



**STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT**

ROY COOPER
GOVERNOR

CHARLES PERUSSE
STATE BUDGET DIRECTOR

June 7, 2017

MEMORANDUM

TO: Chief Fiscal Officers and Human Resource Directors
State Departments, Institutions and Agencies

FROM: Charles Perusse *Charles Perusse*
State Budget Director

SUBJECT: Human Resources/Payroll (HR/PY) System Changes that Support Salary Control

On June 16, 2017, several HR/PY system changes will be implemented to help enhance the accuracy and usefulness of the Office of State Budget and Management's (OSBM) Salary Control module in the Integrated Budget Information System (IBIS). The system changes will have the following effects on budgeted salaries in the HR/PY system.

- 1. It will maintain the budgeted salary of vacant positions at the minimum for the classification.** The system will increase the budgeted salary of vacant positions that are below minimum to the current Salary Grade Minimum for the position's Job Classification. This will allow for the proper application of any potential Legislative Increase by the HR/PY. Vacant positions whose budgeted salaries are already at or above the Salary Grade Minimum will remain unchanged. The change will also prevent users from being able to manually set budgeted salaries of vacant positions below the related Salary Grade Minimum.
- 2. Budgeted Salary = Employee Salary.** The budgeted salary of filled positions will be adjusted nightly to match the employee's actual salary using action 111 (Position Budgeted Salary Change). If the employee's actual salary is below the minimum (trainee progression), the budgeted salary will be adjusted to the minimum of the grade and not to the employee's actual salary. For agencies who deploy training progressions that are above the minimum of the grade, the system will adjust the budgeted salary to match the employee's actual salary. Agencies should manage their salary reserves to account for any funds required once the employee reaches the competency or experience milestones that prompt a salary adjustment. The IBIS salary reserve module contains a 'Note' feature that will allow agencies to document reserves required for positions in a training progression. OSBM will work with the Office of State Human Resources and the Office of State Controller to explore a solution with the implementation of the new Classification and Compensation System.

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Attention Funding Approvers: When an adjustment is made and an action 111 is created, it will overwrite other actions effective the same day. If a Source of Position's Fund Change is processed, be sure to keep the budgeted salary equal to the employee salary so the 110 actions will not be overlaid.

To view vacant positions that are below the Salary Grade Minimum, use the Vacant Positions Report (B0104) and, in design mode, drag on the Job Minimum option to the heading bar. Once you have the Budgeted Salary and the Job Minimum, you can export to excel and calculate the difference.

Starting July 1, 2017 when the funding approver is revising a 110, 111, or 112 position action, it will be necessary for a "revised" action code to be used. This is to notify Salary Control of the revision. To revise a 110 action, use 210; to revise a 111 action, use 211; to revise a 112 action, use 212.

110 / 210 = Source of Position's Fund Change
111 / 211 = Position Budgeted Salary Change
112 / 212 = Legislative Increase for Position

Please contact your OSBM budget analyst at (919) 807-4700 if you have any questions about the changes.

cc: OSBM Assistant Budget Officers and Budget Analysts
OSHR Director Barbara Gibson
State Controller Linda Combs