

1. **NEW GUIDANCE** – Did you create an IRIT range for all exempt SHRA roles?

All existing exempt SHRA roles on campuses should be cross walked to a new IRIT range—which is identical to the SHRA ranges. If we missed a class on the crosswalk, please let us know, and we'll add it.

2. **NEW GUIDANCE** – As part of the initial conversion, what should we be using for education and experience requirements?

For the moment, all campuses can continue to use the education and experience requirements specified under the SHRA job specifications.

3. NEW GUIDANCE – If we are converting new exempt SHRA ABF roles to IRIT, can we continue to use the SHRA education & experience requirements, or must we use the official ABF requirements?

Given the unique nature of this conversion, campuses can continue to utilize the career banding education and experience requirements. We will continue to examine official IRIT education and experience requirements for possible changes.

4. **NEW GUIDANCE** – Can we use FY22-23 funding from an existing position they're not planning on filling to create a new role?

Yes. A campus may utilize remaining FY22-23 funds for this purpose.

5. **NEW GUIDANCE** – Until our system is updated with new tables for the official new titles, is it OK to just represent the new IRIT title as a working title?

Yes – that is acceptable in the short term as you continue to make the necessary system changes to permit official title conversion in your HR operating systems. Please remember that this should be clearly communicated to the employee in writing, too.

- 6. **NEW GUIDANCE** What happens if a converted role loses its FLSA status in the future?
 - The position should be flagged in your system for potential reclassification when vacant and reassessed annually. The employee will remain EHRA during that time, but be subject to all non-exempt requirements, including overtime.
- 7. NEW GUIDANCE Are you still planning on offering FLSA training to the system?

Yes. We will partner with the UNC-CH School of Government, which has a notable FLSA training program. We're holding off right now only to see if there are any new and planned Department of Labor updates; but will make sure something is arranged regardless by October.

8. **NEW GUIDANCE** – Will you be making any changes to the dental and clinical support staff at ECU? Currently, clinical employees are designated as CSS, and we have permission to create a parallel structure for our dental staff (DMSS).

We hope to create a unique job family for both CSS and DMSS staff. It's part of our larger discussions are reworking the "job families" for all professional roles currently split between SAAO-II and IRIT.

9. Why are some SHRA employees being given an option to become EHRA employees?

The North Carolina General Assembly expanded the exemptions under the North Carolina Human Resources Act to include all positions that are exempt from the minimum wage and overtime provisions of the federal Fair Labor Standards Act (FLSA). This change in the law means that these positions will become EHRA non-faculty positions ("EHRA") and be governed by the University's



human resources policies rather than be subject to the NC Human Resources Act ("SHRA" employees). The University sought this flexibility with respect to certain compensation and leave issues to be more competitive within the context of a highly competitive labor market.

10. Who is affected by this change?

Individual employees currently in SHRA exempt positions (those who are 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 who are paid hourly and subject to overtime) are not affected by this change and will not have the opportunity to change to EHRA. The FLSA exempt employees who do not choose to convert to EHRA status will continue as SHRA employees as long as they remain in their current position.

11. Will affected employees be required to convert to EHRA status?

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.

12. When and how will this change take effect?

The authority to convert SHRA exempt vacant positions to EHRA classifications was effective July 1, 2023. Institutions may now begin converting vacant SHRA exempt positions to EHRA and initiating recruitment. Employees who have attained SHRA career status, or who hold SHRA probationary status, as of September 1, 2023, will have the option to remain SHRA or convert to EHRA. Each institution will establish an implementation plan and timeline for providing this opportunity to SHRA exempt employees. Employees in eligible positions 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 they will be required to complete.

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

Once implementation begins, eligible employees will have a <u>60-day</u> election period to decide whether to convert to EHRA or remain SHRA. If the employee does not select to convert to EHRA status by the end of the election period, then they will remain SHRA for as long as they are in their current SHRA position. Institutions may provide more than one opportunity to employees to make this election.

14. What is the difference between being SHRA and EHRA?

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, separation, and grievance rights. SHRA policies are set by the State Human Resources Commission through the Office of State Human Resources whereas EHRA policies are set by the UNC Board of Governors through the UNC System Office. Affected employees will receive details explaining the differences between EHRA and SHRA employment so that they can make well-informed decisions about whether or not to convert.

15. 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.

16. 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, employees will be notified of their expected EHRA 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 it may be different.

17. 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.

18. 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 EHRA 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.

19. 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.

20. 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 <u>not</u> 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 employees receive 24 days per calendar year (2 days per month) regardless of their length of state service.

21. 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.

22. 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 an 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.

23. If I choose to remain SHRA and apply for an EHRA 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.

24. 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.



- 25. 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 employees; will we be able to continue this practice?
 Each eligible employee will be asked to complete an election form to indicate whether they choose to convert to EHRA status or to remain SHRA. For those who choose to convert to EHRA, the UNC institutions will provide employees with their standard paperwork for EHRA hiring.
- 26. Do employees need to have a college or advanced degree to convert to EHRA status or to be considered for any new EHRA positions?
 Most professional EHRA positions require a Bachelor's degree. The UNC System Office has provided guidance on its website on expected education and experience standards for the EHRA classifications. For current SHRA employees electing to convert to EHRA status, an employee without a Bachelor's degree may be grandfathered into the converted position, since they otherwise qualified for the position as SHRA. For newly exempt positions as of July 1, 2023, the current minimum education and experience requirements found in the career banding classification specifications will be followed for the transition unless otherwise indicated.
- 27. For recruitment purposes of EHRA classifications, can institutions modify the minimum education and experience when posting an EHRA 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.
- 28. How much flexibility do institutions have in mapping current positions to new positions? Institutions must follow the guidelines provided by UNC System HR for mapping positions from SHRA to EHRA. New elections for existing information technology and for audit, business, and finance employees will employ the same position and salary mapping instructions previously provided for those implementations. All other classifications have been directly mapped from SHRA banded classes and salary ranges to new parallel EHRA classes and ranges with SHRA competency levels being converted to Levels I, II, and III for the class title. The UNC System is also reviewing all existing EHRA salary ranges and classification groups separate from this conversion of current SHRA FLSA exempt positions. Any impact from that process will be shared once the process is completed.
- 29. What about positions in Business Officer, Business Management, University Program Specialist, and University Program Manager classifications that perform significant accounting work? In addition to the position having to be FLSA exempt, any SHRA classification with one of these titles will be required to have at least one-third of the position functions documented as directly related to financial, budget, and/or sponsored research administration. For the initial implementation of ABF positions as part of this conversion process, any positions that lack these documented functions must be flagged for further classification review once the position becomes vacant.
- **30.** 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.



31. 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. Over time, there will be increasingly fewer SHRA exempt positions in these classifications due to conversion of vacant positions or employees choosing to convert to EHRA status, which will minimize equity differences.

- 32. What happens if an employee converts to EHRA and their supervisor remains SHRA? Is there an issue with an SHRA employee supervising an EHRA employee?
 - No, there is no rule that prevents an SHRA employee from supervising an EHRA employee.
- 33. What happens if the salary of an 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 the circumstances and the scope of duties of the affected employees. The issue can be considered during the salary review process for the conversion implementation. There is no rule that prevents an SHRA supervisor from having a salary lower than a subordinate EHRA employee; the salary levels are determined within their respective classification salary ranges and related salary administration rules.
- 34. 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 the job posting.
- 35. What happens when an EHRA employee is discontinued (termination of employment)? EHRA employees 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 with 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 as it is with SHRA employees.
- 36. 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.
- 37. Is SHRA service included in determining whether a discontinuation notice is for 30, 60, or 90 days? Yes, for the purposes of this implementation, the University will consider SHRA service for notice/payment amount.
- 38. If I have an active disciplinary action, will it remain active if I move to EHRA status?

 No, most 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 or similar documentation, may be appropriate to issue to the employee, who is now in an at-will position.



39. 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 employees convert to EHRA status. Current SHRA employees are free to remain in SHRA status as long as they are in their current positions. Employees will need to determine for themselves if converting to EHRA status is appropriate for them based on their own personal circumstances.

40. 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 carefully review 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. Because the UNC System retains authority for EHRA classifications and salary administration, the UNC System has greater flexibility with EHRA positions than it does with SHRA positions to update salary ranges and classifications. The Office of State Human Resources has the authority over any changes to SHRA classifications and salary ranges.

41. 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 duties or 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 if applicable.

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

The UNC System is pursuing additional revisions to all EHRA salary ranges and classification groups separate from the conversion of current SHRA FLSA exempt positions. These will be communicated once they are available to show any impact on possible EHRA elections by existing employees. 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 employees. Any changes would affect either all SHRA or all EHRA employees, not just those in these particular EHRA positions.

43. I am not sure I want to convert to EHRA right now. Will I have any opportunities in the future to convert?

Institutions may provide periodic opportunities for employees to elect to convert from SHRA to EHRA. These opportunities will also provide an employee with 60 calendar days from the date the institution notifies them of the opportunity to decide whether or not to convert.

44. Will SHRA non-exempt employees have an opportunity to convert to EHRA status?

No, the new statutory language only applies to positions that are exempt from the overtime provisions of the federal Fair Labor Standards Act. Adding any other employee groups would require additional legislative action by the NC General Assembly.