

NC STATE UNIVERSITY

Hiring & Expenditure Guidelines **Effective January 10, 2011**

The State of North Carolina is bracing for another wave of significant budgetary challenges in the coming 2011-12 fiscal year. As a result, all state agencies and universities will be forced to implement substantive budget reductions in the coming months.

A memorandum dated Dec 17, 2010, from State Budget Director Charles Perusse directed an additional 2.5% budget reversion during FY2010-11 – and a hiring freeze – for “cabinet-level” departments of the state. Those directives do not technically apply to UNC institutions. However, outgoing and incoming UNC presidents Erskine Bowles and Tom Ross jointly committed UNC’s compliance with the spirit of the directives in their memo to UNC institution chancellors dated Dec 20. Both communications are available on Budget Central: www.ncsu.edu/budgetcentral/

Each UNC campus must continue to submit quarterly reports of all salary adjustments for EPA and SPA employees, including those funded from non-state-appropriated sources, to the State offices of Budget Management (OSBM) and State Personnel (OSP) through UNC-General Administration. In addition, each campus must now begin tracking and reporting all hiring actions that are funded in whole or part by state appropriations.

All salary adjustments and hiring actions will be subject to close scrutiny at both the UNC System and the State level, so, while we are not technically under a unilateral “hard freeze,” NC State will implement only strongly-defensible hiring and salary actions.

In anticipation of permanent budget cuts in the coming fiscal year, use of **temporary** staffing appointments is encouraged wherever possible to accomplish business needs. Do not create or ‘permanently’ fill a position that could be vulnerable to elimination if the University’s recurring budget reduction exceeds 10%.

Effective January 10, 2011, and until further notice, NC State will follow the institutional guidelines below.

APPROVALS

The authority and responsibility to approve new positions, fill vacant positions or make salary adjustments -- **regardless of source of funds** --is delegated to the **Provost** (for the colleges, division of student affairs, and provost’s units) and the **Vice Chancellor for Finance and Business** (for all other administrative divisions).

CREATING NEW POSITIONS

Creation of any new SPA or EPA non-faculty position requires pre-approval, regardless of funding source. Only positions deemed “mission-critical” will be approved.

Process:

NOTE: Requests to create new positions must not be sent directly to the Office of the Provost or Vice Chancellor for Finance & Business. Please follow these steps:

1. **Department requests college/division approval.** All unit/departamental requests to create a new SPA or EPA non-faculty position must be approved by the college dean or vice chancellor, using the standard HR forms.
2. **College/Division approves & emails to HR.** If approved by the dean or vice chancellor (or their designee) must forward the approved request and forms, via email attachment, to Human Resources' receiving office (HireRequest) for HR review, with the following email subject line:

From: [Dean, Division Head, or designated financial/hr officer]
 To: HireRequest@ncsu.edu
 CC: budshare@gw.ncsu.edu
 SUBJECT: **Request to Create a New Position:** *(your college/division name here)*

This process will (a) document the college/division endorsement of the department's request, (b) serve to certify that recurring funding will be available in FY2011-12 and will be dedicated to the position, and (c) allow tracking of the request through HR to the Provost or Vice Chancellor for Finance & Business and back.

3. **Provost or VC F&B authorizes new position.** HR will forward the request to either the Provost or the Vice Chancellor for Finance and Business for pre-approval to create a new position. At this stage, HR is seeking authorization to proceed with the creation and formal classification of the position.
4. **HR classifies the new position.** Once the Provost or Vice Chancellor for Finance and Business notifies HR that they have authorized the new position, HR will formally establish and classify the position, assign a position number, and notify the dean or division head (or designee). The college/division notifies the department that the position has been created and may be posted and filled. Once the position is approved to be created, it is also considered approved to post and fill, so only one approval process is required.

FILLING EXISTING, VACANT POSITIONS

The university is expected to restrict hiring to only those positions deemed "mission-critical."

'CRITICAL' POSITIONS (automatically considered pre-approved)

For NC State's purposes, the following positions are automatically deemed as approved within the "critical" definition, and may be filled following current standard procedures, regardless of source of funds – although considerable prudence in making any long-term hiring commitment continues to be strongly recommended:

1. Regular (tenured / tenure-track) faculty positions
2. Non-Tenure-Track (NTT) faculty positions, whether full- or part-time, such as
 - NTT Faculty at the assistant-, associate-, or full-professor rank
 - Teaching & Research Faculty

- Clinical & Extension Faculty
 - Faculty of the Practice
 - Visiting & Federal Faculty
 - Adjunct Faculty (unpaid appointments)
- Lecturers & Senior Lecturers
 - Extension Agents (field faculty)
3. Safety Officers, such as public safety, fire safety, and radiation safety
 4. Positions whose primary responsibility is the direct custodial/medical care of persons or animals under the university's care.
 5. Graduate Student Assistants & Post Docs
While technically not EPA or SPA "employees," graduate teaching and research assistants and post-doctoral scholar appointments are considered critical experiential training/educational opportunities and may be hired/appointed in accordance with current procedures.
 6. "Temporary" positions may be filled, regardless of funding source.

OTHER 'ESSENTIAL' POSITIONS (approval is required to recruit and hire).

A college or division may consider it essential to fill other existing, vacant positions in addition to the positions designated as pre-approved above, in order to accomplish their most mission-critical work. All positions other than those listed above must be approved before making an employment offer (*if vacancy was already posted before 12/31/10*), or before posting the vacancy (*if posted after 01/01/11*).

Pre-approval requests – regardless of the source of funds -- must be submitted on the Revised Form, *Approval to Hire Essential Personnel*. The first version of that form was distributed (as Attachment B) with the Dec 22, 2010, memorandum from Provost Arden and VC Leffler. However, a *revised* version is attached to this document for your convenience. The revised form covers to all positions, not just those paid from state appropriations. HR is also working on an electronic version of this process.

Please use the attached, revised version of the Form.

College/Division approves & email to HR. If approved by the dean or vice chancellor (or their designee) must forward the approved request and forms, via email attachment, to Human Resources' receiving office (HireRequest) for HR review, with the following email subject line:

From: [Dean, Division Head, or designated financial/hr officer]
 To: HireRequest@ncsu.edu
 CC: budshare@gw.ncsu.edu
 SUBJECT: **Request to Fill a Vacant Position:** *(your college/division name here)*

REPORTING FILLED POSITIONS

NC State must report monthly to OSBM all positions that are (a) funded in whole or part by state appropriations and (b) filled on or after 12/16/10.

The initial Dec 22 memorandum from Provost Arden and VC Leffler requested colleges and divisions to complete a form documenting all such hires. However, the Budget and HR offices have since been able to develop an alternate method to collect and report such hires, so you may **disregard Attachment A** of the Dec 22 memo.

SALARY ADJUSTMENTS

No legislative salary adjustments were provided for FY 2010-11, and none are anticipated for FY 2011-12. Opportunities for salary adjustments using existing funds remain tightly restricted. NC State will continue its general practice of administering salary adjustments consistently for all EPA and SPA positions, without regard to source of funds.

The following adjustments are allowable, but all such adjustments should continue to be utilized judiciously:

1. FACULTY

- A faculty member who is promoted through the campus **promotion and tenure** process.
- An individual appointed to a **distinguished professorship** in accordance with statutory and campus processes.
- A tenured or tenure-track faculty member who receives an increase from the UNC President's **Recruitment and Retention Fund** as part of a retention counter-offer. If the retention amount has a campus component, the campus funds **MUST** come from a non-state source. (A copy of a written job offer from another organization must accompany any request for retention funds from UNC; requests for 'pre-emptive' retention offers are not entertained.)
- Any 'pre-emptive' retention request for a tenured or tenure-track faculty member must identify a recurring source of non-state funds at the departmental or college level to support the salary adjustment. Requests for pre-emptive retention offers will be considered on a case-by-case basis by the *Provost*.
- Faculty on fixed-term contracts for whom a subsequent appointment is issued for FY 2011-12 may be appointed, consistent with any OSBM requirements; however, individuals appointed to perform the same duties at the same FTE as the previous appointment should receive no increase in salary. If duties remain the same/comparable, but FTE changes, any annualized salary change must remain commensurate (*e.g.*, \$30,000 @ 50% FTE → \$45,000 @ 75% FTE.)

Colleges and academic departments should continue to be judicious in the issuance of multi-year faculty contracts, given ongoing financial challenges and anticipated budget cuts.

2. SPA STAFF and EPA NON-FACULTY PROFESSIONALS

Salary adjustments are still possible (from both state and non-state funds) for EPA and SPA employees, based on increases in duties and responsibilities. However, OSBM guidelines require the Chancellor's approval and rationale for salary adjustments from state appropriations.

- **Staff "Promotional Increases."** Increases that are the result of a current SPA or EPA employee's promotion to a higher-level position -- via an approved vacancy posting and competitive search -- are allowable and do not require Provost/VCF&B approval, as long as they fall within the position's anticipated hiring range.

ALL OTHER SPA and EPA NON-FACULTY SALARY ADJUSTMENTS

As with the creation of new positions, Human Resources must review all salary adjustment requests before they come to us, and we have instructed HR to forward for our consideration only those requests that meet the "compelling" expectations above.

Use the same basic email process flow as outlined above for creating new positions, using the following subject lines:

- a. **SPA "Reclassifications."** Salary adjustments may be requested in very limited situations, due the substantive addition of new duties or responsibilities, or movement to a higher level either within the employee's current SPA career-band, or to a higher career-band. This may occur when units are eliminating positions as a result of budget cuts, and reassigning additional higher-level duties to remaining employees.

From: [Dean, Division Head, or designated financial/hr officer]
 To: HireRequest@ncsu.edu
 SUBJECT: Request for SPA Salary Adjustment: *(your college/division name here)*

- b. **EPA Non-Faculty Salary Adjustments.** Similarly, salary adjustments for EPA non-faculty professionals who have assumed substantive new responsibilities may be granted in exceptional cases.

From: [Dean, Division Head, or designated financial/hr officer]
 To: HireRequest@ncsu.edu
 SUBJECT: Request for EPA Salary Adjustment: *(your college/division name here)*

3. STUDENTS & POST DOCS

Student workers, vet med interns and residents, and post-doctoral scholars are not subject to the same restrictions as EPA and SPA employee positions, but any salary adjustments to student or post doc pay must be in compliance with any restrictions or guidelines of the authorized funding source.

NON-PERSONNEL EXPENDITURES including TRAVEL

Deans and Vice Chancellors have the flexibility to determine how to best manage within their approved budgets, while recognizing the potential for possible additional budget reversions this year and virtually-certain permanent budget reductions for the coming fiscal year.

Closely monitor expenditures for justifiable need and appropriateness. Units are also required to fully utilize the Market Place system to optimize efficiency and effectiveness, and to ensure the most favorable pricing possible.

Continue to be judicious in the authorization of travel to ensure that it is used for mission-critical business needs. See <http://www.ncsu.edu/policies/finance/navigation.php/travel> for travel guidelines.