

**Constituent Universities**

Appalachian  
State University

East Carolina  
University

Elizabeth City  
State University

Fayetteville State  
University

North Carolina  
Agricultural and  
Technical State  
University

North Carolina  
Central University

North Carolina  
State University  
at Raleigh

University of  
North Carolina  
at Asheville

University of  
North Carolina  
at Chapel Hill

University of  
North Carolina  
at Charlotte

University of  
North Carolina  
at Greensboro

University of  
North Carolina  
at Pembroke

University of  
North Carolina  
at Wilmington

University of  
North Carolina  
School of the Arts

Western Carolina  
University

Winston-Salem  
State University

**Constituent High School**

North Carolina  
School of Science  
and Mathematics

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TO: Chief Human Resources Officers

FROM: Jessica Moore, Executive Director Classification and Compensation

SUBJECT: Clarification on September 8, 2016, EHRA Employee Bonus Provisions for Phased Retirees

Questions have arisen regarding the eligibility of faculty members in phased retirement receiving both the .50% bonus and the one time merit bonus. Faculty who are in their first year of phased retirement **are not** eligible for any salary increases, including bonuses, while those in year two or subsequent years are deemed eligible per UNC's Phased Retirement Policy.

For faculty members in phased retirement and receiving benefits from TSERS, there is a risk of exceeding the annual earnings cap while in receipt of some form of additional compensation (i.e. bonus income). One potential solution is to not automatically apply these bonus payments in payroll for faculty members in phased retirement, but rather provided an opt-out opportunity with positive responses required from the faculty members. That puts the burden on the faculty member to confirm their earnings year-to-date, and opt out of any additional income, so as not risk any reduction in their TSERS retirement benefits.

If other questions arise please feel free to contact me directly at (919) 843-9100 or via email at [jlmoore@northcarolina.edu](mailto:jlmoore@northcarolina.edu)