2023 PAID PARENTAL LEAVE REPORT





NORTH CAROLINA Office of *State Human Resources*

Report to the Governor's Office on Executive Order No. 95, Providing Paid Parental Leave to Eligible State Employees for the Period of July 1, 2022, through June 30, 2023

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Barbara Gibson | State Human Resources Director Andrea Clinkscales | Director, Total Rewards Division

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Executive Summary

On May 23, 2019, Governor Roy Cooper signed <u>Executive Order 95</u>, *Providing Paid Parental* <u>Leave to Eligible State Employees</u>. Executive Order 95 provides eight weeks of fully Paid Parental Leave to eligible state employees who have given birth to a child. Executive Order 95 also provides four weeks of fully Paid Parental Leave to eligible state employees who are the non-birthing parent; this includes both a spouse giving birth or a situation where the employee has become a parent through adoption, foster or other legal placement of a child.¹ In accordance with the Executive Order, Paid Parental Leave became effective September 1, 2019.

Paid Parental Leave runs concurrently with Family and Medical Leave (FML), which provides eligible employees with up to 12 weeks of unpaid, job-protected leave per year. However, while on Paid Parental Leave, eligible employees receive 100 percent of their straight time pay. Eligible employees have the option to take Paid Parental Leave in one continuous period or to use Paid Parental Leave intermittently. Employees are granted 12 months after the date of eligibility to use Paid Parental Leave.

As of June 30, 2023, more than 7,500 state employees have used Paid Parental Leave since the benefit became available. The State's Paid Parental Leave is gender-neutral and the North Carolina Office of State Human Resources (OSHR) is committed to providing agencies guidance and training to ensure the leave is used equitably. The total salary paid to employees taking Paid Parental Leave since September 2019 is \$40,980,801.53.

Paid Parental Leave is a vital benefit that is leveraged as a recruitment and retention tool to improve recruitment initiatives across the state and retain state employees who support agencies in meeting their mission to provide programs and services to the people of North Carolina.

In May 2023, the North Carolina General Assembly enacted a new statute, N.C.G.S. 126-8.6, which reflects the same Paid Parental Leave structure established four years earlier in Executive Order 95. Under the new law, effective July 1, 2023, Paid Parental Leave is available to all state agency and university employees, as well as public school employees, employees of community college institutions, and employees of the legislative and judicial branches.

"The North Carolina Office of State Human Resources is dedicated to providing well-rounded, family-friendly benefits that help recruit job seekers to join our state government," said State Human Resources Director Barbara Gibson. "We are encouraged by the General Assembly's new law that provides Paid Parental Leave to a broader group of state employees, including public school employees and community college employees. The new Paid Parental Leave benefits, which match the structure under Governor Cooper's Executive Order 95, are essential to ensuring the work-life balance of our new parents. I am hopeful that Paid Parental Leave

¹ Paid Parental Leave is structured as (1) four weeks for recuperation and recovery, which is available only to eligible employees who gave birth, and (2) four weeks for parental bonding, which is available to both eligible employees who gave birth and eligible employees who did not give birth. Through this structure, employees who gave birth receive eight weeks of Paid Parental Leave, while employees who did not give birth receive four weeks. These leave amounts are for full-time eligible employees; part-time employees receive prorated leave.

under this new law will encourage dedicated, public service-oriented individuals to not only join state agencies but also our public schools and community colleges."

Research suggests that organizations that offer Paid Parental Leave experience improvements in recruitment, retention, and employee engagement.² Paid Parental Leave policies also promote wellness by providing birth parents the time needed to recover from childbirth, bond with a new baby, attend regular medical checkups and manage family caregiving responsibilities. Research suggests children whose parents have access to Paid Parental Leave are more likely to attend

regular medical checkups and have fewer health problems.

Based on a review of the data, Paid Parental Leave is utilized across the full age spectrum, ranging from 20 to 69 years. However, employees in the 30-39 age range continue to be in the group with the highest utilization of Paid Parental Leave. Paid Parental leave utilization by gender is roughly the same when comparing the number of female employees (3,829) to male employees (3,762) who have utilized this benefit since it became available in 2019.



Participating Agencies and Universities

The Paid Parental Leave program under Executive Order 95 is offered to state employees of any North Carolina department, agency, board or commission under the Governor's oversight.

Cabinet Agencies			
Administration	Adult Correction		
Commerce	Environmental Quality		
Health and Human Services	Information Technology		
Military and Veterans Affairs	Natural and Cultural Resources		
Office of the Governor	Office of State Budget and Management		
Office of State Human Resources	Public Safety		
Revenue	State Bureau of Investigation		
Transportation			

In addition, the following non-Cabinet agencies have voluntarily agreed to provide Paid Parental Leave to eligible employees.

² How employers can support paid parental leave (apa.org)

Non-Cabinet Agencies		
Agriculture and Consumer Services	Commissioner of Banks	
Community College System	Education Lottery*	
Justice	Labor	
Office of Administrative Hearings	Office of Secretary of State	
Office of State Controller	Public Instruction	
Psychology Board	State Auditor	
State Board of Elections	Wildlife Resources Commission	

*The NC Education Lottery, an independent part of state government, also offers Paid Parental Leave to eligible employees.

The two non-Cabinet state agencies that do not participate in Paid Parental Leave are the Department of Insurance and the Department of State Treasurer.

All 17 University of North Carolina (UNC) constituent institutions and the UNC System Office offer Paid Parental Leave to their employees.

Universities			
Appalachian State University	East Carolina University		
Elizabeth City State University	Fayetteville State University		
North Carolina Agricultural and Technical State University	North Carolina Central University		
North Carolina School of Science and Math	North Carolina State University		
UNC Asheville	UNC Chapel Hill		
UNC Charlotte	UNC Greensboro		
UNC Pembroke	UNC School of the Arts		
UNC System Office	UNC Wilmington		
Western Carolina University	Winston Salem State University		

Pilot Program

Section 126-1 of the North Carolina General Statutes establishes one system of personnel administration under the Governor. Currently, nothing allows separate leave or benefit policies for State Human Resources Act (SHRA) subject employees to be independently established outside of the confines of Chapter 126 by any official except the Governor.

The State Human Resources Commission and the Office of the Governor approved a pilot plan to provide an alternate option for participating agencies to administer Paid Parental Leave. The Commission established a policy to align with the pilot plan. The pilot program provides eight weeks of fully Paid Parental Leave to all eligible state employees who become parents, regardless of whether they have given birth to a child or became a parent in other circumstances.³

³ In the pilot program, all eight weeks of Paid Parental Leave are structured as bonding leave.

Since the policy was established, only two state entities have participated in the pilot program: the Department of Justice and the North Carolina Psychology Board.⁴

Reporting Responsibility

Executive Order 95 and the Paid Parental Leave Policy also charge OSHR to report to the Office of the Governor on the implementation and usage of Paid Parental Leave by September 1, 2020, and each year thereafter. The reporting period for this report is July 1, 2022, to June 30, 2023.

The previous year's report can be found on the OSHR website by clicking here.

Conclusion

Since the inception of Executive Order 95, more than 7,500 state employees have used Paid Parental Leave. OSHR and state agencies continue to market the benefits of the Paid Parental Leave program, as research suggests organizations that offer paid leave tend to experience an improvement in recruitment, retention, and employee engagement. Beginning July 1, 2023, under new N.C.G.S. 126-8.6, Paid Parental Leave will be available under the same structure to all state agency and university employees, as well as public school employees, employees of community college institutions, and employees of the legislative and judicial branches.

Data and Metrics

The data and metrics listed below summarize Paid Parental Leave by usage by employees in participating state agencies and universities. All data for FY2022-23 is presented in tables, along with comparisons to FY2021-22 represented in charts and graphs.



All references to "cost" in the tables below list the salary to employees while they are out of the office on Paid Parental Leave. Note that Paid Parental Leave would not produce any additional cost to the State unless the employer hires another employee to temporarily backfill the duties of the employee who is out on leave.

⁴ Under an August 2023 change to the Paid Parental Leave Policy, this pilot program will expire for qualifying events after February 16, 2024. After that date, Paid Parental Leave will be available only in the structure in Executive Order 95 and the new statute: eight weeks for birthing parents and four weeks for all other parents.





FY2021-22 Parental Leave by Gender





FY2022-23 Parental Leave by Gender





Employee Usage by Agency				
Agency	Parental Leave (4 weeks)	Parental Leave (8 weeks)	Total	
Administration	7	2	9	
Adult Correction	157	107	264	
Agriculture and Consumer Services	32	7	39	
Commerce	8	10	18	
Commissioner of Banks	0	1	1	
Community College System	1	1	2	
Dept of Justice	0	19	19	
Dept of Military and Veterans Affairs	2	1	3	
Education Lottery	1	1	2	
Environmental Quality	22	8	30	
Health & Human Services	68	161	229	
Information Technology	11	2	13	
Labor	2	1	3	
Natural and Cultural Resources	4	2	6	
Office of Administrative Hearing	1	0	1	
Office of State Budget and Management	1	3	4	
Office of State Controller	1	0	1	
Office of State Human Resources	2	0	2	
Office of the Governor	2	3	5	
Public Instruction	5	12	17	
Public Safety	201	64	265	
Psychology Board	0	0	0	
Revenue	9	19	28	
State Auditor	3	2	5	
State Board of Elections	0	0	0	
State Bureau of Investigation	23	5	28	
Transportation	200	32	232	
Wildlife Resources Commission	32	3	35	
Totals	797	467	1264	

Agency Totals by Gender				
Gender	Number of Employees	Salary Cost		
Female	502	\$3,466,251.99		
Male	762	\$2,811,928.22		
Totals	1264	\$6,278,180.21		

Agency Average Salary Cost per Employee				
Number of Employees Total Cost Average Cost				
1264	\$6,278,180.21	\$4,966.91		

Totals Hours Used by Agency				
Agency	Total Hours Used	Salary Cost		
Administration	1,171.25	\$36,653.02		
Adult Correction	47,747.63	\$1,129,456.09		
Agriculture and Consumer Services	6,450.43	\$145,192.90		
Commerce	3,652.00	\$100,951.08		
Commissioner of Banks	320.00	\$15,894.40		
Community College System	176.00	\$11,781.04		
Dept of Justice	5,308.00	\$203,880.08		
Dept of Military and Veterans Affairs	640.00	\$13,219.20		
Education Lottery	480.00	\$12,115.20		
Environmental Quality	5,467.50	\$171,364.37		
Health Human Services	54,517.66	\$1,330,823.76		
Information Technology	1,799.00	\$72,262.67		
Labor	593.00	\$20,611.58		
Natural and Cultural Resources	422.00	\$8,516.22		
Office of Administrative Hearing	160.00	\$3,656.00		
Office of State Budget and Management	880.00	\$32,740.00		
Office of State Controller	160.00	\$5,467.20		
Office of State Human Resources	235.00	\$11,223.75		
Office of the Governor	896.00	\$41,177.28		
Public Instruction	4,097.00	\$159,044.26		
Public Safety	44,761.25	\$1,235,054.19		
Psychology Board	0.00	\$0.00		
Revenue	5,917.58	\$157,662.60		
Secretary of State	532.50	\$11,193.43		
State Auditor	1,048.00	\$40,227.60		
State Board of Elections	0.00	\$0.00		
State Bureau of Investigation	3,685.50	\$111,544.16		
Transportation	33,198.47	\$1,051,276.99		
Wildlife Resources Commission	5,462.00	\$145,191.16		
Totals	229,777.77	\$6,278,180.21		

Agency Totals by Age Group			
Age	Count by Age	Salary Cost	
20 - 29	345	\$1,440,629.52	
30 - 39	728	\$3,913,568.47	
40 - 49	148	\$772,471.55	
50 - 59	38	\$139,466.03	
60 - 69	5	\$12,044.65	
Totals	1264	\$6,278,180.21	

Agency Employee Usage by Ethnicity				
Agency Ethnicity	Parental Leave (4 weeks)	Parental Leave (8 weeks)	Total	
American Indian or Alaskan Native	20	7	27	
Asian	10	10	20	
Black or African American	142	184	326	
Hispanic or Latino	18	16	34	
Native Hawaiian or Pacific Islander	1	0	1	
Not Specified	2	1	3	
Two or More Races	12	11	23	
White	592	238	830	
Totals	797	467	1264	

Employee Usage by University				
University	Parental Leave (4 Weeks)	Parental Leave (8 Weeks)	Total	
Appalachian State University	14	28	42	
East Carolina University	33	43	76	
Elizabeth City State University	1	0	1	
Fayetteville State University	3	3	6	
North Carolina Agricultural and Technical State University	7	5	12	
North Carolina Central University	14	9	23	
North Carolina State University	77	88	165	
School of Science and Math	3	2	5	
UNC Asheville	6	2	8	
UNC Chapel Hill	96	122	218	
UNC Charlotte	10	24	34	
UNC Greensboro	14	13	27	
UNC Pembroke	3	6	9	
UNC School of the Arts	3	2	5	
UNC System Office	7	4	11	
UNC Wilmington	13	23	36	
Western Carolina University	14	11	25	
Winston Salem State University	1	3	4	
Totals	319	388	707	

University Totals by Gender			
Gender	Number of Employees	Salary Cost	
Female	448	\$3,723,606.92	
Male	259	\$1,252,953.08	
Totals	707	\$4,976,559.99	

University Average Salary Cost per Employee				
Number of Employees Total Cost Average Cost				
707	\$4,976,559.99	\$7,038.98		

Total Hours Used by University					
University	Total Hours Used	Salary Cost			
Appalachian State University	10,768.00	\$266,162.23			
East Carolina University	17,201.25	\$453,655.97			
Elizabeth City State University	136.00	\$2,352.80			
Fayetteville State University	1,440.00	\$36,627.20			
North Carolina Agricultural and Technical State University	2,048.00	\$65,784.96			
North Carolina Central University	3,600.00	\$100,980.80			
North Carolina School of Science and Math	1,120.00	\$35,790.40			
North Carolina State University	40,480.00	\$1,344,568.00			
UNC Asheville	1,496.00	\$35,487.17			
UNC Chapel Hill	48,472.00	\$1,697,687.85			
UNC Charlotte	8,023.25	\$250,182.71			
UNC Greensboro	5,652.00	\$157,770.06			
UNC Pembroke	1,880.00	\$35,455.24			
UNC School of the Arts	1,112.00	\$36,648.01			
UNC System Office	1,704.00	\$61,353.20			
UNC Wilmington	8,318.00	\$259,411.92			
Western Carolina University	4,752.00	\$119,742.96			
Winston Salem State University	704.00	\$16,898.50			
Totals	158,906.50	\$4,976,559.99			

University Totals by Age Group						
Age	Age Counts by Age Salary Cost					
20 - 29	108	\$648,361.69				
30 - 39	506	\$3,631,132.81				
40 - 49	82	\$630,183.33				
50 - 59	8	\$36,418.92				
60 - 69	3	\$30,463.25				
Totals	707	\$4,976,559.99				

University Employee Usage by Ethnicity				
Ethnicity	Parental Leave (4 Weeks)	Parental Leave (8 Weeks)	Total	
American Indian or Alaska Native	2	5	7	
Asian or Pacific Islander	10	21	31	
Black or African American	56	48	104	
Hispanic or Latino	15	22	37	
Not Specified	63	76	139	
Two or More Races	3	8	11	
White	170	208	378	
Totals	319	388	707	

Cumulative Usage by Quota					
Agency/UniversityParental Leave (4 weeks)Parental Leave (8 weeks)Total					
Agency	797	467	1264		
University	319	388	707		
Totals	1116	855	1971		

Cumulative Hours Used					
Agency/University Total Hours Used Salary Cost					
Agency	229,777.77	\$6,278,180.21			
University	158,906.50	\$4,976,559.99			
Totals	388,684.27	\$11,254,740.20			

Cumulative Totals by Gender					
Gender Number of Employees Total Cost					
Female	950	\$7,189,858.91			
Male	1021	\$4,064,881.29			
Totals	1971	\$11,254,740.20			

Cumulative Salary Cost per Employee				
Number of Employees Cost Average Cost				
1971	\$11,254,740.20	\$5,710.17		

Cumulative Totals by Age Group					
Age	Count by Age Salary Cost				
20 - 29	453	\$2,088,991.21			
30 - 39	1234	\$7,544,701.27			
40 - 49	230	\$1,402,654.87			
50 - 59	46	\$175,884.95			
60 - 69	8	\$42,507.90			
Totals	1971	\$11,254,740.20			

Cumulative Ethnicity by Age Group						
Ethnicity	Ethnicity by Age				Number of Employees	
	20 - 29	30 - 39	40 - 49	50 - 59	60 - 69	Total
American Indian or Alaska Native	12	14	7	1	0	34
Asian	2	41	7	0	1	51
Black or African American	91	244	68	23	4	430
Hispanic or Latino	19	48	4	0	0	71
Native Hawaiian or Pacific Islander	0	1	0	0	0	1
Not Specified	28	96	18	0	0	142
Two or More Races	15	18	1	0	0	34
White	286	772	125	22	3	1208
Totals	453	1234	230	46	8	1971

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1331 Mail Service Center, Raleigh, NC 27699-1331 <u>www.oshr.nc.gov</u> | 984-236-0800

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Barbara Gibson | State Human Resources Director Andrea Clinkscales | Director, Total Rewards Division