

Due: Oct 15th, 2024

Fiscal Year 24-25 Budget Data Books Additional Requested Information

Governing Board / Institution:

Submitted by:

Please explain in writing your policies that support changes and allocated amounts to the following:

1. Staff Salary Compensation Pools
2. Targeted Compensation Allocations
3. Benefits
4. Special Projects

Please provide as much written information and details as possible. Please provide explanations for each category for Fiscal Year 2023 – 2024 and budget year 2024 – 2025. Please see the reference below for the extended RFI request.

To improve legislative understanding of the basis for amounts in the budget data books, as part of this submission the Department is also requested to coordinate an explanation of policies that undergird the budget data books, such as staff salary compensation pools, targeted compensation allocations (e.g., to particular staff), benefits, and special projects for actual year FY 2023-24 and budget year FY 2024-25. The Department is requested to collect this information from the institutions in a consistent format that is coordinated with Joint Budget Committee Staff.

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Staff Salary Compensation Pools

FY 23-24 Allocation: 2.1M

FY 24-25 Estimate: 3.0M

Explanation:

In FY24, a 5% compensation pool was approved for Classified staff and a 3% compensation pool was approved for Faculty & Non-Classified staff.

In FY25, STEP raises were implemented for Classified staff which resulted in an estimated 7.8% compensation pool. A 3% compensation pool was approved for Faculty & Non-Classified staff.

Targeted Compensation Allocations

FY 23-24 Allocation: \$0.0M

FY 24-25 Estimate: \$1.0M

Explanation:

In FY25, UNC increased faculty salaries \$0.7M to reach 89% of parity of our CUPA NCHEMS peers before implementing the 3% faculty compensation pool. UNC also invested \$0.2M in compensation for Equal Pay for Equal Work compliance and \$0.1M to address compression related to the Classified STEP raises.

Benefits

FY 23-24 Allocation: \$1.6M

FY 24-25 Estimate: \$1.7M

Explanation:

Professional Staff Health Insurance Premiums was the largest driver of benefit increases. For the first half of FY24 (7/1/23-12/31/23) rates increased 12.5% over the first half of FY23. For the second half of FY24 (1/1/24-6/30/24) and first half of FY25 (7/1/24-12/31/24) rates increased 12% over prior calendar year. Furthermore, in an effort to remain competitive in our benefits package, UNC also is also paying full 12% increase effectively increasing the employer share of health insurance premiums from 62.6% to 66.7% For the second half of FY25 (1/1/25-6/30/25) UNC budgeted a rate increase of 11% over the first half of FY24 based on estimates from CHEIBA. (CHEIBA has since adopted a 5.9% rate increase.) Once again, UNC intends to pay the full rate increase effectively increasing the employer share of health insurance premiums from 66.7% to 68.7%.

The resulting total health premium increase from FY23 to FY24 was 14.7% (\$0.9M) and from FY24 to FY25 was 15.9% (\$1.1M).

Most other benefits increased commensurate with salary increases in each fiscal year (mainly retirement).

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Special Projects

FY 23-24 Allocation: \$0

FY 24-25 Estimate: \$0

Explanation:

No special projects to report in FY23 or FY4.