



# North Carolina Department of Public Safety

## Human Resources

Pat McCrory, Governor  
Frank L. Perry, Secretary

Nancy Lipscomb, Director  
Human Resources

October 5, 2016

**Addendum to ADMINISTRATIVE MEMORANDUM: 09-2016**

**TO:** DPS Division Directors and Section Heads  
**FROM:** Nancy Lipscomb, Human Resources Director *NLC*  
**SUBJECT:** 2016 Appropriations Act: Merit-Based Bonus

The 2016 General Assembly has ratified and the Governor has signed the 2016 Appropriations Act/ HB1030 which provides for a one-time merit-based bonus to be granted in October 2016 for eligible State employees in a state-funded position, subject to or exempt from the State Human Resources Act. Details regarding the merit-based bonus amounts and eligibility are as follows:

**Amount**

The amount based on the employee's performance rating for the 2015-16 performance cycle is:

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

The merit-based bonus is not subject to retirement contribution; however, the bonus is allowable earnings eligible to be deferred to the employee's supplemental retirement plans.

**Eligibility for the Merit-Based Bonus**

**Appointment Type** Employees in a state funded position with a permanent (full or part-time), probationary, and time-limited appointments are eligible, including those permanent full-time employee who work a 9, 10, or 11 months schedule, as well as those in banded classes and those at step Z or FR (flat rate) may be eligible for the merit-based bonus in accordance with the below described criteria.

**Performance** Employees with a completed FY 2015-16 performance plan that received an overall performance evaluation rating of "Meets" or "Exceeds" expectations are eligible. Employees must have at least six (6) months of cumulative employment under a performance plan during FY 2015-16 in order to be eligible to receive a performance evaluation rating. The six (6) months doesn't need to be with the same state agency. An employee may have transferred between state agencies within the year and still have the requisite six (6) months under a performance plan to receive a performance evaluation rating and therefore be eligible for the merit-based bonus.

Employees with an overall performance rating of "Does Not Meet" expectations and employees without a performance evaluation rating are not eligible for the merit-based bonus.

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An Equal Opportunity Employer

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**Disciplinary Actions** Employees with an active disciplinary action as of October 1, 2016 are not eligible for the merit-based bonus.

**New Hires** Employees hired on or before January 1, 2016 and who have a FY 2015-16 performance plan with a performance evaluation rating of “Meets” or “Exceeds” expectations are eligible. Employees with less than six (6) months of cumulative work during FY 2015-16 are not eligible for the merit-based bonus.

**Leave of Absence (LOA)** Employees on LOA (regardless of the type) must have six (6) months of cumulative work under a performance plan during FY 2015-16 to be eligible to receive a performance evaluation rating. If an employee with six (6) months of cumulative work under a performance plan during FY 2015-16 was on LOA during the Annual Performance Evaluation (APE) task, he/she should have received a rating of “N/A”. For employees returning to work status prior to June 30, 2017, the APE task may be reopened so the employee can be evaluated and assigned a performance evaluation rating and if otherwise eligible, the employee will receive the merit-based bonus at that time. Employees returning from LOA on or after July 1, 2017 are not eligible for the merit-based bonus.

**Break in Service** Employees with a break in service (separation of more than 31 calendar days) during FY 2015-16 are not eligible for the merit-based bonus.

**Separations** Employees separating from state service on or before the last day of October are not eligible for the merit-based bonus.

**Other** Employees whose salaries are set by statute as defined per G.S. 126-5, appointed executive positions and Teachers/115C employees paid on the separate salary schedule are not eligible for the merit-based bonus.

Questions regarding either of the bonus payments may be directed to your respective HR representative or the DPS Human Resources staff. Thank you for your attention in this matter.

NL:MKS

Cc: Secretary Frank L. Perry  
Commissioner W. David Guice  
Commissioner Gregory K. Baker  
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