



**STATE OF NORTH CAROLINA
OFFICE OF STATE HUMAN RESOURCES**

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GOVERNOR

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January 23, 2026

TO: Human Resources Directors
CC: OSHR Leadership
FROM: Andrea Clinkscales, director, total rewards
RE: Pay Plan Rollout Guidance - HRIS

This memo is meant to provide detailed guidance to support the implementation of the updated pay plans in the Integrated HR-Payroll System, effective February 1, 2026.

In preparation for the rollout and to minimize discrepancies, agencies are advised to finalize all January (and prior) personnel and organizational management actions by close of business, Thursday, February 5, 2026. The Integrated HR-Payroll System will be locked at 6 p.m. on Friday, February 6, 2026. We anticipate the system will reopen Monday, February 9, 2026, for the processing of February actions. The system will remain locked for all actions with an effective date of March 1, 2026, or later.

Salary Adjustments (Range Revisions):

Agencies may use available funding to make range revision salary adjustments based on the updated pay plans, for those employees whose salaries are below the new minimum of their pay grade. The table below outlines options for range revision actions. Agencies should use the appropriate action reason based on the applicable reason and explanation noted below. *To ensure the system calculates the new quartile correctly, it will be necessary for the North Carolina Office of the State Controller (OSC) to process a (ZE) Range Revision action (LM no salary adjustment) on every employee affected by the updated pay plans.* The pay administration policy should be used for all other salary adjustments beginning February 1, 2026.

Pay Plan Rollout Guidance - HRIS

Reason	Explanation
01 - Labor Market (LM) Full	Employee receives full labor market increase to new minimum approved by the State Human Resources Commission (SHRC)
02 - Labor Market Partial	02 - Labor Market Partial 02 - Labor Market Partial - Employee receives a portion of the labor market increase to new minimum approved by the SHRC.
03 - LM After Eff Date Complete	03 - LM After Eff Date Complete - Employee receives the remainder of the labor market increase to new minimum approved by the SHRC.
04 - LM After Eff Date Retro/Min	04 - LM After Eff Date Retro/Min - Employee is below the new minimum established by labor market;
05 - LM No Salary Adjustment *	05 - LM No Salary Adjustment - Employee's salary grade/quartile is being adjusted as approved by the SHRC based on labor market with no increase in pay

*Will be completed by OSC for all affected employees

Position Budget Program:

When the Position Budget program runs on February 1, 2026, it will be necessary for OSC to exclude all positions from the program where the employee's salary (or budgeted salary for vacant positions) falls below the new minimum as of February 1, 2026. OSC will continue to exclude these positions until the funds are available to bring them to or above the minimum.

Operational Instructions (HRIS):

As a result of the pay plan changes, some employees will have a February 1, 2026, (ZE) Range Revision (05) LM No Salary Adjustment on their record.

- If you have a new action (non-LOA) dated prior to February 1, 2026, and the employee has a February 1, 2026, Range Revision, do not work the action at the agency level:
 - First, the agency must submit a ticket to Best Shared Services (BSS) to have the Range Revision deleted
 - Then, BSS will delete the action and either:
 - BSS will work the new action or,
 - BSS will advise the agency that they may proceed with processing the new action.
 - In either scenario, the agency is responsible for creating and working a new (ZE) Range Revision (05) LM No Salary Adjustment action via PA PCR.
- If the new action to be worked is a (Z3) LOA or (Z2) Reinstatement from LOA action prior to February 1, 2026:

- Agency must submit a ticket to BSS requesting the LOA or Reinstatement from LOA action to be inserted.
- If the new action to be worked is a separation or separation pay continuation (ZG or ZF) prior to February 1, 2026:
 - It will not be necessary for the agency to replace the Range Revision action as the employee is now separated from their position.
 - In this case, BSS still requires a ticket to delete the February 1, 2026, Range Revision.
- If the new action is February 1, 2026, and does not involve a position change (if position is changing a Range Revision action may no longer be applicable):
 - The action may be worked at the agency as usual.
- BSS will NOT reprocess February 1, 2026, ZE-05 Range Revision actions.
- BSS will NOT insert retro actions (non-LOA) due to the February 1, 2026, ZE-05 Range Revision actions.
- Please refer to the [Post February 1, 2026, Range Revision Action Processing Instructions document](#) for important reminders and instructions on processing actions for employees with a February 1, 2026, Range Revision action.

Please note: If your agency is able to use one of the other (ZE) Range Revisions actions, effective February 1, 2026, the ZE-05 (LM No Salary Adjustment) action should remain on the employees' record for reporting purposes.

If you have any questions about the Integrated HR-Payroll System, please submit a ticket to BSS. If you have any questions concerning salary adjustments or other pay administration related matters, please contact Lorence Crossett at (984) 236-0852 or Lorence.Crossett@nc.gov.

Recruitment and Vacancy Announcements:

Per the [Recruitment and Posting of Vacancies policy](#), vacancy announcements must include the salary/pay grade and the recruitment range. To ensure that any pending recruitment includes a recruitment range that aligns with the salary opportunities within the new salary ranges, please review the following guidelines:

I. Closed Postings

- If a written offer is made prior to **February 1, 2026**, continue with the recruitment range on the posting within the current pay plans. If the employee is being hired below the new minimum, ensure the candidate receives a copy of the same communication being provided to employees about the new salary ranges.

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- If an offer has not been extended by **February 1, 2026**, assess whether the recruitment range is within the new salary range, or if the hire will need to be made below the new minimum due to funding. The below provides guidance:
 - If the posted recruitment range is within new salary range, no further action is needed.
 - If the posted recruitment range starts below the new minimum but includes the new minimum within the range, it is acceptable to hire within the recruitment range, including below the new minimum if funding is not available to hire at the new minimum. If hired below the new minimum, ensure the candidate receives a copy of the same communication being provided to employees about the new salary ranges.
 - If the posted recruitment range starts below the new minimum but does NOT include the new minimum within the range:
 - It is acceptable to hire within the posted range if funding is not available to hire at the new minimum. Ensure the candidate receives a copy of the same communication being provided to employees about the new salary ranges.
 - If funding is available to hire at the new minimum, then create a new job requisition and a new job posting with the updated recruitment range. Prior candidates will need to reapply.
 - If the desire is to increase the recruitment range due to the higher maximum, then create a new job requisition and a new job posting with the updated recruitment range. Prior candidates will need to reapply.

II. ACTIVE Postings– Job Requisitions and Evergreen Requisitions (Continuous and Non-Continuous):

- If the posted recruitment range is within the new salary range – no further action is needed.
- If the posted recruitment range does not include the new minimum, the recruitment range on the posting should be adjusted prior to the posting closing date and extend the closing date for a minimum of five business days.
 - An exception to adjusting the recruitment range for the new minimum is if the recruitment range cannot be updated due to funding.
- If the desire is to increase the recruitment range due to the higher maximum, then update the recruitment range accordingly prior to the posting closing date and extend the closing date for a minimum of five business days.

Please contact Kristin at Kristin.siemek@nc.gov or (984) 236-0853 for questions regarding recruitment and vacancy announcements.