The 2012 General Assembly has ratified HB 950—the state Budget Bill for FY13. Section 25 of the Budget Bill outlines most of the key changes to salaries and benefits, which are summarized below.

1.2% Legislative Salary Increase

I. EPA (Faculty and Non-Faculty Employees Exempt from the State Personnel Act)
   Salary increase guidelines for EPA employees will be approved at the August 10th meeting of the UNC Board of Governors. Details will be shared with the campus community after they are received. EPA increases are anticipated to be in the September 30th paycheck and will be retroactive to July 1st.

II. SPA Employees (Employees subject to the State Personnel Act)
   The state budget bill for FY13 provides an across-the-board Legislative Increase (LI) effective July 1, 2012 for employees who are subject to the State Personnel Act (SPA). The salaries in effect June 30, 2012, of all full-time and part-time permanent employees (including probationary) shall be increased by 1.2%. Permanent full-time SPA employees who work a 9, 10, or 11-month work schedule will also receive the 1.2% increase based on their pay for their 9, 10, or 11 month work schedule.
   Additional features include the following:
   a. Employees with permanent, probationary, trainee and time-limited appointments are eligible for the increase.
   b. As directed by the enabling legislation, employees are eligible for this increase without consideration of performance ratings or disciplinary actions.
   c. The increase does not apply to employees separated from State service prior to July 1, 2012, or to employees hired effective July 1, 2012, or later.
   d. Employees who are on leave without pay as of July 1, 2012 will receive the increase upon reinstatement.
   e. Effective July 1, 2012, Career Banding Pay Bands have been increased by 1.2%.

Note: The Legislative Increase implementation team from HR, Financial Services, and ITCS is currently working to get the SPA salary increase processed with the August 15th payroll, retroactive to July 1st. Longevity, shift differential, overtime, and other special payments effective in July will be adjusted retroactive to July 1st and are anticipated to be paid on the August 31st payroll.

III. CSS Employees (Employees working in or directly supporting clinical operations)
   The University has determined that clinical support employees (CSS) will be eligible for the across-the-board salary increase of 1.2%. The salaries of all full-time and part-time permanent CSS employees (including probationary) in effect June 30, 2012, will be increased by 1.2%. Permanent full-time CSS employees who work a 9, 10, or 11-month work schedule will also receive the 1.2% increase based on their pay for their 9, 10, or 11 month work schedule.
   Additional features include the following:
   a. Employees with permanent, probationary, trainee and time-limited appointments are eligible for the increase.
   b. Consistent with the SPA process, CSS employees will be eligible for this increase without consideration of performance ratings or disciplinary actions.
   c. The increase does not apply to employees separated from State service prior to July 1, 2012, or to employees hired effective July 1, 2012, or later.
   d. Employees who are on leave without pay as of July 1, 2012 will receive the increase upon reinstatement.

Note: The Legislative Increase implementation team from HR, Financial Services, and ITCS is currently working to get the CSS salary increase processed with the August 15th payroll, retroactive to July 1st. Longevity, shift differential, overtime, and other special payments effective in July will be adjusted retroactive to July 1st and are anticipated to be paid on the August 31st payroll.
FY13 Special Leave

Part VI-B of the approved FY13 technical corrections bill to the budget (SB 187) includes five days of one-time additional special leave for leave-earning permanent employees (leave will be prorated for part-time permanent employees or those who earn leave and who work less than 12 months annually). It is very important to note this special leave for FY13 is different from previous allocations of bonus leave.

Based on the legislation, as written, the FY13 Special Leave:

1. Must be tracked separately from either normal annual leave or previous bonus leave accruals. (Description of "FY13SL" may be used on timesheets).
2. May be used immediately (as of July 1, 2012).
3. Only applies to the FY13 time period (beginning July 1, 2012 and ending on the last day of the fiscal year, June 30, 2013).
4. Must be used by June 30, 2013 or it is lost/expires. There will be no carryover or payout of unused FY13 Special Leave.
5. Will not be considered as part of the 240 hour vacation accrual limit as of 12/31/12 and will not transfer into sick leave.
6. Is provided only to leave-earning employees on the payroll as of July 1, 2012. It will not apply to employees entered on payroll with a start date after July 1, 2012.
7. Will be pro-rated for leave-earning permanent employees who work less than full-time.

IMPORTANT: Employees who are actually retiring this year and who have not used the Special Leave prior to their retirement may receive a payout of unused Special Leave if they retire before June 30, 2013.

Detailed guidelines from the Office of State Personnel can be viewed at the following web link: http://www.osp.state.nc.us/ExternalHome/FY2012-2013%20Special%20Leave.pdf

Due to the unique nature of the Special Leave most employees will not gain any advantage by holding on to this leave since it will expire without payout or carryover on June 30, 2013. Therefore, we will implement a process which encourages the use of FY13 Special Leave prior to other accrued vacation/bonus leave. The intent is to develop a process that provides the greatest advantage to ECU employees within the constraints of the official requirements.

Important Note:
ECU leave-earning employees will need to use 2 days of vacation, compensatory, or special leave to cover 2 unpaid days during the 2012 winter break. It will be useful for employees to consider that requirement when developing individual leave plans.

Expansion of UNC Optional Retirement Plan

Another important change approved in the budget bill allows for the expanded offering of the UNC Optional Retirement Plan (ORP) to all newly hired SPA employees who begin State employment on or after January 1, 2013. For those who hire SPA or CSS employees, this may be an important recruiting tool. More information related to this ORP expansion will be forthcoming from the HR Benefits Office in the near future.

Further Information/Questions

Information will continue to be updated on the HR Website http://www.ecu.edu/hr/

Questions concerning the implementation of the authorized SPA and CSS salary adjustments may be referred to Nonie Garcia in HR Classification and Compensation (328-9826). Questions concerning the EPA faculty/staff and/or other authorized EPA salary adjustments may be referred to Laurie Textor at 328-9882. Questions concerning adjustments for temporary employees may be referred to Michelle Morris or Keisha Brown in the HR Employment Office (328-9897 or 328-9898). Questions concerning the 40-hour FY13 Special Leave and expansion of the UNC Optional Retirement Plan may be emailed to the HR Benefits Office: hr_benefits@ecu.edu.