



10/03/2016

Dear State Employees,

I am pleased to announce that eligible state employees will receive a one-time lump sum compensation bonus and a one-time merit-based bonus in your October paycheck (DOT employees on October 21<sup>st</sup>). These bonuses are made possible by House Bill 1030, which was signed into law by Governor Pat McCrory in July 2016. Details regarding bonus amounts and eligibility are as follows:

**Lump-sum Compensation Bonus - (0.5% of Annual Salary)**

Eligible state employees who are employed on September 1, 2016, will receive a compensation bonus amounting to one-half percent (0.5%) of their annual salary as of that date. Permanent part-time employees will receive a prorated bonus amount based on the number of hours they worked per week. Permanent full-time employees who work a 9, 10, or 11-month work schedule will receive the compensation bonus.

**Note:** The compensation bonus does not apply to employees separated from state service prior to September 1, 2016, or to employees hired effective September 2, 2016, or later.

**Merit-Based Bonus - (Flat Rate - Based on Performance)**

Employees with a completed Fiscal Year (FY) 2015-2016 performance plan, ending June 30, 2016, and an overall performance evaluation rating of "Meets" or "Exceeds" expectations will also receive a one-time merit-based bonus. Employees with a "Does not Meet" expectations are not eligible.

**Eligibility for Merit-Based Bonus:**

Employees must be employed as of January 1, 2016, and remain employed and in good standing at time of payment in October, 2016. Employees must also have at least 6 months of actual work time during the evaluation period.

**Bonus Amounts Based on Performance Rating:**

- Meets Expectations: **\$475**
- Exceeds Expectations: **\$700**

**Note:** Employees without a performance evaluation rating or that have an active disciplinary action on October 1, 2016, are not eligible for the merit-based bonus.

Neither bonus is subject to retirement contribution; however, the bonuses are allowable earnings eligible to be deferred to your Supplemental Retirement Plans.

Please contact your agency HR representative with any questions you may have.

Thank you for all that you do to serve the people of North Carolina.

Sincerely,

Paula Woodhouse  
Interim Director, Office of State Human Resources

	Earnings	Deductions	Taxes	Net Pay	Ded
Current:	2,500.00	2,750.00	1,000.00	2,250.00	# BA
YTD:	25,000.00	27,500.00	10,000.00	22,500.00	** To
Earnings		Hours	Current	YTD	* 40
Regular Salary			1,000.00	10,000.00	# N
Vacation Leave				250.00	*
Sick Leave				1,000.00	# P
Community Service Leave				100.00	SEC
Paid Holiday				1,000.00	**
Comp Leave				1,000.00	
** Total Base Pay			1,000.00	10,000.00	To
Annual Longevity				1,000.00	
Lump Sum Comp Bonus				250.00	
Merit Bonus				250.00	
Imputed Income				250.00	
** Total Other Pay				750.00	
Total Earnings			1,750.00	10,750.00	

Bonuses will be noted on the October 2016 pay statements of eligible employees.

