

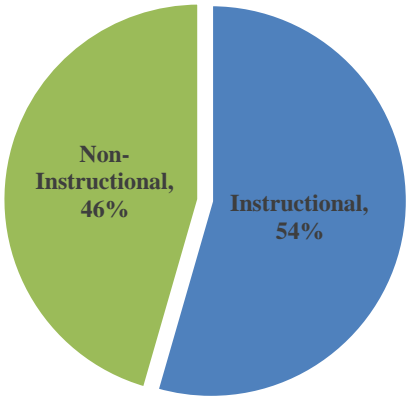
**STATE BOARD OF COMMUNITY COLLEGES
Compensation Reserve Report FY 2015-16**

As directed by S.L. 2015-241, the Director of the Budget transferred \$10 million Compensation Reserve funds to the State Board of Community Colleges for salary increases for State-funded local community college employees. Funds covered salary increases inclusive of the associated cost for the employers' retirement and social security contributions. These funds were allocated to the 58 colleges based on colleges' formula funding model.

Section 30.5.(b) of S.L. 2015-241 stated, "Funds for compensation increases may be used for any one or more of the following purposes: (i) merit pay, (ii) across-the-board increases, (iii) recruitment bonuses, (iv) retention increases, (v) any other compensation increase pursuant to policies adopted by the State Board of Community Colleges." The provision also required the State Board of Community Colleges make a report on the use of funds to the General Assembly no later than March 1, 2016. This report is submitted to fulfill this requirement.

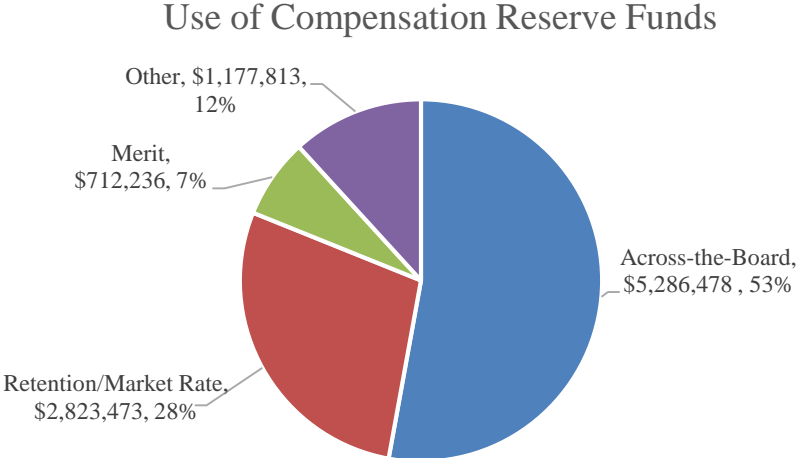
The following charts show the use of funds from the reserve based on type of increase and employee type. Overall, 54% of the compensation reserve funds supported increases to instructional employees and 46% to non-instructional. Attachment A provides this breakout by community college.

Compensation Reserve Increases by Employee Type



Approximately 53% of the compensation reserve funds were used to support across-the-board increases at 48 colleges: 17 colleges provided increases through a flat or graduated dollar amount, 30 colleges provided a percentage increase, and one college used a combination of both. Attachment B provides this breakout by community college. Forty-seven percent (47%) of the compensation reserve funds were used to support other forms of compensation increases,

including retention/market adjustments, merit increases, recruitment bonuses, and other adjustments authorized by college personnel policies. Ten (10) colleges used their entire compensation reserve allocations for these types of targeted adjustments, while 44 colleges used a portion of their allocations for these purposes.



Thirty-nine colleges provided retention/market rate increases, which comprise 28% of the compensation reserve funds. While the specific positions affected by this increase did vary by college, there were common themes. Among the retention/market adjustments provided to instructional faculty, some colleges increased salaries for instructors broadly, while other colleges gave targeted increases to particular instructional personnel. Health sciences faculty, career and technical education (CTE) faculty, math instructors, and those with departmental chair duties were most frequently targeted. Among non-instructional staff, student services (such as financial aid advisors), business office, distance learning, information technology, and institutional effectiveness staff were common themes. Many colleges also provided increases to maintain compliance with college salary plans approved by local boards of trustees and hard-to-fill positions that in recent months had not attracted interested and/or qualified candidates, such as nursing department chairs and IT system administrators.

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
 Compensation Reserve Increases by Employee Type

Attachment A

	Instructional	Non-Instructional	Total
Alamance CC	100,827	75,620	176,447
Asheville-Buncombe TCC	126,555	159,063	285,618
Beaufort County CC	39,908	48,161	88,069
Bladen CC	36,894	30,320	67,214
Blue Ridge CC	104,543	0	104,543
Brunswick CC	50,320	36,696	87,016
Caldwell CC & TI	78,685	89,481	168,167
Cape Fear CC	301,249	74,148	375,397
Carteret CC	39,562	42,966	82,528
Catawba Valley CC	106,142	84,908	191,050
Central Carolina CC	195,935	42,486	238,421
Central Piedmont CC	304,098	383,942	688,040
Cleveland CC	46,643	90,012	136,655
Coastal Carolina CC	196,522	0	196,522
College of the Albemarle	80,250	31,546	111,796
Craven CC	68,180	67,634	135,814
Davidson County CC	75,612	97,174	172,787
Durham TCC	147,567	50,059	197,626
Edgecombe CC	66,549	55,467	122,016
Fayetteville TCC	289,354	200,041	489,395
Forsyth TCC	211,174	143,318	354,492
Gaston College	122,747	102,237	224,984
Guilford TCC	329,489	161,731	491,220
Halifax CC	28,592	41,626	70,218
Haywood CC	85,058	3,382	88,440
Isothermal CC	35,317	60,822	96,139
James Sprunt CC	62,134	0	62,134
Johnston CC	69,933	109,462	179,395
Lenoir CC	67,278	110,023	177,301
Martin CC	22,148	24,758	46,906
Mayland CC	16,391	58,256	74,647
McDowell TCC	28,254	35,556	63,810
Mitchell CC	61,888	59,618	121,506
Montgomery CC	23,056	29,216	52,272
Nash CC	75,794	68,132	143,926
Pamlico CC	15,958	23,438	39,396
Piedmont CC	49,893	42,198	92,091
Pitt CC	243,379	101,384	344,763
Randolph CC	40,482	89,382	129,864
Richmond CC	95,018	24,991	120,009
Roanoke-Chowan CC	19,339	29,181	48,520
Robeson CC	115,504	9,670	125,174
Rockingham CC	40,270	45,091	85,361
Rowan-Cabarrus CC	75,002	203,949	278,951
Sampson CC	84,340	0	84,340
Sandhills CC	120,215	50,828	171,043
South Piedmont CC	72,279	43,377	115,656
Southeastern CC	29,096	67,730	96,826
Southwestern CC	64,700	58,028	122,728
Stanly CC	60,828	67,463	128,292
Surry CC	59,722	82,953	142,675
Tri-County CC	30,109	32,538	62,647
Vance-Granville CC	85,775	71,834	157,609
Wake TCC	208,624	580,944	789,568
Wayne CC	94,041	67,884	161,925
Western Piedmont CC	69,359	43,858	113,217
Wilkes CC	42,465	96,746	139,211
Wilson CC	35,598	52,030	87,628
Total	\$5,446,644	\$4,553,355	\$10,000,000
	54%	46%	

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
Use of Compensation Reserve Funds

Attachment B

	Across-the-Board Increases	Merit Pay Increases	Retention/Market Rate Increases	Other Compensation	Total
Alamance CC	164,447	0	12,000	0	176,447
Asheville-Buncombe TCC	192,471	0	37,530	55,617 ^{1,3}	285,618
Beaufort County CC	71,358	0	11,333	5,378 ¹	88,069
Bladen CC	34,407	2,460	27,885	2,462 ¹	67,214
Blue Ridge CC	0	0	0	104,543 ³	104,543
Brunswick CC	0	56,083	0	30,933 ^{1,2}	87,016
Caldwell CC & TI	59,338	11,501	80,282	17,045 ¹	168,167
Cape Fear CC	227,887	0	67,760	79,750 ³	375,397
Carteret CC	75,077	7,451	0	0	82,528
Catawba Valley CC	191,050	0	0	0	191,050
Central Carolina CC	148,732	0	89,689	0	238,421
Central Piedmont CC	628,040	0	60,000	0	688,040
Cleveland CC	96,406	0	20,952	19,297 ³	136,655
Coastal Carolina CC	196,522	0	0	0	196,522
College of the Albemarle	4,039	0	0	107,757 ²	111,796
Craven CC	95,041	0	11,953	28,820 ^{1,3}	135,814
Davidson County CC	137,477	0	15,513	19,797 ^{1,3}	172,787
Durham TCC	54,230	12,090	122,672	8,634 ^{1,4}	197,626
Edgecombe CC	88,280	30,003	0	3,733 ¹	122,016
Fayetteville TCC	403,827	0	65,012	20,556 ¹	489,395
Forsyth TCC	278,127	0	50,131	26,234 ^{1,2}	354,492
Gaston College	211,015	0	0	13,969 ¹	224,984
Guilford TCC	0	0	245,654	245,566 ^{3,4}	491,220
Halifax CC	48,580	0	21,638	0	70,218
Haywood CC	0	0	83,571	4,869 ¹	88,440
Isothermal CC	72,711	0	23,428	0	96,139
James Sprunt CC	0	0	62,134	0	62,134
Johnston CC	89,571	0	71,093	18,731 ¹	179,395
Lenoir CC	90,428	80,089	0	6,784 ¹	177,301
Martin CC	35,669	0	11,237	0	46,906
Mayland CC	73,895	0	0	752 ¹	74,647
McDowell TCC	43,470	8,671	0	11,669 ¹	63,810
Mitchell CC	88,512	13,994	19,000	0	121,506
Montgomery CC	20,491	0	0	31,781 ²	52,272
Nash CC	0	43,097	82,279	18,550 ^{1,2,3}	143,926
Pamlico CC	26,607	12,789	0	0	39,396
Piedmont CC	80,502	11,589	0	0	92,091
Pitt CC	95,007	50,171	199,585	0	344,763
Randolph CC	44,964	26,640	16,560	41,700 ^{1,3}	129,864
Richmond CC	74,818	10,283	26,508	8,400 ^{1,0}	120,009
Roanoke-Chowan CC	30,721	0	4,413	13,386 ¹	48,520
Robeson CC	0	0	125,174	0	125,174
Rockingham CC	71,185	0	12,172	2,004 ¹	85,361
Rowan-Cabarrus CC	77,595	0	71,187	130,169 ^{1,3}	278,951
Sampson CC	47,147	0	37,193	0	84,340
Sandhills CC	0	64,630	81,834	24,579 ^{1,2}	171,043
South Piedmont CC	101,400	12,097	0	2,159 ¹	115,656
Southeastern CC	39,179	20,604	26,655	10,388 ^{1,4}	96,826
Southwestern CC	122,728	0	0	0	122,728
Stanly CC	123,292	0	0	5,000 ¹	128,292
Surry CC	75,472	0	66,203	1,000 ¹	142,675
Tri-County CC	62,647	0	0	0	62,647
Vance-Granville CC	130,200	0	27,409	0	157,609
Wake TCC	0	208,624	580,944	0	789,568
Wayne CC	0	0	151,925	10,000 ¹	161,925
Western Piedmont CC	17,837	0	83,680	11,700 ¹	113,217
Wilkes CC	86,414	29,370	19,284	4,143 ¹	139,211
Wilson CC	57,667	0	0	29,961 ²	87,628
Total	\$5,286,477	\$712,236	\$2,823,473	\$1,177,814	\$10,000,000

1: Educational attainment increase, 2: Experience-based increase, 3: Equity adjustment, 4: Recruitment Bonuses