

# Audit, Business, and Finance Conversion



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As part of the 2021 Appropriations Act, the North Carolina General Assembly expanded the exemptions under the North Carolina Human Resources Act ("EHRA non-faculty" or "EHRA") to include the University Audit, Business, and Finance professional positions.

**This change in the law means these positions will become EHRA non-faculty positions under the University's HR policies rather than be subject to the NC Human Resources Act ("SHRA").**

The University System pursued this flexibility in order to be more competitive in attracting and retaining employees in a highly competitive labor market.



Employees in SHRA positions exempt from the Federal Labor Standards Act (FLSA) are being offered the opportunity to change employment status from SHRA to EHRA.

FLSA non-exempt employees (those paid hourly and subject to overtime) are not affected.

No SHRA employee will be compelled to elect EHRA status as part of this implementation. All employee decisions regarding this matter are voluntary.



This change in law means that, if you chose to convert from SHRA to EHRA, your position will become Exempt from the North Carolina Human Resource Act.

Other EHRA positions include senior academic and administrative officers, faculty, academic advisors, coaches, and researchers.



## SHRA

- Subject to State Human Resources Act
- Personnel practices are governed by the N.C. Office of Human Resources (OSHR) and apply across all State government
- Employees with 10+ years of state service are eligible for longevity pay
- SHRA vacation/annual leave accrual rate is based on the employee's total state service

## EHRA

- Exempt from State Human Resources Act
- Personnel practices are tailored specifically for UNC campuses by the Board of Governors and are overseen by the UNC System Office
- EHRA employees are not eligible for longevity pay
- Permanent EHRA non-faculty employees accrue 24 days on annual leave



Eligible employees will be given one opportunity to convert to EHRA status:

- A 90-day election period
- NCA&T election period will be Jan. 3, 2023 - Apr. 3, 2023

**After this election period is completed, no further election period will be provided.**



# Classification & Compensation





## **EHRA Titles**

*Each SHRA position has been cross-walked to an EHRA Professional Classification, such as:*

<b>Career Banding Class Title</b>	<b>New EHRA IRIT Title</b>	<b>Career Banding Class Title</b>	<b>New EHRA IRIT Title</b>
Accountant C	Accountant I	Audit Manager C	Audit Manager I
Accountant J	Accountant II	Audit Manager J	Audit Manager II
Accountant A	Accountant III	Audit Manager A	Audit Manager III
Accounting Manager C	Accounting Manager I	Bus. Officer/Univ. Prog Spec., C	Business Officer I
Accounting Manager J	Accounting Manager II	Bus. Officer/Univ. Prog Spec., J	Business Officer II
Accounting Manager A	Accounting Manager III	Bus. Officer/Univ. Prog Spec., A	Business Officer III
Auditor C	Auditor I	Bus. Officer/Univ. Prog Mgr., C	Business Manager I
Auditor J	Auditor II	Bus. Officer/Univ. Prog Mgr., J	Business Manager II
Auditor A	Auditor III	Bus. Officer/Univ. Prog Mgr., A	Business Manager III



## Addressing Equity

Equity:

Compression: Pay compression (also referred to as wage compression or salary compression) is when employees who have been in a job for a long time makes less than new hires in the same position.





Professional EHRA positions require a Baccalaureate degree. The UNC System has provided guidance to the institutions on expected education and experience standards for the EHRA classifications.

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.



**Leveling Guidelines for Audit, Business, and Finance**

**Individual Contributor**

Level	Span of Authority	Complexity	Education, Experience, Special Skills (or equivalent education/experience)
I	Unit(s) or School-/Division-wide	General precedents may exist for most problems; conducts research/analysis to identify the appropriate approach, works with others to confirm findings	<ul style="list-style-type: none"> <li>• Entry-level with Masters;</li> <li>• Bachelors and 0-2 yrs experience</li> </ul>
II	School-/Division-Wide or Institution-wide	General precedents may exist for most problems; conducts independent research/analysis to identify the appropriate approach	<ul style="list-style-type: none"> <li>• Mid-career with Masters and 1-2 yrs experience;</li> <li>• Bachelors and 2-4 yrs experience</li> </ul>
III	Institution-wide and/or Community	Problems encountered are often complex and may involve significant resource coordination and availability, evaluating and resolving discrepancies with data, analyses, processes, etc. using own expertise and judgment	<ul style="list-style-type: none"> <li>• Mid- to late-career with Masters and 2-4 yrs experience;</li> <li>• Bachelors and 3-5 yrs experience</li> </ul>

*May be first level of highly complex institutions*

*Only exists at highly complex institutions*

- Institutions may require additional certifications as deemed appropriate for specific job duties.
- Auditor positions also may require certification(s).



**Manager**

Level	Span of Authority / Supervision	Complexity	Education, Experience, Special Skills <i>(or equivalent education/experience)</i>
I	Unit(s) or School-/Division-wide; Supervises a team, provides training and coaching	Plans and schedules work activities; decisions and actions primarily impact workflow, processes and timeframes; Supervises 1 or more staff members within the same or similar areas	<ul style="list-style-type: none"> <li>• First time manager with Masters and 5+ years of relevant experience;</li> <li>• Bachelors with at least 1-2 yrs supervisory experience and 5+ years of relevant experience</li> </ul>
II	School-/Division-Wide or Institution-wide; Supervises a team or teams, provides training and coaching	Manages at least 1 department/program; decisions and actions have a direct impact on the outcome of department(s), program(s), and projects	<ul style="list-style-type: none"> <li>• Manager with Masters and 5+ years of relevant experience;</li> <li>• Bachelors with at least 1-2 yrs supervisory experience and 5+ years of relevant experience</li> </ul>
III	Institution-wide and/or Community; Supervises a team or teams, provides training and coaching	Manages a large department/program or multiple smaller departments/programs; decisions and actions have a major impact on the outcomes of the department(s), program(s), and projects	<ul style="list-style-type: none"> <li>• Masters with 2+ yrs supervisory experience and 7+ years of relevant experience;</li> <li>• Bachelors with 4+ yrs supervisory experience and 7+ years of relevant experience</li> </ul>





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, NC A&T DHR will provide guidance on expected education and experience standards for the EHRA classifications.



# Employment Terms & Conditions





## Employment Terms & Conditions

- EHRA Appointments are at-will or for a stated term.
- Discontinuation is at the recommendation of the Department Head with the approval of the Chancellor or his designee.
- Before communicating an end of appointment decision for any permanent EHRA non-faculty employee, departments must obtain approval from the Department of Human Resources.
- There are no reduction-in-force policies for EHRA employees, only SHRA employees. For an EHRA layoff, the employee must receive the regular advance written notice of discontinuation.
- At separation from state employment, vacation and bonus leave are paid out and any sick leave is retained for five years, as occurs with SHRA employees.





## Employment Terms & Conditions

The minimum notice period for discontinuation is based on the employee's years of service:

- During the first year of continuous service as a permanent employee with the University – 30 calendar days
- During the second and third years of continuous service as a permanent employee with the University – 60 calendar days
- During the fourth and all subsequent years of continuous service as a permanent employee with the University – 90 calendar days

Management may provide an employee an equivalent payout in lieu of a working notice or some combination of the two.



## **Employment Terms & Conditions**

Permissible appointment discontinuations reasons include:

- Loss of state and/or non-state funding
- Financial exigency or program curtailment or elimination
- Unsatisfactory performance
- Termination for cause (i.e., misconduct, neglect of duty, incompetence)

Impermissible appointment discontinuations may include:

- Discontinuations based on an employee's membership in a protected category (gender, race, ethnic origin, etc.)



# Performance Management

Performance Cycle: July 1<sup>st</sup> to June 30<sup>th</sup>

EHRA Non-Faculty employees receive an annual overall performance rating of:

- Exceeding Expectations: Routinely performs above expected performance of assigned duties and considered among the highest performing employees within the work unit.
- Meeting Expectations: Generally, performs at, and on occasions may exceed, a successful level of performance of assigned duties.
- Not Meeting Expectations: Often performs below an acceptable level of performance of assigned duties or has demonstrated substantial performance deficiencies in certain assigned duties.





## Timeline

Dates	Action
September	Received 1st Message from System Office
September	Started Evaluating All Seated Positions
September	Started Converting Vacant Positions
October	Announced ABF to Supervisors & Staff Forums
November 3, 2022	Sent ABF Townhall Email to Campus
November	ABF Page Launch
November 9, 2022	Informational Townhall Session
November 14 – December 16, 2022	One-on-One Sessions
January 3 – April 3, 2023	90 Day Election Period
April 4 – May 15, 2023	Processing/Sending to System Office



## Next Steps

- Attend the informational sessions hosted by the Division of Human Resources.
- Review all materials located at [www.NCAT.edu](http://www.NCAT.edu) on the Hub under Classification and Compensation
- Have a discussion with your department head/ supervisor
- Action Items
  - Supervisors Update Job Descriptions & Organization Charts in PeopleAdmin
  - Employees complete EHRA Voluntary Election Form



## Contact

- Rebecca Borders, Classification and Compensation Consultant  
[rborders@ncat.edu](mailto:rborders@ncat.edu)  
336.285.3791
- Schedule a 20-minute one-on-one if you have additional questions:  
<https://calendly.com/rborders-2>



# Questions