

**1. What is the background on these changes?**

As part of the 2017 Appropriations Act, the North Carolina General Assembly expanded the exemptions under the North Carolina Human Resources Act (“EHRA non-faculty” or “EHRA”) to include University information technology professional positions. This change in the law means that these positions will become EHRA non-faculty positions under the University’s human resources policies rather than be subject to the NC Human Resources Act (“SHRA”). The University sought this flexibility with respect to certain compensation and leave issues to be more competitive within the context of a highly competitive IT labor market.

**2. Who is covered under this change?**

Individual employees currently in SHRA information technology classifications that are FLSA exempt (those salaried and not subject to overtime) will be offered an opportunity to convert from SHRA to EHRA non-faculty status. FLSA non-exempt employees (those paid hourly and subject to overtime) are not affected by this change and will not change to EHRA. The FLSA exempt IT employees who do not choose to convert to EHRA status will continue as SHRA employees.

**3. Will affected employees be required to convert to EHRA status?**

No, the affected employees will have the option to convert to EHRA status or to stay SHRA for as long as they remain in their current position. No employee is compelled or required to change their status.

**4. When and how will this change take effect?**

The implementation process will occur over the next two years. In the past year, the UNC System Office has developed, in collaboration with institutional human resources and information technology leaders, new EHRA information technology job classifications and salary ranges in addition to implementing required technical updates to relevant University regulations and policies. Employees in positions eligible for this change will be notified directly by their manager and/or their institution’s human resources office. These employees will receive specific information on what it means to become an EHRA non-faculty employee and the specific differences from the SHRA employment policies. Information will also be provided on how an employee may exercise the option to become EHRA non-faculty or how to remain in their current status as SHRA, the timeline for making that decision, and an election form to complete.

**5. Will employees have other opportunities to choose to convert, or do they have to make up their mind when this is first implemented?**

Employees will have multiple opportunities to convert. We recognize that employees may want to take some time to consider this change. Each constituent institution will determine whether to implement this change during fiscal year 2018-2019 or during fiscal year 2019-2020. Once implementation begins, eligible employees will have an initial 90-day election period to decide whether to convert to EHRA or remain SHRA. Then, in each of the following two fiscal years, employees will have a 45-day election period (one each fiscal year) to decide to convert to EHRA or remain SHRA. After this, however, employees will not be given another opportunity to opt-in to EHRA status and will remain SHRA for as long as they stay in their current SHRA position.

**6. What is the difference between being SHRA and EHRA?**

Although some human resources policies, such as sick leave and holidays, are the same for SHRA and EHRA employees, others are different, such as policies for salary ranges, salary adjustments, leave accruals, terms of appointment, and grievance rights. Affected employees will receive details articulating the differences between EHRA and SHRA employment so they can make well-informed decisions about whether or not to convert. UNC System Human Resources provides a chart on its website that shows many of the differences between SHRA and EHRA employment.

**7. If I choose to change to EHRA status, can I reverse my decision later?**

No, once you elect to convert to EHRA status, you remain EHRA as long as you stay in that position.

**8. Will I be told what my salary would be before I decide to convert to EHRA status?**

Yes, at the time employees are given the option to convert to EHRA status, employee will be notified of their expected EHRA IT position classification title and initial salary. Salary ranges for each classification title will also be available to employees for review. An employee's initial EHRA salary may be the same as their current SHRA salary or may be different.

**9. Will institutions be required to adjust the salaries of employees who may fall below the proposed minimum of the salary range for their classification?**

No, the institutions will not be required to adjust salaries to reach any new minimum. It is expected that this issue will be addressed over time using regular salary adjustment processes.

**10. If I move to EHRA status, will I lose my longevity pay?**

Employees who become EHRA are no longer eligible to receive longevity pay. You will be informed at the time you are given the option to elect EHRA status of any change to your base salary amount. It is possible, but not guaranteed, that your management, in consultation with Human Resources, may adjust your compensation to reflect the new IT classification's labor market or internal pay equity as part of your reclassification to EHRA status. Your prior total compensation, including longevity pay, could be taken into consideration, among other market factors, in determining your EHRA salary.

**11. What about longevity for the current year if I convert to EHRA?**

Eligible employees will receive a final, pro-rated longevity payment at the time they convert to EHRA status to cover the time period since their most recent longevity check.

**12. If I move to EHRA status, what will happen to my current leave balances and leave accruals?**

All of your current sick leave, vacation leave, and bonus leave balances will transfer with you to EHRA status. (All vacation leave will transfer; it is not capped at 240 hours.) Because EHRA employees do not receive other types of paid time off (holiday equal time off, adverse weather ETO, etc.), any accrued paid time off that you have will be paid out or forfeited as required by SHRA policies at the time of changing to EHRA status. Sick leave accruals remain 8 hours per month (pro-rated for part-time) as an EHRA employee. With respect to annual (vacation) leave, all EHRA non-faculty IT employees receive 24 days per calendar year (2 days per month) regardless of their length of state service.

**13. What if I already earn 26 vacation days per year as a long-term SHRA employee?**

SHRA employees who currently earn 26 days of vacation leave per calendar year will be "grandfathered in" and will retain their annual accrual of 26 days of vacation leave per year as an EHRA employee. This applies only to those who are earning 26 days of vacation leave at the time they convert to EHRA status.

**14. If I choose to remain SHRA and my position is reclassified, will it be reclassified as EHRA?**

No, for SHRA employees who do not convert to EHRA status position, their position will remain in the SHRA career banding classification system, even if it is reclassified. However, once the employee leaves the position, the position will convert to EHRA status.

**15. If I choose to remain SHRA and apply for an EHRA IT position, can I remain SHRA if I am selected for the position?**

No, if an SHRA employee is hired into an EHRA position, then the SHRA employee must become an EHRA employee.

**16. If I move to EHRA status, will my benefits change?**

Other than vacation leave and longevity, EHRA employees have the same benefits programs as SHRA employees. Employees converting to EHRA status will be given the option to move from the Teachers' and State Employees' Retirement program (TSERS) to the Optional Retirement Program (ORP) if they have not already had the option to make that choice. [Click here for more information about making decisions between TSERS and ORP.](#)

**17. Do employees who choose to convert to EHRA status need to sign a new terms and conditions of employment document? Will a template of that document be provided? We utilize contracts for EHRA non-faculty employee; will we be able to continue this practice?**

Each eligible employee will receive an election form to complete that indicates if the employee is agreeing to convert to EHRA status or remain SHRA. For those who choose to convert to EHRA, the UNC institutions will provide employees their standard paperwork for EHRA hiring.

**18. Do employees need to have a college or advanced degree to convert to EHRA status or to be considered for any new EHRA positions?**

Although it is true that EHRA positions generally require a college degree, the University recognizes that employees in the IT field commonly qualify for positions with substantial and equivalent training and experience, so in the initial implementation of this change, any education and experience requirements for these positions will be waived for employees converting from SHRA to EHRA. The UNC System Office will provide guidance to the institutions on expected education and experience standards for the IT classifications, along with guidance on determining substantially-equivalent training and experience for applicants without a degree.

**19. For recruitment purposes of EHRA IT classifications, can institutions modify the minimum education and experience when posting an EHRA IT classification to meet business needs or must institutions use the stated minimums and put specific requirements in the preferences section?**

Institutions must use the UNC System Office's minimum education and experience requirements. UNC System Human Resources will continue to review and adjust, as needed. Institutions may augment education and experience with university-specific requirements in the "preferred qualifications" section of job descriptions and job postings.

**20. How much flexibility do institutions have in mapping current positions to new positions?**

Institutions will have broad discretion based on their assessment of the current duties and responsibilities of each affected position.

**21. Will institutions still be limited to a maximum of three SAAO Tier II IT Directors?**

The current procedures on general SAAO Tier II roles have not changed.

**22. What about positions not in IT classifications that perform a significant amount of IT work?**

Once the new EHRA classifications have been implemented, institutional managers may work with their human resources office using their institution's regular position reclassification process to determine if any positions outside the current SHRA IT classifications may qualify under the EHRA IT professional classifications.

**23. Will institutions be required to use the pay ranges established by UNC System Human Resources?**

Not necessarily; institutions that currently hold delegated authority can elect to provide the UNC System Office with their own proposed university ranges, along with a detailed methodology on how they prepared them. These will be reviewed on a case-by-case basis, and, if acceptable, then the institution may maintain their own IT professional ranges, likely with an annual reporting requirement on any changes to the originally-approved ranges.

**24. Will the UNC System Office fund increases to move employees into the appropriate ranges?**

No, funds for salary increases related to this initiative are the responsibility of each institution.

**25. How will equity be addressed if two employees are doing similar work but one converts to EHRA status and the other remains SHRA?**

Pay equity will be determined based on the salary rules relevant to each employee group, so it is possible that the types of salary increases and salary ranges available to EHRA employees as compared to SHRA employees may result in greater differences in employee salaries, even when performing similar work. Potential salary may be a factor an employee considers when deciding whether or not to convert to EHRA status. Over time, there will be increasingly fewer SHRA exempt IT positions due to conversion of vacant positions or employees choosing to convert to EHRA status, which will minimize equity differences.

**26. What happens if an employee converts to EHRA, however, the supervisor remains a SHRA? Is there an issue with a SHRA employee supervising an EHRA employee?**

No, there is no rule that prevents an SHRA employee from supervising an EHRA employee.

**27. What happens if the salary of a SHRA supervisor is lower than the EHRA employee?**

Management may pursue a market or equity adjustment, under existing rules, if warranted, based on the totality of that circumstance and the scope of duties of the affected employees. The issue can be considered during the salary review process for the IT conversion implementation.

**28. What about employees who are currently on extended leave?**

Because this status change is driven by employee choice, no action would occur until the employee has returned to work, following the same procedures given to other employees. If the employee does not return to work, then the position would be converted to EHRA prior to job posting.

**29. What happens when an EHRA employee is discontinued (termination of employment)?**

An EHRA employee must receive written notice of discontinuation. The minimum notice period for discontinuation is based on the employee's years of service: employees in their first year of service receive at least a 30-day notice; employees in their second or third year of service receive at least a 60-day notice; and employees in their fourth and subsequent years of service receive at least a 90-day notice. Management may provide an employee an equivalent payout in lieu of a working notice, or some combination of the two. At separation from state employment, vacation and bonus leave are paid out and any sick leave is retained for five years, the same as occurs with SHRA employees.

**30. What happens when a layoff (reduction-in-force) action occurs for an EHRA employee?****Do the same rules apply as they do for SHRA employees?**

No, the RIF and RIF Reemployment Priority policies apply only to SHRA career status employees. For an EHRA layoff, the employee must receive the regular advance written notice of discontinuation.

**31. Is SHRA service included in determining whether a discontinuation notice is for 30, 60 or 90 days?**

Yes, for the purposes of this IT implementation, the University will consider SHRA service for notice/payment amount.

**32. If I have an active disciplinary action, will it remain active if I move to EHRA status?**

No, EHRA employees are not subject to the same disciplinary policy and procedures as an SHRA employee, so there is no mechanism to enforce an SHRA disciplinary action for an EHRA employee. This means that at the time of transition from SHRA to EHRA status, any active SHRA disciplinary actions would become inactive. Even so, management may determine, based on current employee performance and conduct, if any similar documented expectations, such as an EHRA performance improvement plan, may be appropriate to issue to the employee, who is now in an at-will position.

**33. What other incentives are being provided to employees to convert to EHRA status?**

This implementation is not designed to be an incentive program to make all current SHRA IT employees convert to EHRA status. Current SHRA employees are free to remain in SHRA status as long as they are in their current SHRA positions. Employees will need to determine for themselves if converting to EHRA status is appropriate action for them to take.

**34. Other than possibly getting more vacation leave or a slightly higher salary, how does making this change benefit an employee?**

This will vary with each employee's personal situation. We encourage employees to review carefully for themselves the differences between converting to EHRA status and remaining in SHRA status. For some employees, particularly those who are further along in their careers with the state, it may be advantageous to remain in SHRA status. For those newer to service with the state, the greater annual leave rates and possible salary growth considerations, such as the annual raise process for EHRA employees, may be a more significant factor in making a decision to convert. Conversion may also provide some current SHRA employees the opportunity to move from TSERS to the ORP.

**35. There was talk about changes to the federal Fair Labor Standards Act (FLSA) in terms of who is exempt from the overtime provisions. What happens if an employee converts to EHRA status and the position subsequently changes to non-exempt due to a change in federal law? Does the position/employee revert to SHRA status?**

Generally, the requirements for a position to be EHRA status also make it exempt from the overtime provisions of the FLSA. Should a position change to non-exempt status due to a change in FLSA regulations, the position would remain EHRA but with a non-exempt FLSA status. Once the position is vacated, it would revert to SHRA status for hiring. We do not anticipate that recent discussions on FLSA changes, if enacted, would affect this transition.

**36. Are there plans for other policy changes coming up that may affect us if we stay SHRA or convert to EHRA status?**

No, there are no currently planned policy changes for either group that would affect this implementation. As with any policy, there is always a possibility for future changes based on legislative action or changes made by the Office of State Human Resources for SHRA employees and by the Board of Governors for EHRA positions. Any changes would affect either all SHRA or all EHRA employees, not just those in IT positions.

**37. How many employees across the system does this change affect?**

There are approximately 2100 University employees currently in SHRA exempt information technology positions who may be eligible for conversion from SHRA to EHRA status.