Fiscal Year - 2010/2011 Faculty/EPA Non-Faculty/SPA Compensation Policy:

Recent communications from UNC General Administration, the Office of State Personnel, the Office of State Budget and Management and wording from the approved state budget (Senate Bill 897) for 2010/2011 provide general guidance regarding employee compensation.

Senate Bill 897, Session Law 2010-31 (Budget Bill) does not include funding for legislative increases or legislative bonuses. In addition, the Budget Bill continues the freeze on employee salaries except:

1. As provided for by Section 29.20A of S.L. 2005-276.
2. For University of North Carolina faculty as otherwise provided by the Faculty Recruiting and Retention Fund or the Distinguished Professors Endowment Fund or the University Cancer Research Fund in the case of faculty involved in cancer research supported by that fund.
3. For EPA/SPA employees, salaries may be increased for:
   A. Reallocations or promotions
   B. In-range adjustments for job change
   C. Career progression adjustments for demonstrated competencies
   D. Other adjustments related to an increase in job duties or responsibilities
4. Non-state funds may be used for EPA/SPA employee salary adjustments under the following conditions:
   A. Retention when the employee has a written job offer “in hand” from an employer outside of UNCG.
   B. Equity or Market Rate adjustments from non-state funds will only be considered under “highly exceptional” circumstances and must be related to a retention effort by the department head.

All other salary increases are prohibited.

The Office of State Budget and Management has strongly encouraged agencies to restrict salary adjustments to the maximum extent possible. All compensation adjustments at UNCG, as allowed in the Budget Bill, must adhere to the “Compensation Adjustment Guidelines” as listed below.

Approval authority for SPA salary actions is delegated to the Associate Vice Chancellor for Human Resource Services. Approval authority for EPA salary actions is delegated to the Associate Vice Provost for EPA Human Resources. As indicated in the guidelines, exception requests must be approved by the Chancellor.

Please direct any questions regarding these issues to the appropriate Human Resource Office.

Approved by Chancellor and Executive Staff – August 2, 2010
**Compensation Adjustment Policy Guidelines:**
The following guidelines include Faculty, EPA non-faculty and SPA positions regardless of the funding sources.

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<th>Compensation Action Requested:</th>
<th>Guideline:</th>
<th>Approval Authority:</th>
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| New Hire – non state employee | Salary offer may not exceed market rate or current budget for the position, whichever is less. | Associate Vice Chancellor for Human Resource Services  
Associate Vice Provost for EPA Human Resources |
| Promotion – current state employee | Salary offer may not exceed current salary by more than 5%.  
For SPA Career Banded Positions, salary offer may not exceed market rate by more than 10% or exceed a total of 5% above current salary whichever is less.  
EPA Non-Faculty, or Faculty who are promoted and/or awarded tenure according to P&T process. | Associate Vice Chancellor for Human Resource Services  
Associate Vice Provost for EPA Human Resources |
| Reallocation (reclassification) of an SPA position | When a position is reclassified due to increased competencies or additional higher level job duties as approved by HRS, a salary increase of no more than 5% (not to exceed a total of 10% above the market rate of the position) whichever is less, may be given.  
A position may not be reclassified more than one time in a fiscal year. | Associate Vice Chancellor for Human Resource Services |
| EPA Job Change | Job change with different and higher level duties | Associate Vice Provost for EPA Human Resources |
| Career Progression Adjustment (CPA) for an SPA position | A CPA based on demonstrated increased level of competencies and/or demonstrated higher level of job duties, as approved by HRS, not to exceed 5% above the current salary or a total of 10% above the market rate, whichever is less, may be given no more than once in a fiscal year. | Associate Vice Chancellor for Human Resource Services |
| EPA Increased duties or responsibilities | EPA employees who have increased job duties and/or responsibilities | Associate Vice Provost for EPA Human Resources |
| Request to increase compensation based on: Equity (example: employee is paid less than peers doing the same basic type of work)  
Market Rate (example: employee is paid below the market rate for the branch, band and level of the position)  
Retention (example: employee is made a job offer where the salary in the offer exceeds the current salary of the university employee) | State Funds: These types of compensation adjustments are prohibited in the approved state budget for 2010/2011.  
Non-State Funds: Retention requests will be considered when an employee (faculty, EPA non-faculty, or SPA) has a written job offer in hand from an employer outside of UNCG.  
Non-State Funds: Equity and Market Rate Adjustments will only be considered under highly exceptional circumstances and must be related to a retention effort by the department head. | Not approved.  
Chancellor |
| Any exceptions to the above compensation guidelines | Must be approved with written justification by the Department Head, Dean or Associate Vice Chancellor, and/or Vice Chancellor and forwarded to the Chancellor for final written approval. | Chancellor |