $1,000 SHRA across-the-board legislative adjustment for FY 2017-2018 will not count toward the 5% calculation described above. Any EHRA annual raise adjustment shall be included in this calculation, since it is not an across-the-board legislative increase.

D. EHRA salary actions that are the result of a competitive event where an employee is moving from one constituent institution to another or between other separate employing entities of the University System are considered external hires and shall be excluded from this process. Equivalent SHRA actions are considered transfers under OSHR regulations and are therefore subject to this process.

¹ "EHRA non-faculty" positions as used herein include county extension (COSS) employees at NC State University and NC A&T University, and clinical support services (CSS) at East Carolina University.

² "Total annual compensation" as used herein means base salary and non-base temporary pay and/or salary supplements. Examples of applicable non-base compensation include interim/acting pay, temporary additional duties, supplements for faculty department chairs, center directors, and other administrative appointments, and distinguished faculty titles. Compensation from established faculty clinical and faculty incentive pay plans are excluded from this process.
III. Position Actions

A. Consistent with the authority delegated to the President, and as required by G.S. 116-17.3, GA-HR shall pre-review and submit for Board of Governors reporting and consultation the proposed creation of any new position3 when the position budget4 is $70,000 or greater. Secondary faculty administrative appointments or administrative titles are not considered a “new position” for purposes of this process.

B. For any newly created position budgeted below $70,000, if the initial incumbent’s salary offer shall for any reason total $70,000 or greater, the position must be subject to this process before extending any non-conditional job offer.

IV. Board of Governors’ Monitoring and Consultation Process

A. Proposed actions requiring monitoring and consultation under this process shall be submitted for review to GA-HR using the prescribed method by the first and fifteenth of the month (or on the next business day when either of these dates fall on a weekend or GA holiday) for submission to the Board of Governors.

B. Expedited processing shall be afforded to actions that involve critical retention, where an employee either has an offer of employment or is actively being sought for recruitment by an entity external to the constituent institution. In these instances, a proposed action may be submitted to GA-HR on any date irrespective of the normal submission deadline.

C. The monitoring and consultation with the Board of Governors shall consist of a regular report shared electronically with the Chair of the Board of Governors and the Chair of the Committee on Personnel and Tenure, which is copied to the President.

D. The Chair of the Board of Governors and the Chair of the Committee on Personnel and Tenure shall be afforded 5 calendar days to flag any proposed actions for more detailed review unless expedited review is requested by the Vice President for Human Resources. At the end of the 5 calendar days, the Vice President for Human Resources shall notify the appropriate institutions that the consultation has concluded and the proposed actions may be implemented.

E. The Vice President for Human Resources will discuss any flagged actions with the President and with the relevant constituent institution as necessary and then consult further with the Chair of the Board of Governors and the Chair of the Committee on Personnel and Tenure.

F. Proposed salary and position actions covered by this process may only be implemented by the requesting institution after receiving formal written or electronic notification from GA-HR that the consultation with the Board of Governors has concluded.

G. An informational report of all implemented actions covered by this process shall be provided to the members of the full Committee on Personnel and Tenure no later than its next regularly scheduled meeting.

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3 “New position” as used herein means a position that did not previously exist or a position that existed, but without any previously attached funding. Once a position is initially filled with an incumbent and/or later vacated, subsequent position title changes, reclassifications, budget changes, or FTE changes shall not themselves be considered a new position event. A new position is irrespective of whether a constituent institution utilizes a position management system or assigns individual position numbers to certain position types. Faculty positions shall not be considered new when created in direct anticipation of an existing faculty member terminating employment due to retirement, voluntary resignation, or other circumstances and the final result shall not result in any addition of full-time-equivalent (FTE).

4 “Position budget” as used herein means the established funding for a position necessary to support the starting salary of a selected position incumbent, regardless of funding source and excluding benefits.