

# North Carolina Public School Personnel

## *Employee Salary and Benefits Manual 2022-2023*

### Part I: Salary

Public Schools of North Carolina  
Department of Public Instruction  
Division of School Business  
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## DEFINITION OF TERMS

**Administrative Intern:** Students in an approved full-time master's degree program in school administration and are participating in their required internship at a school unit. Full-time students, while completing their internship, are not required to have a North Carolina educator's license.

**Administrator:** An individual employed by the Local Education Agencies (LEAs) to work in an administrative position in a North Carolina public school system. He or she must meet the employment and/or licensure criteria required by the State Board of Education for the specific administrative assignment. There are two types of administrators: school based and central office:

**School-Based Administrators:** Principals and assistant principals

**Central Office Administrators:** Superintendents, associate superintendents, assistant superintendents, supervisors, directors, coordinators, school business administrators, and finance officers.

**Average Daily Membership (ADM):** The sum of the number of days in membership for all students in an individual Local Education Agency (LEA), divided by the number of school days in the term; usually a school month or school year.

**Assistant Principal:** A person who is designated by a local board of education as next-in-line of authority to the school principal, and holds a principal's license ('P', 'AP', or 'DP', license area 00012). Under special circumstances, a local board of education may employ an assistant principal with a provisional license.

**Assistant Superintendent:** Individual must hold a superintendent's license ('AS' or 'DS', license area 00011), or a principal's license ('P', 'AP', or 'DP', license area 00012) or a curriculum instructional specialist (supervisor) license ('M', 'S', or 'D', license area 00113). Unless the school system has a designated associate superintendent, an assistant superintendent is designated as being next-in-line of authority to the superintendent.

**Associate Superintendent:** An individual who is designated by a local board of education as next-in-line of authority to the superintendent. This person must hold a superintendent's license ('AS' or 'DS', license area 00011) and either a principal's license ('AP' or 'DP', license area 00012) or a curriculum instructional specialist (supervisor) license at the advanced level ('S' or 'D', license area 00113).

**Building Principal:** An individual who serves as a principal in a school with less than seven but more than two full-time state-allotted teaching positions. The building principal position must be a converted teaching position.

**BUD:** Budget Utilization and Development. BUD is a statewide system of budget management.

**BUMP:** An extra year added to the educator license due to working at least 6 full time equivalent months.

**Certified Personnel:** A person who is employed in positions within job classifications which require licenses issued by the Licensure Section based on the completion of approved education program requirements as specified by the State Board of Education.

**Classification:** A category for a particular position referring to levels of responsibility and work performed. For example, principals are classified based on the number of state-funded teachers and student services personnel at their school. (Occupational groups are office support personnel classified under office support personnel category according to the type of work they perform).

Type of license/educational level; for example, are classroom teachers classified based on their educational level ('A' for Bachelor's degree, 'M' for a Master's degree, etc.).

**Educator:** An individual who is licensed by the Licensure Section and employed in a North Carolina school system in one or more of the following positions: superintendent, associate superintendent, assistant superintendent, supervisor, director, coordinator, principal, assistant principal, teacher, and/or student services personnel.

**Full-time Substitute Teacher:** See Substitute Teacher.

**Instructional Coach:** A peer-support role which involves direct interaction with teachers for the purpose of improving instructional practice. Instructional Coaches may be district or building-based professionals.

**Interim Employee:** Employed when a vacancy in a teaching position occurs by separation from employment, leave without pay, workers' compensation, short-term disability or absence caused by an episode of violence in the school. An interim teacher may not be employed to replace a permanent employee who is using paid leave. If the interim teacher is licensed in the area of assignment, he/she would be paid from the budget code from which the regular teacher being replaced is paid. Non-certified interim employees must be coded to object code 122. Certified interim employees should be coded to object code 121, with provisional licensing if the assignment is out-of-field.

**Master Teacher:** A classroom teacher with significant teaching experience, are excellent practitioners and work in the classroom with the teacher of record to implement effective teacher strategies that align to required content standards.

**National Board for Professional Teaching Standards (NBPTS):** The National Board for Professional Teaching Standards (NBPTS) was established in 1987 as an independent, nonprofit organization to establish high standards for teachers' knowledge and performance and for development and operation of a national voluntary system to assess and certify teachers who meet those standards.

**Non-certified Personnel:** Individuals in positions within a job classification that does not require a professional educator's license issued by the Licensure Section, nor professional certification, prescribed by the State Board of Education.

**Other Certified Personnel:** Certain positions require professional certification that is prescribed by the State Board of Education. These positions do not require a professional license issued by the Licensure Section. These positions are not required to complete an approved teacher education program or achieve a specified minimum score on the Praxis Examinations (formerly the National Teacher's Examination).

**Position:** The category in which a public school employee is employed. Many positions require individuals to also be licensed.

**Principal:** A person who is designated by a local board of education as the head of a school. To receive State funding for a principal, a school must have 100 or more students in average daily membership (ADM) and/or seven or more full-time state paid teachers (or the equivalent). A principal must hold a principal's license ('P,' 'AP,' or 'DP,' licensure area 00012). There are no provisional licenses allowed for principals.

**School:** An organizational subdivision of a school system consisting of a group of students composed of one or more grade groups, organized as one unit with an assigned principal or person acting in the capacity of principal, and housed in a school plant of one or more buildings, which provides instruction of the type defined in the North Carolina Standard Course of Study.

**School-based Administrators:** See Assistant Principal and/or Principal.

**Student Services Personnel:** Positions are designed to provide specialized assistance to students. Individuals must hold an appropriate license for the area of assignment. An example of a student services personnel category is school counselor.

**Substitute Teacher:** Fills in for a permanent teacher who is still on payroll and using paid leave.

A *full-time substitute* is employed to fill in for a regular teacher when that teacher is absent and on paid leave. They may serve a single classroom, a school, or more than one school. Full-time substitutes must work at least 30 hours per week and are expected to be employed at least six consecutive months. They earn the same benefits as other employees and are paid the same rates as regular substitutes.

**Supervisor, Director, Coordinator, and Finance Officer:** A person designated by the local board of education to work throughout the unit to provide leadership in improving programs and quality of instruction and must hold a license appropriate to the area of assignment.

**Superintendent:** An individual appointed by the local board of education to serve as the chief educational authority of a school system. Their eligibility for the appointment must be verified by the State Board of Education. Effective July 1, 2001, SB 378 amended G.S. 115C-271 to provide local boards of education to employ superintendents with appropriate qualifications yet lacking licensure.

**Teacher:** An individual who is designated to carry out the duties and responsibilities of the instructional process in the school and holds a license appropriate to the area of assignment.

**Workforce Development Teachers (Vocational Education or Career Technical):** Teachers employed to instruct in the areas of vocational skill development, prevocational/introductory, and/or vocational development services; and holds a license in a workforce development appropriate to the area of assignment.



# SECTION A

## DPI CONTACTS AND GENERAL INFORMATION

### I. The School Reporting Section

#### A. PURPOSE AND MISSION

The School Reporting Section is part of the Division of School Business. Salary related responsibilities include:

- Communicating legislation, State Board of Education policy, and Department of Public Instruction (DPI) procedures;
- Certifying educator salaries;
- Auditing educator and non-certified salaries and other payments;
- Responding to inquiries from customers; and
- Providing meaningful information to agency management, the State Board of Education, the NC General Assembly, the Governor's Office, and local education agencies (LEAs).

#### B. CONTACT INFORMATION

Department of Public Instruction  
Division of School Business  
6336 Mail Service Center  
Raleigh, NC 27699-6336  
PHONE: 984-236-2440

**FAX:**

*Please notify the individual, to whom you are faxing information, by phone before you fax any materials. This helps process the request efficiently.*

#### C. INTERNET SITES

Department of Public Instruction (DPI): [www.dpi.nc.gov](http://www.dpi.nc.gov)

Salary Schedules: <https://www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/compensation-public-school-employees>

NCDPI Online Licensure System: <https://vo.licensure.ncpublicschools.gov/>

LEA License and Salary Info center \*: <http://licsalweb.dpi.state.nc.us>

\* User ID and password are required. If you do not have access to LicSal, please contact Systems Accounting at [systems\\_accounting@dpi.nc.gov](mailto:systems_accounting@dpi.nc.gov) to request access to the Licensure and Salary Info center.

Forms are available on <http://licsalweb.dpi.state.nc.us>.

Access to this site may be given to Local Education Agencies (LEAs), Charter Schools and Institutes of Higher Education only.

## II. Reference Materials

### A. SCHOOL REPORTING SECTION

- a. Other helpful materials with financial information can be found on <https://www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services> **Attachment "A"** lists budget codes and their required licensure areas for salary calculation purposes. This listing is online with the link to the Chart of Accounts at [https:// www.dpi.nc.gov/districts-schools/district-operations/financial-and-business- services/school- district-finance-operations](https://www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/school-district-finance-operations)
- b. **NC Public Schools Uniform Chart of Accounts** provides the allowable current year
- c. accounting codes for each program funded from state or federal funds as well as the guidelines of the coding structure. This manual is online at [https:// www.dpi.nc.gov/ districts-schools/ district-operations/ financial-and-business- services/](https://www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/)
- d. [school-district-finance-operations/chart-accounts](https://www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/school-district-finance-operations/chart-accounts)

### B. EDUCATOR RECRUITMENT AND DEVELOPMENT

- a. **The Benefits and Employment Policy Manual** contains information on employee benefits related to leave, substitute teachers, longevity, contracts, and hiring retired teachers.
- b. <https://www.dpi.nc.gov/districts-schools/districts-schools-support/district-human-capital> **Benefits**
- c. [and Employee Policy Manual](#) Contact:  
984.236.2114

### C. ALLOTMENTS SECTION

- a. The **Allotment Policy Manual** contains all of the legislative, State Board of Education, and departmental policies regarding the current year's state and federal funding categories. This is online at: [https://www.dpi.nc.gov/districts-schools/district-operations/financial- and-business- services/allotments-%E2%80%94-funding-public-school-units](https://www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/allotments-%E2%80%94-funding-public-school-units)

### D. LICENSURE SECTION

- a. Licensure frequently asked questions, supporting forms, and contact information is online at <https://www.dpi.nc.gov/educators/educators-licensure>
- b. Contact: 919.716.1800

### **III. Changes and Legislation Impacting 2022-23**

#### **A. TEACHERS AND INSTRUCTIONAL SUPPORT**

##### **1. Salary**

- Change to the salary schedules.
- Range of increase including step - \$650 to \$2,680 / 1.3% to 5.4%.
- Psychologists, SLPs and audiologists receive \$350 monthly supplement.
- School counselors receive \$100 per month supplement.
- NBPTS, Masters, Advanced and Doctoral degree supplements remain the same.
- Hold harmless to the 2013-14 schedule plus longevity and bonus still applies.
- Revise Personal Leave Costs for Teachers - Teachers shall not have a deduction if they provide a reason for the leave request but if not provided there is deduction for full cost of substitute for the teacher.
- Adjust substitute pay to new rate including \$13 per hour minimum

##### **2. Bonus Program**

- \$300 bonus for all State paid teachers and instructional support employed January 1, 2022.
- No performance bonuses for grades 3-8 math or reading.
- Performance bonuses for AP, IB, AICE and CTE State funded teachers are funded up to \$3,500 based on 2020-21 results.

#### **B. PRINCIPAL AND ASSISTANT PRINCIPAL SALARIES**

##### **1. Principal Salary Schedule**

- Change to the principal salary schedule – 2.5%.
- Principal growth for pay purposes are based on school growth from 2016-17, 2017-18 and 2018- 19.

- ADM shall be based on
  - ADM 2019-20 for July 1 to December 31, 2021.
  - Adds language to state the projected ADM to be used for new schools and those that open after month 2.
  - ADM 2021-22 for January 1 to June 30, 2022.
- Hold harmless pay continues
- One thousand eight hundred dollars (\$1,800) to every principal in a public school unit whose salaries are supported from State funds and who, as of January 1, 2022, is employed as a principal in a public school unit.

## **2. Assistant Principal Salary Schedule**

- Step increase plus schedule increase consistent with the teacher schedule
- Degree supplement continues
- Hold harmless pay continues

## **3. MSA Assistant Principal Interns**

Combines all intern programs and stipends per SL 2020-49 Part VII

## **C. LEA EMPLOYEES NOT PAID FROM THE CERTIFIED SALARY SCHEDULE (NONCERTIFIED PERSONNEL SALARIES and CENTRAL OFFICE)**

- Increases annual salary by greater of percentage increase (state funded salary) or amount to get the hourly compensation to \$13 per hour. (\$15 per hour in 2022-23) for noncertified personnel
- Increase, 2.5% for superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers.

## **D. BENEFITS**

The State employer's contribution rate for retirement and related benefits is

Retirement 22.89%

Health benefit \$7,019.00

**E. MISCELLANEOUS**

Expiration of the Teachers exempt from the earning cap

Requires the election of 10 month pay over 12 months to be in the form of a payroll deduction plan

## IV. Licensure Class Codes

### A. LICENSURE CLASS CODES AND SALARY

The licensure class code corresponds to the educational level at which an individual has completed licensure requirements.

The codes indicate the level (or class) of the licensure area as determined by the Licensure Section.

Effective July 1, 2000, licensed public school personnel are to be paid on the salary schedules applicable to their assignment at the highest license level held. The Form G process for non-educational master’s, advanced or doctoral degrees (see section D) is unaffected by this policy.

#### 1. Below bachelor’s level

| Licensure Class Code | Licensure Area  |
|----------------------|---|
| V                    | Workforce Development areas are based on experience and academic preparation below the bachelor’s level |
|                      | Provisional Workforce Development (Vocational)  |

#### 2. Bachelor’s level

| Licensure Class Code | Licensure Area                                 |
|----------------------|--|
| A                    | Regular teaching area                          |
|                      | Provisional Workforce Development (Vocational) |
|                      | Workforce Development (Vocational)             |
|                      | School Social Worker                           |
| PP                   | Provisional Assistant Principal                |

**3. Master's level**

| <b>Licensure Class Code</b> | <b>Licensure Area</b>   |
|-----------------------------|---|
| <b>M</b>                    | Regular teaching area   |
|                             | Curriculum Instructional Specialist (Supervisor/Director)                           |
|                             | Workforce Development (Vocational)  |
|                             | Counselor   |
|                             | Instructional Support Personnel (School Social Worker, Speech Language Pathologist) |
| <b>P</b>                    | Principal   |

**4. Advanced (sixth-year) level**

| <b>Licensure Class Code</b> | <b>Licensure Area</b>   |
|-----------------------------|---|
| <b>S</b>                    | Regular teaching area   |
|                             | Curriculum Instructional Specialist (Supervisor/Director)                           |
|                             | Workforce Development (Vocational)  |
|                             | Counselor   |
|                             | Instructional Support Personnel (School Social Worker, Speech Language Pathologist) |
| <b>AP</b>                   | Principal   |
| <b>AS</b>                   | Superintendent  |

**5. Doctoral level**

| <b>Licensure Class Code</b> | <b>Licensure Area</b>   |
|-----------------------------|---|
| <b>D</b>                    | Regular teaching area   |
|                             | Supervisor/Director   |
|                             | Workforce Development (Vocational)  |
|                             | Counselor   |
|                             | Instructional Support Personnel (School Social Worker, Speech Language Pathologist) |
| <b>DP</b>                   | Principal   |
| <b>DS</b>                   | Superintendent  |



**B. PAY LEVEL AND SCHEDULE**

Pay levels indicate where an individual is placed on the legislated salary schedules and can be found on the Employment Inquiry Screen and Employee Roster on the Licensure and Salary Info center (<http://licsalweb.dpi.state.nc.us>) system. If you do not have access to LicSal, please contact Systems Accounting at [systems\\_accounting@dpi.nc.gov](mailto:systems_accounting@dpi.nc.gov) to request access to the Licensure and Salary Info center.

The table below provides a summary of how each pay level is derived.

|  | <b>Digits<br/>1 &amp; 2</b> | <b>Digits<br/>3 &amp; 4</b> | <b>Digits<br/>5 &amp; 6</b> | <b>Digit 7</b>       |
|--|-----------------------------|-----------------------------|-----------------------------|----------------------|
| <b>Teacher Schedule</b>  | Education: A, M, MS, or MD  | Years of Experience         | Blank                       | Blank or N for NBPTS |
| <b>School Counselor</b>  | 2, 2S, or 2D                | Years of Experience         | Blank                       | Blank                |
| <b>Psychologist Schedule</b>                                     | 3, 3S, or 3D                | Years of Experience         | Blank                       | Blank                |
| <b>School Based Administrator Schedule – Assistant Principal</b> | 0, 0S, or 0D (zero)         | Years of Experience         | Blank                       | Blank                |
| <b>School Based Administrator Schedule – Principal</b>           | B0 to E5                    | Blank                       | Blank                       | Blank                |

A schedule is a numerical indicator preceding the pay level assignment, which designates the specific salary schedule from which the employee is paid.

Assistant principals are designated as Schedule 0 (zero).

The school psychologist, master’s level audiologist, master’s level speech-language pathologists are designated as Schedule 3, while the school counselor is designated as Schedule 2, differentiating them from the teacher schedules (A and M)

## V. Salary Adjustments

### A. ADDITIONAL YEARS OF SERVICE

Retroactive salary adjustments for receiving additional years of service not previously credited to an educator's certificate will be granted effective July 1 of the current school year. An adjustment may be granted back to a maximum of July of the previous school year if it is determined that the salary adjustment is the result of Licensure failing to process experience credit that is complete and correctly submitted at the time of the application. In such cases, as determined by the Licensure Section of DPI and approved by the CFO of DPI, the adjustment can be granted only back to July 1st of the previous school year. Otherwise retroactive salary adjustment not credited to an educator's certificate will be granted effective July 1 of the current fiscal year.

### B. WHEN LEA FAILS TO SUBMIT COMPLETE INFORMATION

If it is determined that a retroactive salary adjustment is the result of a LEA failing to submit payroll data that is:

- complete or
- required,

the LEA becomes financially responsible for any salary adjustment due.

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## VI. Funding Responsibilities

### STATE/LOCAL RESPONSIBILITIES

The state's responsibility for a position paid from state funds ceases at the end of the last workday of actual employment.

The only salary benefit from state funds beyond that day shall be payment of:

- accumulated annual leave not to exceed 30 days, and
- the State's portion of any longevity pay due to the employee.

When an LEA releases an employee from employment, the LEA shall assume full responsibility for any additional pay that is negotiated between the LEA and the employee.

**Note: The Licensure Section cannot guarantee processing of any License requests, for current year salary adjustments, after April 15<sup>th</sup>. If a License request is submitted after April 15<sup>th</sup> and is not processed in the current fiscal year, local dollars must be used for any resulting salary audit exception.**

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## **VII. Other**

### **A. MILITARY LEAVE**

Employees called to active military duty shall be paid the difference of military basic pay and state salary, when military pay is less than state salary. Differential pay shall be paid from the same source of funds as the regular salary. For state paid employees, the differential pay should be coded to PRC 021. This policy is retroactive to July 1, 2002. See Benefits and Employee Policy Manual.

### **B. JOB SHARING**

Effective, January 1, 2004 all employees of local education agencies are eligible for job sharing. Participation in job sharing is optional, not mandatory based on approval by the local education agency. See Benefits and Employee Policy Manual Section 17 for more details.

## SECTION B CENTRAL OFFICE ADMINISTRATORS

### I. All Central Office Administrators

#### A. DAILY RATE OF PAY

The daily rate of pay for all central office administrators is based on the actual number of weekdays in the month of service.

Daily rates are calculated as follows:

Monthly salary (with supplement) ÷ Number of workdays in the month (20, 21, 22, 23) = Daily rate of pay.

#### B. DEGREE SUPPLEMENT and LONGEVITY PAY

A person holding an advanced license, (S, AP, AS) or a doctoral license, (D, DP, DS) shall be paid an additional monthly supplement, as noted in the Salary Schedules.

Longevity pay for superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers shall be as provided for State employees under the North Carolina Human Resources Act.

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### II. Superintendents

#### A. DEFINITION SUPERINTENDENT

Effective July 1, 2001, G.S. 115C-271 as amended by SB 378 states that a superintendent is a person who is:

- appointed by the local board of education in accordance with G.S. 115C-271 and
- verified by the State Board of Education as to their eligibility to serve.

**NOTE:** A superintendent is not required to hold a NC Professional Educator's License. Under special circumstances a superintendent may meet alternative criteria. **See State Board Policy LICN-001 General Licensure Requirements.**

## **B. SALARY BASIS SUPERINTENDENT**

Superintendents are paid within salary ranges determined by the average daily membership (ADM) of the local education agency to which they are assigned. State funds used for the Superintendents salary may not exceed the maximum of the range. For a list of ranges, see the Salary Schedules.

**ADM** - Based on the number of days in membership for all students in the individual LEA divided by the number of school days in the term - usually a school month or school year.

The local boards of education determine placement within the ADM salary ranges.

## **III. Associate/Assistant Superintendents**

### **A. DEFINITION ASSOCIATE SUPERINTENDENT**

An associate superintendent is a person who is designated by a local board of education as next in line of authority to the superintendent. This person must hold a superintendent's license ('AS' or 'DS,' license area 00011) **and either:**

- a principal's license ('AP' or 'DP,' license area 00012) **or**
- a curriculum instructional specialist (supervisor) license at the advanced level ('S' or 'D,' license area 00113).

**See exceptions to the licensure requirements in Section B III.C.**

### **B. DEFINITION ASSISTANT SUPERINTENDENT**

An assistant superintendent must hold:

- a superintendent's license ('AS' or 'DS,' license area 00011), or
- a principal's license ('P', 'AP, or 'DP,' license area 00012), or
- a curriculum instructional specialist (supervisor) license ('M', 'S' or 'D,' license area 00113), and
- is designated by a local board of education that has not designated an associate superintendent as next in line of authority to the superintendent.

**See exceptions to the licensure requirements in Section B III.C.**

### **C. EXCEPTIONS TO ASSOCIATE AND ASSISTANT SUPERINTENDENT'S LICENSURE REQUIREMENTS**

The licensure requirements for associate superintendents and assistant superintendents are not applicable for the following positions:

- Associate Superintendent for:
  - Fiscal Management, or
  - Personnel Management, or
- Assistant Superintendent for:
  - Fiscal Management (budget code 6610-002-113), or
  - Personnel Management (budget code 6620-002-118).

Those designated in these positions should hold one of the following:

- a school administrator's degree,
- a business degree,
- an accounting degree, or
- a degree in a related field.

**D. SALARY BASIS - ASSOCIATE AND ASSISTANT SUPERINTENDENTS**

Associate and assistant superintendents are assigned to a School Administrator I-VII category by the local board of education. Salary determination shall be made by the local board of education within the salary range, corresponding to the school administrator assignment. For a list of ranges, see the Salary Schedules.

**NOTE:** The range maximums do not include advanced, doctoral, or local supplements.

The following positions shall be assigned to a School Administrator I-VII category:

- Associate and assistant superintendents in positions requiring professional licenses issued by the Licensure Section
  - Associate Superintendents for
    - Fiscal Management,
    - Personnel Management; and
    - General Business Support
  - Assistant Superintendents for
    - Fiscal Management,
    - Personnel Management,
    - Auxiliary Services, and
    - General Business Support
-

## **IV. Supervisors, Directors, Coordinators, and Finance Officers**

### **A. DEFINITIONS - SUPERVISOR, DIRECTOR OR COORDINATOR**

A supervisor, director, or coordinator:

- is designated by the local board of education to work throughout the LEA to provide leadership in improving programs and quality of instruction and
- must hold a license appropriate to the area of assignment:
  - 00077 Instructional Technology Specialist - Computers,
  - 00078 Media Supervisor,
  - 00113 Curriculum Instructional Specialist,
  - 00711 Career Technical Director, or
  - 88099 Exceptional Children Program Administrator.

### **B. SALARY BASIS - SUPERVISOR, DIRECTOR OR COORDINATOR**

Supervisors, directors, coordinators, and finance officers are assigned to a School Administrator I-VII category by the local board of education. For a list of ranges, see the Salary Schedules.

Salary determination shall be made by the local board of education within the salary range, which corresponds to the school administrator assignment.

**NOTE:** The range maximums do not include advanced, doctoral, or local supplements.

### **C. POSITIONS**

The following positions are assigned to a School Administrator I-VII category:

- supervisors, directors, and coordinators in positions requiring professional licensure issued by the Licensure Section and
- all finance officers.

### **D. LICENSURE REQUIREMENTS FOR GENERAL ADMINISTRATION**

A supervisor/director for general administration of specific educational programs may hold a school administrator 'P' license as a requirement for salary licensure, in place of the 'SG' (supervisor/director) license.



## **E. NON-CERTIFIED SUPERVISORS AND DIRECTORS**

The following non-certified supervisor and director positions shall be paid within the ranges of the appropriate non-certified salary schedules in Section E:

- Maintenance Personnel:
  - Carpenter Supervisor,
  - Custodian Supervisor I-III,
  - Electrician Supervisor I-II,
  - Floor Maintenance Supervisor,
  - Grounds Supervisor I-II,
  - HVAC Supervisor, or
  - Maintenance Supervisor/Director I-X;
- School Nutrition Personnel:
  - Child Nutrition Supervisor,
  - Child Nutrition Director I-II; or
- Transportation Personnel:
  - Supervisor or
  - Transportation Director I-X.

**For a list of salary ranges, see the Salary Schedules.**

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## **V. Charter Schools**

Charter schools may use definitions similar to those outlined in this section, but they are not required to adhere to licensing requirements.

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# SECTION C

## SCHOOL BASED ADMINISTRATORS PRINCIPALS AND ASSISTANT PRINCIPALS

### I. All School Based Administrators

#### A. DAILY RATE OF PAY

The daily rate of pay for school-based administrators is based on the number of actual weekdays in the month of service and is calculated as follows:

Monthly salary ÷ number of weekdays in the month (21, 22, 23) = daily rate of pay.

Administrators who are split between a position that is calculated based on the actual days in the month and a position that is based on the standard 21.5 days per month have their daily rate calculated on the standard 21.5 days.

**EXAMPLE:** An employee serves 50% of the day as a teacher (21.50 days basis) and 50% of the day as an assistant principal (actual number of weekdays basis). This employee's daily rate is calculated on the 21.5 days per month formula.

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### II. Principals

#### A. MONTHLY SALARY

**See the Salary Schedules for a list of Principal legislated salaries and pay level codes.**

1. Principals are paid monthly according to:

- a) School size - The average daily membership in the school determined as follows:

July 1st to December 31st the average daily membership for the school from the 2021-2022 school year.

January 1st to June 30th, 2023 average daily membership from the school for 2022-2023 school year.

If the school was not open to students in the prior year, the projected average daily membership provided by the LEA shall be used.

January 1st to June 30th the higher of the current year 1st and 2nd month.

If a LEA merges two schools, closing one of the schools, the current year state salary of the merged school’s principal shall be determined by the higher of the combined 1<sup>st</sup> and 2<sup>nd</sup> month prior year average daily membership of the 2 schools. The LEA shall receive prior approval from the Division of School Business for this salary determination.

There are 6 categories of school size based on ADM range

- 0-200
- 201-400
- 401-700
- 701-1,000
- 1,001-1,600
- 1,601 and above

Schools with no ADM

There are 6 schools in the State that are authorized as schools to operate with the students in membership in their base school. If the principal supervises one of the following schools in the current school year

|                          |                            |
|--------------------------|----------------------------|
| 010311 Alamance County   | Career Technical Education |
| 320329 Durham County     | Holton Career              |
| 340332 WS/Forsyth County | Career Center              |
| 491305 Mooresville City  | NF Woods Tech/Arts         |
| 550330 Lincoln County    | Lincoln School of Tech     |
| 780331 Robeson County    | Robeson Co Career Center   |

The size of the school shall be determined by the total course enrollments divided by 4.

b) Performance of schools supervised by the principal -

**July 1<sup>st</sup> to December 31<sup>st</sup>** For purposes of determining the school growth scores for each school the principal supervised in at least two of the prior three school years, the school growth scores from the 2016-17, 2017-18 and the 2018-19 school years shall be used.

If a principal does not have a school growth score from any of the school years identified in this subsection, the most recent available growth scores, between 2013-14 and 2018-2019 school year, shall be used.

If, for at least 2 of the last 3 years, the principal has supervised a school that does not receive an accountability growth score, the principal shall be placed on the “Met” column.

**Table of Accountability Placement of Principal**

| <b>Base</b>   | <b>Met</b>  | <b>Exceeds</b>                          |
|---|---|---|
| Not met +<br>Not met +  | Met +<br>Met+<br>Exceeded/Not Met   | Exceeded +<br>Exceeded +<br>Not Met/Met |
| Principal has not supervised a school for 2 of the last 3 years | Exceeded +<br>Met +<br>Not Met  |   |
|   | Principal for 2 of the last 3 years of a school not eligible to receive a school growth score |   |

Any year that a principal supervised a school for the majority of the year, which did not have an accountability score, the growth score of “Met” shall be assigned.

**January 1<sup>st</sup> to June 30<sup>th</sup>** For purposes of determining the school growth scores for each school the principal supervised 2021-22.

If the principal does not have a school growth score in 2021-22, the principal shall be placed on the “Met” column.

If the principal has supervised a school that does not receive an accountability growth score, the principal shall be placed on the “Met” column.

**2. HOLD HARMLESS**

A principal shall receive an amount equal to the greater of the following:

- (1) The applicable amount determined by the salary schedules of the current fiscal year.
- (2) For principals who were eligible for longevity in the 2016-2017 fiscal year, the sum of the following:
  - a. The certified salary the principal qualified for in the 2016-2017 fiscal year including, if applicable:
    - Additional pay for ABC and Safe Schools achievements from 1997-1998 through 1999-2000

- Supplements for advanced degree or doctorate degree (\$126 or \$253 monthly)
  - Or the salary the principal received in the 2016-2017 fiscal year pursuant to Section 9.1 or 9.2 of Session Law 2016-94 – teacher and school administrator salary schedule.
- b. The longevity that the principal would have received based on the 2016-2017 fiscal year pay and the principal's current years of service.
- (3) For principals who were not eligible for longevity in the 2016-2017 school year, the salary the principal received in the 2016-2017 fiscal year pursuant to Section 9.1 or 9.2 of Session Law 2016-94 or per A.2(2)a. in this Section

### **3. ADVANCED AND DOCTORATE SUPPLEMENT**

Effective July 1, 2017 principal are not eligible for advanced and doctorate supplements.

### **4. LONGEVITY**

Effective July 1, 2017, principals are not eligible for longevity pay.

## **B. NO PAY DECREASE FOR TEACHERS OR ASSISTANT PRINCIPALS WHO BECOME PRINCIPALS**

A teacher or assistant principal who becomes a principal shall be paid, on a monthly basis, at least as much as he or she would earn as a teacher or assistant principal employed by that local school administrative unit. (**Session Law 2016-94 HB 1030 Section 9.3.A**), (**G.S. 115C-285(8a) and (9)**)

### **TRANSFERS IN MERGED SYSTEMS**

The rate of state pay for a principal who is transferred to a principal's position:

- within a school system that has been created, or will be created, by merger and,
- in a school with lower current year average daily membership will not be reduced for one calendar year following the date of the merger or reassignment.

## **C. PRINCIPALS IN NEW AND CLOSED SCHOOLS**

Principals assigned to a new school may be employed prior to the opening of the school. Salaries for these principals will be calculated based on the projected average daily membership and the accountability placement of the principal.

A local education agency may pay a principal from State funds for up to 4 months after the closing of a school. The salary of the principal will be assessed in accordance with Section C A.1.

**NOTE:** For new schools, documentation of the projected average daily membership must be submitted to the School Reporting Section prior to the salary assignment. Additionally, if funds are available, LEAs will be allowed to employ a principal four months prior to the opening of the school and four months after the closing of a school. The allotment the new school months must be approved by the DPI Allotment Section prior to certification of the salary. **LEAs will need to notify Salary Administration after receiving confirmation of allotment from the Allotment Section so the salary can be certified.** Local education agencies may use the State School Building Administration positions to fund up to four months employment for a principal after a school has closed.

#### **D. PRINCIPAL ALLOTMENT REQUIREMENTS**

Schools open prior to July 1, 2011

Each school with 100 or more pupils in final ADM and/or seven or more full-time equivalent state allotted/paid teachers and instructional support personnel, unrounded, (based on prior year 6th pay period) is entitled to twelve months of employment for a principal.

Schools open on or after July 1, 2011 (*Section 7.14.(a) of Session Law 2011-145*)

A school must have 100 students or more in final average daily membership to be eligible for 12 months of employment for a principal, regardless of the FTE of staff.

Allocations of principal positions may be limited based on State funds available.

#### **E. BUILDING PRINCIPALS**

A teacher employed as a **building principal** according to this regulation shall be paid:

- at the appropriate pay level on the Assistant Principal salary schedule;
- based upon total years of experience on their teacher's license, with no extra credit for years on their principal's license.
- at the scheduled monthly rate of pay for ten months.
- Effective July 1, 2017, a building principal shall not be eligible for longevity.
- The building principal shall be held harmless to the higher of the 2016-17 certified salary + longevity, if eligible and the current year salary assignment on the assistant principal scale.

##### **Notify DPI**

The School Business Services, School Reporting Section must be notified in writing with the name and social security number of the teacher designated as the building principal for appropriate salary assignment. Failure to provide notification will result in a salary audit exception.

- **Experience credit**  
Experience as a building principal is not added to the ‘P’ principal license.
- **Budget code**  
Building principals are coded 5110-001-121.
- **Advanced degree supplement**  
A person serving as a building principal and holding an advanced or doctoral license shall be paid an additional monthly supplement.

**F. PERFORMANCE BONUS**

Principals who supervised a school for the majority of the previous school year are eligible for a one time bonus if that school was in the top 50% of school growth.

| <b>Statewide Growth Percentage</b> | <b>Bonus</b> |
|------------------------------------|--------------|
| Top 5%                             | \$15,000     |
| Top 10%                            | \$10,000     |
| Top 15%                            | \$5,000      |
| Top 20%                            | \$2,500      |
| Top 50%                            | \$1,000      |

Principals who supervised two schools equally for 6 months receive the higher of the two bonuses earned.

A principal shall not receive more than one bonus.

The bonus paid shall be in addition to any regular wage or other bonuses the principal receives or is scheduled to receive.

This bonus is not subject to TSERS.

**Bonus shall be paid no later than October 31, 2022, to qualifying principals employed as of October 1, 2022.**

**G. PRINCIPAL RECRUITMENT SUPPLEMENT**

A principal who is paid on the exceeded growth column on the salary schedule and who accepts a position in a low performing school identified by the Department of Public Instruction shall receive an annual salary supplement of \$30,000, paid monthly as long as the principal is employed as the principal of that school, up to 36 months.

DPI shall identify up to 40 low performing schools in the bottom 5% in the overall school performance score.

**Notifications**

No later than October 1 DPI shall notify the respective LEAs with an eligible low performing school in the bottom 5% of the overall school performance score that they may be selected for the recruitment supplement program.

No later than November 1, each LEA with an eligible school shall notify DPI of its intent to participate.

No later than November 15 of each year thereafter DPI shall notify the LEA that one of more of the eligible schools was selected for the program. DPI may select up to 40 low performing schools, prioritizing by overall performance score.

No later than May 1, 2020, each LEA participating in the program shall execute the contract with the qualifying principal and notify the Division of School Business

- (i) The name of the principal and the school
- (ii) Length of contract period
- (iii) Length of time the qualifying principal will receive the supplement

No later than August 1, 2020 all qualifying principals shall be employed at the school.

See FAQ document for additional information.

<https://www.dpi.nc.gov/documents/fbs/finance/salary/princ-supp-hb377-faq-01072021/download>

## **H. RETIRED PRINCIPAL OR RETIRED ASSISTANT PRINCIPAL AS AN INTERIM PRINCIPAL**

A local board of education may select a retired principal or retired assistant principal to serve as an interim principal for the remainder of any school year, regardless of licensure status. (G.S. 115C-284(e), Session Law 2017-189 SB 599 Section 2.(j), SBE Policy LICN-005 item IV.2 dated 12.05.2019).

Please contact Salary Analyst to certify or assign the salary if needed to avoid salary audit exceptions.

## **III. Assistant Principals**

### **A. MONTHLY SALARY - ASSISTANT PRINCIPALS**

Assistant principals are paid monthly according to:

- Years of Experience - the total number of years of experience on their educator license;
- Education - their education level as determined by their highest license designation.

See the Salary Schedules for Assistant Principals salary ranges.

### **B. ADVANCED AND DOCTORATE SUPPLEMENT**

Assistant principals are eligible for advanced and doctorate supplements.

An assistant principal who earns an advanced or doctoral license will receive an additional monthly supplement as indicated on the assistant principal Salary Schedule. This



supplement will be effective the first day of the pay period, beginning the same month as the license effective date.

### **C. LONGEVITY**

Effective July 1, 2017, assistant principals are not eligible for longevity.

### **D. NO PAY DECREASE FOR TEACHERS THAT BECOME ASSISTANT PRINCIPALS**

A teacher who becomes an assistant principal shall be paid, on a monthly basis, at least as much as he or she would earn as a teacher employed by that local school administrative unit. (**Session Law 2016-94 HB 1030 Section 9.3.A**), (**G.S. 115C-285(8)**)

**NOTE: The above legislation applies to teachers and instructional support personnel paid from the NC Teachers Salary Schedule.**

### **E. HOLD HARMLESS**

An assistant principal shall be compensated an amount equal to the greater of the following:

- (1) The applicable amount determined by the current year salary schedule.
- (2) For assistant principals who were eligible for longevity in the 2016-2017 fiscal year, the sum of the following:
  - a. The salary the assistant principal received based on the 2016-2017 salary schedule, including if applicable
    - Additional pay for ABC and Safe Schools achievements from 1997-1998 through 1999-2000
    - Supplements for advanced degree or doctorate degree (\$126 or \$253 monthly)
    - Or the salary the assistant principal received in the 2016-2017 fiscal year pursuant to Section 9.1 or 9.2 of Session Law 2016-94
  - b. The longevity that the assistant principal would have received for the 2016-2017 fiscal year based on the assistant principal's current years of service.
- (3) For assistant principals who were not eligible for longevity in the 2016-2017 fiscal year, the salary the assistant principal received in the 2016-2017 fiscal year pursuant to Section 9.1 or 9.2 of Session Law 2016-94 or per E.(2)a.

### **F. SUMMER SCHOOL MONTHLY SALARY**

Assistant principals, who serve as either assistant principals or as lead teachers during the summer school period, will receive the same monthly salary for the summer school

assignment as they received during the regular school term. Local Education Agencies must contact the Division of School Business, School Reporting to manually certify the salary if coded using lead teacher budget code.

**NOTE:** A non-teaching assistant principal can be employed when 10 or more teachers are employed to work at a specific summer school.

## **G. PROVISIONAL ASSISTANT PRINCIPAL'S LICENSE**

A local school administrative unit may employ a person who is provisionally certified as an assistant principal. Per SBE Policy LICN-001 item 1.30a dated 12.05.2019).

Provisional assistant principals' salary shall be coded using an object code X-XXXX-XXX-116. Except PRC-067 to be used for Interns (see item H).

The Board shall not issue provisional certificates for principals. (G.S. 115C-284(c), Session Law 1999-30).

To qualify for a one-year provisional assistant principal's license issued by the Licensure Section, one of the following conditions must be met (G.S. 115C-284(c), Session Law 1999-394):

- the local school board determines there is a shortage of persons who hold or are qualified to hold a principal's certificate and the employee enrolls in an approved program leading to a master's degree in school administration before the provisional license expires **or**
- the employee is enrolled currently in an approved Master of Education program in school administration and is participating in the program's required internship.

The license area is the same as a principal, 00012, however, the class code will be 'PP' to designate a provisional assistant principal license.

A provisional assistant principal's license can be extended up to two additional years while the employee completes the approved education program leading to a master's degree in school administration. Contact the Licensure Section for details on how to obtain and extend a provisional principal's license.

### **1. Salary basis - Provisional Assistant Principals**

Provisionally licensed assistant principals are paid from the assistant principal schedule unless the provisionally licensed assistant principal earns more on the teacher salary schedule.

If the provisionally licensed assistant principal earns more on the teacher salary schedule the higher paid salary will apply. The salary shall be split between budget code XXXX-XXX-117 and XXXX-XXX-129. The provisionally licensed assistant principal will be paid from the assistant principal salary rate on 117. The difference in the assistant principal salary and the higher salary on the teacher schedule will be from on 129. Example: Teacher salary for a teacher with a master's w/NBPTS and 11yr of service \$5856.00. Provisional assistant Principal with masters 11yrs of service \$5,712.00 Salary will be paid as follows: Provisional AP XXXX-XXX-117

\$5,712.00 The difference from the teacher schedule will be paid on XXXX-XX-129 \$144.00. a total of \$5856.00 (the amount paid on the teacher schedule.)

**NOTE 1:** If a teacher who is licensed in ROTC and received experience years based on military service, receives an Assistant Principal license, the military years of service may not transfer on the Assistant Principal license. Call the Licensure Section to see if the years will be removed or credited.

## **2. Benefits - Provisional Assistant Principals**

Provisionally licensed assistant principals have benefits as described for public school employees in the Benefits and Employment Policy Manual.

## **H. MSA (Masters in School Administration) ASSISTANT PRINCIPAL INTERN PROGRAMS**

### **1. Salary Basis for Interns**

Participants receive a stipend during the internship period of the master's program at the full beginning salary on the assistant principal salary schedule, or, for a teacher who becomes an intern, at least as much as that person would earn as a teacher on the teacher salary schedule. The stipend is received regardless of any sick leave, annual leave, personal leave or holiday leave taken.

### **2. Budget code**

Stipends are to be coded to 1-5420-067-117. MSA Assistant Principal Interns are 10-month employees.

DPI will notify the LEA Finance Officer of the approved intern(s) and the dollars allotted for interns (PRC 067).

### **3. Additional Information**

The North Carolina Principal Fellows and Transforming Principal Preparation Program or the school of education where the intern participates in a full-time master's in school administration program shall supply the Department of Public Instruction with certification of eligible full-time interns.

Full-time interns do not earn sick leave, annual leave, personal leave, holiday leave, retirement, or longevity, but do qualify for FICA.

For any clarification related to benefits, please contact DPI District Human Capital.

<https://www.dpi.nc.gov/districts-schools/districts-schools-support/district-human-capital>

And for related license questions, please contact DPI Licensure section.

<https://www.dpi.nc.gov/educators/educators-licensure>

**See also Allotment Policy Manual for other details on PRC 067.**

## SECTION D TEACHER AND STUDENT SERVICES

### I. All Teacher and Student Services Personnel

#### A. DAILY RATE OF PAY

The following employees have their daily rate of pay based on 21.5 days regardless of the number of weekdays in the month of service:

- all teachers,
- all student services personnel, and
- all employees in split position where one of the positions is based on a 21.5 day pay period daily rate.

**EXAMPLE:** An employee serves 50% of the day as a teacher (21.5 days basis) and 50% of the day as an assistant principal (actual number of days in month basis). This employee's daily rate is calculated on 21.5 days per month.

**NOTE:** The term "daily rate of pay" for the purpose of General Statute 115C-12(8) or for any other law or policy governing pay or benefits (i.e., Annual Leave Payout) based on the teacher salary schedule shall not exceed one twenty-second (1/22) of a teacher's monthly rate of pay.

#### B. SALARY SCHEDULE PLACEMENT

##### 1. Teachers, school counselors, school social workers, and media coordinators

Those employed with the Public Schools of North Carolina are assigned a salary on the appropriate classroom teacher salary schedule according to the class level of their license, experience level, and area of assignment. (See Salary Schedules)

Beginning with the 2014-2015 fiscal year, in lieu of providing annual longevity payments to teachers paid on the teacher salary schedule, the amounts of those longevity payments are included in the monthly amounts under the teacher salary schedule.

A teacher compensated in accordance with this salary schedule shall receive an amount equal to the greater of the following:

- (1) The applicable amount on the salary schedule for the applicable school year.
- (2) For teachers who were eligible for longevity for the 2013-2014 school year, the sum of the following:
  - a. The teacher's salary based on the 2013-14 legislated salary schedules (S.L. 2013-360, Sec. 35.11.)
  - b. The longevity that the teacher would have received under the longevity system in effect for the 2013-2014 school year (S.L. 2013-360, Sec. 35.11), based on the teacher's current years of service.
  - c. The annual bonus provided in 2014-15 (S.L. 2014-100, Sec. 9.1(e).)

**NOTE: The above provision typically applies to teachers, school counselors, school social workers, and media coordinators paid at the top of their scale.**

- (3) For teachers who were not eligible for longevity for the 2013-2014 school year, the sum of the teacher's salary and annual bonus in 2014-15 (S.L. 2014-100, Sec. 9.1).

For more information on determining teacher salaries, see the Hold Harmless document located at:

<https://files.nc.gov/dpi/documents/fbs/budget/holdharmless16-17.pdf>

**NOTE:** Only the following teachers and instructional support personnel shall be paid on the "M" salary schedule, or receive a salary supplement for academic preparation at the six-year degree level or at the doctoral degree level:

- (1) Certified school nurses and instructional support personnel in positions for which a master's degree is required for licensure.
- (2) Teachers and instructional support personnel who were paid on that salary schedule or received that salary supplement prior to the 2014-2015 school year.
- (3) Teachers and instructional support personnel who (i) complete a degree at the master's, six-year, or doctoral degree level for which they completed at least one course prior to August 1, 2013, and (ii) would have qualified for the salary supplement pursuant to State Board of Education policy LICN-006 (formerly TCP-A-006), as it was in effect on June 30, 2013."

**Please note: Teachers who obtain their masters in administration, but are currently assuming the role of a classroom teacher must also meet one of the above three (3) criteria in order to be paid on the masters, six-year, or doctoral degree level.**

#### **EXCEPTION: HIGHEST LICENSE LEVEL**

If an individual in a teaching or student services position holds at least one license area beyond the required license level and completes at least one course prior to August 1, 2013, then that individual's salary is certified at his or her highest education level of licensure, even if the area of assignment is not the area with the highest-class level.

\* For those approved for master's pay thru Form G, see page D-8 for Non-Educational Master's Degree and application for 'M' Supplemental Salary-Form G Approval.

If neither (1), (2), nor (3) in the "NOTE" above are met, the individual will be paid according to the license in the area of assignment.

**EXCEPTION: YEARS OF EXPERIENCE**

If the employee has multiple teaching areas, with different years of experience, the employee shall be paid according to the years of experience in the area of assignment. **Please contact Salary Analyst to certify the years applicable.** (See also page D-12 for Career Technical Teachers)

**Pay for Newly Employed Teachers with Experience Credit. (G.S.115-C-302.1(b3))**

A local board of education shall determine experience credit for a teacher in that teacher's first year of employment with the board for the purposes of paying the teacher with State-allotted funds in accordance with the State salary schedule.

The local board of education and the teacher shall not be responsible for the repayment of any overpayment of State funds due to misapplication of experience credit for the State salary schedule for the first year of employment when the determination of experience credit was done in good faith based on the teacher's verified prior employment record and the guidelines established by the State Board of Education for awarding experience credit. However, a local board of education that does not use due diligence to verify prior employment will be responsible for the repayment of any overpayment of State funds.

A teacher paid in accordance with this shall not be entitled to the same pay on the State salary schedule for teachers for subsequent years of employment after the State Board determines the appropriate experience credit for that teacher. (G.S. 115C-302.1.(b3), SL 2019-71 Section 3).

Refer to DPI Licensure Section for requirements related to the due diligence required by the LEA for the waiver of overpayment to apply.

Certification for audiologists, speech-language pathologists, and school psychologists follows procedures in Section D IV.

**2. Audiologists, school psychologists, and speech-language pathologists**

The first step of the salary schedule for (i) school psychologists, (ii) school speech pathologists who are licensed as speech pathologists at the master's degree level or higher, and (iii) school audiologists who are licensed as audiologists at the master's degree level or higher shall be equivalent to Step 6 of the "A" salary schedule.

These employees shall receive a salary supplement each month of ten percent (10%) of their monthly salary. These employees shall also receive an additional three hundred fifty dollars (\$350.00) monthly salary supplement.

These employees are eligible to receive salary supplements equivalent to those of teachers for academic preparation at the six-year degree level or the doctoral degree level.

The twenty-sixth step of the salary schedule for (i) school psychologists, (ii) school speech pathologists who are licensed as speech pathologists at the master's degree level or higher,

and (iii) school audiologists who are licensed as audiologists at the master's degree level or higher shall be seven and one-half percent (7.5%) higher than the salary received by these same employees on the twenty-fifth step of the salary schedule.

School psychologist shall be coded to a PRC 006.

### **3. School Counselors**

School counselors who are licensed as counselors at the master's degree level or higher shall receive a salary supplement each month of one hundred dollars (\$100.00).

### **4. School Nurses**

For the salary basis of school nurses, see Section D-V.

## **C. DEGREE SUPPLEMENT**

Session Law 2021-180, Section 7A.1.(h)

Only the following teachers and instructional support personnel shall be paid on the “M” salary schedule or receive a salary supplement for academic preparation at the six-year degree level or at the doctoral degree level:

- (1) Certified School Nurses and instructional support personnel in positions for which a master's degree is required for licensure.
- (2) Teachers and instructional support personnel who were paid on that salary schedule or received that salary supplement prior to the 2014-2015 school year.
- (3) Teachers and instructional support personnel who (i) complete a degree at the master's, six-year, or doctoral degree level for which they completed at least one course prior to August 1, 2013, and (ii) would have qualified for the salary supplement pursuant to the State Board of Education policy LICN-006 (formerly TCP-A-006), as it was in effect on June 30, 2013.

If an individual in a teaching or student services personnel position is eligible to be paid on an advanced or doctoral license s/he will receive an additional monthly supplement, of:

- \$126 per month for an advanced license and
- \$253 per month for a doctorate license.

**NOTE 1:** The college/university makes the distinction if the degree qualifies as advanced. Typically, an advanced degree is a 6th year degree, 30 hours beyond the masters.

### **Effective Date for Salary Purposes**

For salary purposes, **ALL degrees above the bachelor's level** that are earned:

- prior to April 1 of the current school year will become effective in the same pay period as the license effective date.

**EXAMPLE:** The license area effective date of a doctorate degree is 11/15 (as shown on the Employment Inquiry screen). For salary purposes, this doctorate degree will be effective for the entire month of November. **All November paychecks, retroactive to 11/1**, should reflect the pay increase. If the LEA pay period is from 10/15 – 11/15, the pay increase should only apply beginning 11/1 and not 10/15 as the degree was earned during the calendar month of November and not October.

## **D. TEACHER BONUSES**

These bonuses are not subject to TSERS.

### **3<sup>rd</sup> GRADE READING BONUS**

Bonuses are provided to 3<sup>rd</sup> grade reading teachers who are in the top 25% in the State based on the EVAAS growth scores. Teachers in charter and lab schools are eligible.

Bonuses are provided to 3<sup>rd</sup> grade reading teachers who are in the top 25% in their respective local education agency. Teachers in charter and lab schools are not eligible.

### **4<sup>th</sup> and 5<sup>th</sup> GRADE READING BONUS and 4<sup>th</sup> to 8<sup>th</sup> GRADE MATH BONUS**

Bonuses are provided to 4<sup>th</sup> and 5<sup>th</sup> grade reading teachers and 4<sup>th</sup> to 8<sup>th</sup> grade math teachers who are in the top 25% in the State based on the EVAAS growth scores. Teachers in charter and lab schools are eligible.

### **ADVANCED COURSE BONUSES**

State funded qualifying teachers who teach AP, IB, AICE courses are eligible for a bonus based on the performance of the students, up to \$3,500 based on prior year results

### **CAREER TECHNICAL EDUCATION CREDENTIAL BONUSES**

State funded qualifying teachers who teach students who attain credentials and certificates approved by the State Board of Education are eligible for a bonus based on the performance of the students, up to \$3,500 based on prior year results

### **SMALL & LOW WEALTH COUNTY SIGNING BONUS FOR TEACHERS**

Teachers and instructional support who accept employment a local education agency that receives Small County Supplemental or Low Wealth County Supplemental Funding, may be eligible for a signing bonus. The local education agency is required to match \$1 dollar of local funds for \$1 of State funds expended up to \$1,000 in State funds. Employees qualifying for a bonus will be ineligible to receive another signing bonus until July 1,2025, unless legislatively mandated bonuses received by teachers that are not signing bonuses.



## **E. HIGHLY QUALIFIED NC TEACHING GRADUATE**

### 1. Session Law 2021-180 Section 7A.2.(a) GS 115C-302.7

A highly-qualified graduate who is employed by an LEA shall receive a salary supplement each month at the highest level for which the graduate qualifies under this section

Highly qualified is defined as a classroom teacher who:

- has zero years of experience on their educator license
- was employed for the first time as a classroom teacher on or after July 1, 2021
- graduated from an approved educator preparation program located in NC.
- graduated with a GPA of 3.75 or higher and met a certain score on edTPA or PPAT assessments:
  - o A score of 42 or higher for the World Languages and Classical Languages edTPA assessments (those with 13 rubrics)
  - o A score of 57 or higher for the Elementary Education edTPA assessment (those with 18 rubrics)
  - o A score of 48 or higher for all other edTPA assessments (those with 15 rubrics)
  - o A score of 44 or higher for the PPAT assessment
- In all cases, these assessments must be nationally scored. Local scoring will not be accepted.

### **Teaching Assignment**

#### 1. Low performing school

A highly qualified graduate, whose initial teaching assignment is in a low performing school shall receive a monthly supplement of the equivalent of the difference in the State funded salary of the graduate and the State funded salary of a teacher on the “A” Schedule with 3 years of experience.

The graduate is eligible to receive the calculated supplement for up to 3 years of employment, if they remain teaching in that school, or teach in another low performing school or a low performing district.

If the graduate has a break in service, he/she is no longer eligible for the supplement.

The following table provides the eligible low performing schools for each year of the initial employment of the graduate. The list of the low performing schools can be found on the DPI Accountability website at [www.dpi.nc.gov/districts-](http://www.dpi.nc.gov/districts-)

[schools/testing-and-school-accountability/school-accountability-and-reporting/accountability-data-sets-and-reports](https://schools/testing-and-school-accountability/school-accountability-and-reporting/accountability-data-sets-and-reports).

|                         |                                  |
|-------------------------|----------------------------------|
| Initial Employment year | Low performing schools listed in |
| 2020-21                 | 2018-19 & 2019-20                |
| 2021-22                 | 2019-20 & 2020-21                |
| 2022-23                 | 2020-21 & 2021-22                |

2. Licensed and Teaching in a STEM or Exceptional Children (EC)

A highly qualified graduate, who is licensed and teaching in a science, technology, engineering or mathematics (STEM) or EC shall receive a monthly supplement of the equivalent of the difference in the State funded salary of the graduate and the State funded salary of a teacher on the “A” Schedule with 2 years of experience.

The graduate is eligible to receive this supplement for up to 2 years of employment, if they are licensed and teaching in a STEM or EC area, without a break in service.

3. A highly qualified graduate, who does not qualify for supplements under E1 or E2 shall receive a monthly supplement of the equivalent of the difference in the State funded salary of the graduate and the State funded salary of a teacher on the “A” Schedule with 1 year of experience.

The graduate is eligible to receive this supplement for up to 1 year of employment without a break in service.

Coding: PRC 028 - Supplement for Highly Qualified NC Teaching Grad. This is a guaranteed allotment.

**F. EXTENDED DAY AND EXTRA PAY**

Any work that a teacher does in the confines of the school day, which is established by the local board of education, does not constitute extended day and therefore makes this time ineligible for extra duty pay.

State funds may **not** be used to pay certified instructional personnel for a planning period that is outside of the regular instructional day. Therefore, if a school decides to require a teacher to teach an additional class and to schedule their planning period after the regular instructional day, no State funds may be used to provide additional compensation.

**Extended Day Pay Computation**

The computation of payment for extended day duties for all employees is based on a standard number of hours worked per month. The number of hours in a work month can be obtained by using the following formula:

**Formula:** Hours per day x days in week = hours per week x weeks in year = hours per year ÷ months in year = hours per month (Hours refer to work hours.)

| <b>Table:</b>  | <b><u>Hours Per Month</u></b> |               |  |
|----------------|-------------------------------|---------------|--|
| 8.0 X 5 = 40.0 | X 52 = 2,080                  | ÷ 12 = 173.33 |  |
| 7.5 X 5 = 37.5 | X 52 = 1,950                  | ÷ 12 = 162.50 |  |
| 7.0 X 5 = 35.0 | X 52 = 1,820                  | ÷ 12 = 151.66 |  |
| 6.5 X 5 = 32.5 | X 52 = 1,690                  | ÷ 12 = 140.83 |  |
| 6.0 X 5 = 30.0 | X 52 = 1,560                  | ÷ 12 = 130.00 |  |

Divide the hours of extended-day time worked by the appropriate hours per month from the table; multiply this result by the employee’s monthly salary to determine the extended-day payment.

**Example:** An employee works in a local education agency that considers 7.5 hours a regular workday. Forty (40) hours of extended-day time was worked in November. The regular monthly salary is \$4,000

**Extended-Day Payment** = 40 ÷ 162.50 = 24.62% X \$4,000 = **\$987.62**

**G. PROVISIONAL LICENSES: FAILING TO MEET REQUIREMENTS**

When an educator fails to meet the educational requirements for maintaining a provisional license, the license will be classified as expired.

Removal of the provisional area to reinstate the initial license may result in:

- ineligibility to serve in the specific capacity and/or reduction to a lower pay level.

## II. Teachers

### A. TEACHER BUDGET CODES AND THE ATTACHMENT A

All budget codes are listed in the Chart of Accounts and the Attachment A document. Teachers' certified salary is coded to one of the following object codes:

121 – Classroom Teacher

123 – JRROTC

124 – International Faculty Exchange

127 – Master Teacher

Attachment A provides a list of the licensure requirements for each budget code. **If a particular budget code is not in the Attachment A document, the salary for the employee will not certify. Be sure the budget code is listed specifically in the Attachment A document. Requests for codes to be added should be directed to the School Reporting Section.** This document can be found at "<https://www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/school-district-finance-operations/chart-accounts>

If an individual does not have the required educator license required for the budget code, the salary system will create an audit exception.

129 - Held Harmless Salary – include the dollar amounts above the certified salary when calculating no loss in pay, held harmless or the higher salary.  
**129 object code is not in Attachment A.**

### B. NON-EDUCATIONAL MASTER'S DEGREE AND APPLICATION FOR 'M' SUPPLEMENTAL SALARY – FORM G APPROVAL

Effective July 1, 1993, the Licensure Section began authorizing salary payments on the class 'M' teacher license for teachers who hold a master's degree in a **non-teaching** area and the degree is directly relevant to the teacher's area of assignment. Effective November 3, 2005, the Licensure Section began authorizing salary payments on the class 'S' teacher license for teachers who hold an advanced degree and is directly relevant to the teacher's area of assignment.

**A list of individuals by LEA who are currently on the "M" salary schedule can be viewed on the website (<http://licsalweb.dpi.state.nc.us>). It is the LEA's responsibility to review the web page and send the list to Licensure for any additions or deletions.** For new employees who hold a master's or advanced degree in a non-teaching education area a Form G - Request for Authorization of Graduate Salary must be submitted. For a current employee whose area of assignment changes and the teacher is no longer eligible for 'M' level salary, please notify Salary. This information must be submitted early in the new school year for proper placement on the "M", "S" or "D" salary schedule.

**NOTE: The Form G list available on the LicSal website is managed by Licensure; Salary Administration does not monitor or update this list.**

**A new Form G must be submitted for each school number assignment. Therefore, the “M”, “S”, or “D” salary is only valid for the school on the Form G. It is the LEA’s responsibility to be sure that the Form G is on file for each school number.**

**Licensure cannot guarantee processing of any Licensure requests, including for current year salary adjustments, after April 15<sup>th</sup>. If a License request is submitted after April 15<sup>th</sup> and is not processed in the current fiscal year, your LEA is responsible for any resulting salary audit exception.**

**NOTE:** Authorized users can view the list from the Licensure and Salary Info Center (<http://licsalweb.dpi.state.nc.us>) or the Non-Public Professional Experience Info Center.

## **C. NBPTS CERTIFICATION**

### **1. Eligibility for NBPTS Pay**

Teachers who meet the following criteria are paid based on National Board for Professional Teaching Standards (NBPTS) certification and on the highest-license level outlined in Section D, I, C of this manual.

The teacher holds a valid certification from the National Board for Professional Teaching Standards (NBPTS), and

1. The teacher spends at least seventy percent (70%) of his or her work time:
  - a. in classroom instruction. Most of the remaining 30% of time should be spent in areas such as mentoring teachers, doing demonstration lessons, writing curricula, developing and leading staff development programs,

**OR**

- b. media coordinators, school counselors, career development coordinators, and instructional coaches at Title I schools, if the employee works 70% of their time in these specific areas. Only Instructional Coaches are required to be at Title I schools to qualify for NBPTS.

**NOTE:** If an employee is employed in an area other than classroom instruction (e.g. library/media or school counselor) their license must be clear of any deficiencies to be eligible for the 12% pay differential. Therefore, a classroom teacher cannot be paid the NBPTS differential, if they are working in media, and their media license has deficiencies (e.g. Provisional).

**PLEASE NOTE: The 12% differential is calculated based on the employee’s salary on the bachelor’s salary schedule only.**

Other Instructional support personnel are not eligible to be paid the National Board for Professional Teaching Standards (NBPTS) Pay Differential.

**NOTE: The Role of the Instructional Coach**

The Instructional Coach is a peer-support role which involves direct interaction with teachers for the purpose of improving instructional practice. Instructional Coaches may be district or building-based professionals.

The primary duties of an Instructional Coach are to:

- Provide job-embedded modeling and support to help colleagues implement effective instructional strategies, understand content standards or other program practices, and recognize how various components of the curriculum link together
- Facilitate professional learning opportunities to help educators master of the North Carolina Professional Teaching Standards, often by demonstrating a lesson, co teaching, or observing and giving feedback

Please submit a separate form, for each school location employed, to the following link for the salary analysts to certify NBPTS pay for instructional coaches: [www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/compensation-public-school-employees](http://www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/compensation-public-school-employees)

See the Guidelines for National Board for Professional Teaching Standards (NBPTS) Pay Differential document on the FBS website at [www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/compensation-public-school-employees](http://www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/compensation-public-school-employees)

**NOTE: The Instructional Coach MUST be at a Title I school in order to be eligible for NBPTS.**

It is the responsibility of the LEA central office to ensure that the teachers receiving NBPTS pay meet the above criteria. DPI may request documentation and a letter from the central office, substantiating the criteria for NBPTS pay. In the event that DPI concludes that a teacher is not appropriately paid, the LEA will be required to refund the State for the entire amount of the exception.

**2. Salary schedules**

NBPTS certified personnel serving as teachers who meet the criteria above are paid from the NBPTS certified salary schedules.

**3. Budget codes**

The same budget codes are used for NBPTS certified teachers as used for non-NBPTS teachers.

**4. Pay Indicator**

Individuals with salaries certified on the NBPTS salary schedule will have an 'N' in the seventh digit of the pay level.

**EXAMPLE:** Mary Smith is a teacher with NBPTS certification, ‘M’ license, and ten years of experience. Her pay level will be assigned by DPI as M 10 N.

## 5. Effective Dates

For pay purposes, the effective date is July 1 of the school year that NBPTS certification is earned. NBPTS certificates will expire according to the expiration date listed on the NBPTS certificate.

**EXAMPLE:** Mary Smith is notified in November of 2007 that she has become NBPTS certified. She will be paid from the NBPTS salary schedule effective July 1, 2007. Her certificate will expire in November of 2017 and will need to be renewed as of this date in order to continue to receive payment for NBPTS in the 2017 school year after the November expiration date.

## 6. NBPTS candidate funding

Beginning in 2010-2011, assessment fees will no longer be funded by the state. Candidates may receive a loan through the State Education Assistance Authority for the NBPTS assessment fee. Eligibility for receiving a loan and the three days (3) days of paid leave is based on the candidate:

- (1) Having completed three full years of teaching in a North Carolina public school; and
- (2) Having (i) not previously received State funds for participating in any certification area in the NBPTS program, (ii) repaid any State funds previously received for the NBPTS certification process, or (iii) received a waiver of repayment from the State Board of Education.

The candidate will have three years to pay the assessment fee back to the State Education Assistance Authority. The candidate will receive up to three (3) days of paid leave, to be scheduled and approved by the candidate’s supervisor, to participate in the NBPTS program. This leave should be coded as **leave with pay**.

It is the responsibility of the LEA to determine funding eligibility of NBPTS candidates.

## 7. Substitute Code

The substitute used for the NBPTS candidate’s leave should be paid under PRC 011 and coded to either object code 163, 164 or 166, consistent with how the teacher is normally coded.

## 8. Additional information

For further information on National Board Certification contact the North Carolina Program Coordinator for National Board Certification or visit the website at [www.dpi.nc.gov/educators/national-board-certification](http://www.dpi.nc.gov/educators/national-board-certification) or [www.nbpts.org](http://www.nbpts.org).

## D. CAREER TECHNICAL TEACHERS

### Years of Experience

When a classroom teacher is re-assigned to:

- a career technical teaching position and
- has more years of experience (due to creditable work experience) in the career technical license area than in the academic area

placement on the salary schedule shall be in accordance with work experience granted in the career technical license area.

If the teacher then returns to a regular classroom teaching position, he/she will be paid in accordance with the years of experience in the academic area. **Please contact Salary Analyst to certify the years applicable.**

Effective July 1, 1999, local education agencies can pay career technical teachers holding a limited license from PRC 001. Please contact the salary analysts to certify their salaries in PRC 001.

## E. ROTC INSTRUCTORS

The contracts between the military and LEAs for the Junior ROTC programs require that ROTC instructors are compensated at their military active duty pay level. ROTC instructors should be coded to 5110-001-123.

### 1. Military contract formula

The formula for determining the salary is as follows:

1. Active Duty Pay - Military Retirement = Difference to be compensated.
2. Difference to be compensated =
  - 50% paid from
    - LEA local funds or
    - State funding from identified state allotted teaching positions (based on license and years of experience), and 50% paid by the military.

If the total compensation based on the military contract formula is less than what an individual would earn on the state salary schedule (based on the license rating), the local school system **MUST** add funds to compensate the instructor at the state salary level.



**Coding and Calculations:****MIP – \$6,500.00 (sample only)****Certified Salary = \$4,500.00 (sample only)****State Fund with Object code 123:**Net Gross Amount: **\$3,250.00** ( $\$6,500.00 \times 50\%$ )% Employed: **72.22%** ( $\$3,250.00 \div \$4,500.00$ )**Local Fund with Object code 123:**Net Gross Amount: **\$1,250.00** ( $\$4,500.00 - \$3,250.00$ )% Employed: **27.78%** ( $\$1,250.00 \div \$4,500.00$ )**Local Fund with Object code 187:**

Difference between MIP and Certified Salary

Net Gross Amount: **\$2,000.00** ( $(\$6,500.00 - \$4,500.00)$ )**2. Use of a state-allotted position for a ROTC instructor**

State regulations permit:

- identification of a state-allotted teaching position up to 50% of the MIP dollar amount (no additional positions are provided and no career technical funds can be used) and
- use of that position to pay a Junior ROTC instructor provided the LEA employs another teaching position using local funds to replace the use of the state-allotted position. For example: the position in local funds must match the percentage employed in the state funded position.

**3. Experience**

The Licensure Section will award up to 10 years of educator experience for military service (based on a minimum of 20 years of retirement from the military). This military experience credit may not be transferable to other teaching licenses (e.g., Assistant Principal, math etc.) Check with the Licensure Section.

Credit will be given for teaching experience in the public schools on a year-for-year basis.

**NOTE:** Questions and answers on **active military leave** can be found online at [https://files.nc.gov/dpi/documents/fbs/finance/legislation/salarypersonnel/differential\\_pay\\_for\\_military\\_duty.pdf](https://files.nc.gov/dpi/documents/fbs/finance/legislation/salarypersonnel/differential_pay_for_military_duty.pdf).

## F. BRASS TO CLASS ACT

**Session Law 2013-268.** The Corporal Pruitt Rainey Brass To Class Act: The State Board of Education shall establish rules for awarding credit for salary purposes to principals, assistant principals, and teachers who served in the Armed Forces of the United States and who have retired or who have received an Honorable Discharge. The following rules will apply to military veterans initially employed by local school administrative units in the 2014-2015 school year and beyond.

### **NORTH CAROLINA STATE BOARD OF EDUCATION, Policy Manual, Policy ID Number LICN-006, POLICIES RELATED TO EXPERIENCE/DEGREE CREDIT FOR SALARY PURPOSES**

#### 6.35 Non-teaching Experience Credit for Military Experience in Leadership Roles

Consistent with LICN- 006.20, at the recommendation of an employing NC LEA, the Department shall award non-teaching experience credit for military experience for leadership roles performed while on active military duty. This applies to military veterans initially employed by an NC LEA starting July 1, 2014. With respect to non-teaching military work experience that is not directly related to the area of licensure or work assignment, one full year of experience credit shall be awarded for every two years of full-time leadership duties while on active military duty in the Armed Forces of the United States, regardless of academic degree held while in instructional or leadership roles.

“Non-teaching Experience Credit for Military Experience in Leadership Roles” shall be defined as professional work experience in one or more of the official United States military branches while on active military duty that is clearly a leadership role and is verifiable on government issued service documents. Military service for which this credit is awarded must be characterized as honorable. Experience credit for “Leadership Roles” is limited to verifiable experience in a military leadership position with primary responsibility over a team of other military service members following successful completion of a sanctioned military leadership course. Members eligible for this non-teaching work experience credit are: commissioned officers, warrant officers, and non-commissioned officers. Junior enlisted members that have not completed formal military leadership training are excluded from eligibility for this credit.

Non-Teaching work experience that is directly related to an individual’s area of licensure and work assignment shall be credited as set forth in Section 6.20.

Military experience credit may only be awarded once for each role period (i.e. no overlapping credit award).

This provision does not apply to JROTC Instructors covered under LICN-006.30.

## **G. DRIVER TRAINING TEACHERS**

Driver Training Instructors shall be paid within the salary range of the pay grade for their job classification, based on a 40-hour workweek. If the established workweek is less than 40 hours, the hourly rate of pay must be based on a 40-hour workweek. Driver Training Instructors shall be paid based on the following pay grades:

### **Pay grade 66**

DMV certified instructors without a NC educator license

### **Pay grade 68**

DMV certified instructors with a NC educator license but no license area 096 - Safety and Driver Education

### **Pay grade 70**

NC educator license with subject area 096 - Safety and Driver Education

If an individual was employed as a driver training instructor prior to July 1, 2014 and was paid higher than the maximum allowable of the irrespective pay grade, the Local Education Agencies may continue to pay at the higher rate, but it is not required.

Driver training teachers who only hold DMV certificates, not a driver training educator license, must be coded to 5110-012-148.

## **H. MENTORS**

The State Board of Education has adopted a policy (LICN-004) requiring each initially licensed teacher to be assigned a qualified, well-trained mentor as soon as possible after employment. Mentors are assigned to assist initially licensed teachers during their first 3 years of employment in a North Carolina public school system. This policy was developed in response to the requirements of the Excellent Schools Act of 1997.

### **Compensation**

Mentor teachers are assigned to provide support and assistance to beginning teachers. No dedicated funding has been provided by the North Carolina General Assembly since the 2011 - 2012 fiscal year for the purpose of mentoring. Each local school administrative unit determines the amount of compensation paid to school-based teachers serving as mentors.

To qualify for mentor pay, a mentor must be:

1. assigned to a newly licensed teacher who has less than 6 months of teaching experience, or
2. assigned to a teacher in their second year of teaching and who qualified for a paid mentor during the previous year, or

3. assigned to a first-year instructional staff member who has not previously been a teacher, or
4. assigned to a teacher in their second year who has one year or less of teaching experience out of state, in a private school, or in a charter school.

State-funding should not be used to provide mentors for superintendents, associate superintendents, or assistant superintendents; principals, assistant principals or central office staff; or teachers with classroom teaching experience other than that identified above.

**NOTE:** Mentor stipends are to be coded to 5xxx-xxx-193. Full-time mentor salary should be coded to 5xxx-xxx-134.

## I. NEW TEACHER ORIENTATION

Individuals are eligible for new teacher orientation if they:

- have never taught before, (including out of county, state or country) or
- have taught less than 6 months, or
- are lateral entry teachers with only non-teaching work experience on their license (See below for lateral entry staff development requirements); or
- are workforce development (vocational) teachers with only non-teaching work experience on their license; or
- are employed with an emergency permit to practice; or
- ROTC instructors with zero years of teaching experience (only non-teaching experience),

**and**

- in prior years, have never participated in the new teacher orientation program.

If the teacher does not have zero years on his or her license due to additional experience being credited, the Licensure Section must verify if the experience is teaching or non-teaching.

Eligible new teachers may be paid up to a **maximum** of three (3) days from State or Federal funds.

New teacher orientation should be paid at the teachers certified rate.

**Local Education Agencies must contact the Salary Analysts at DPI to manually approve and certify New Teacher Orientation for teachers with more than zero years' experience on their license.**

**NOTE:** Student Services Personnel do not qualify for this orientation.

In order for an eligible teacher to be paid for this orientation, the orientation must take place outside of the normal instructional calendar. No additional pay will be

allowed if the orientation takes place on a workday or on a regular instructional day.

## **J. LATERAL ENTRY TEACHERS**

No Child Left Behind legislation requires all lateral entry teachers to complete 10 days of staff development BEFORE they enter the classroom. This staff development must be coded to object 196, workshop participant and funded out of allowable dollar allotments. The lateral entry teacher should be paid a minimum of an A-00 salary. If the teacher does not have any teaching experience and is eligible for new teacher orientation, the final three days of staff development may be coded to object 125 new teacher orientation. These three days may be paid at the certified rate.

No experience credit will be given for these staff development days.

## **K. RETIRED TEACHERS**

### **(a) SUBJECT TO THE SALARY EARNINGS CAP**

Retired teachers may be hired subject to a salary earnings cap. As of November 1, 2005, they are subject to a six (6) month break in service., during which, the employee shall not work in any capacity in an organization participating in the Teachers' and State Employees' Retirement System including part-time, temporary, substitute, part time tutor or contractor service.

For additional information, please see the [Benefits and Employment Policy Manual](#), Section 16.1. and or Guidance on Return-to-Work Laws for Members of the Teachers' and State Employees' Retirement System (TSERS) in NC Department of State Treasurer.

**Retired teachers subject to the cap are coded the same way as a regular employee (e.g. 121).**

**NOTE:** The Retirement System adjusts the earnings cap due to inflation in January of each year. Retiree is subject to the earnings restrictions below. Retiree can earn whichever is greater:

- 50% of your gross pre-retirement salary (excluding termination payments) or

See [NC Retirement](#) for more details)

### **Salary Assignment**

A local board of education may pay a retired teacher hired under this provision no more than the employee would have received on the teacher salary schedule, excluding longevity, had the employee not retired.

**NOTE:** A local board of education may pay a retired teacher hired under these provisions less than his or her certified rating. **Please notify the Salary Analysts to manually certify this negotiated rate.**

**Please Note that the EXEMPTION FROM THE EARNINGS CAP (SL 2019-110)** expired June 30, 2021 per G.S. 115C-302.4.

[https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_115C/GS\\_115C-302.4.pdf](https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/BySection/Chapter_115C/GS_115C-302.4.pdf)

Below link is for house bill (as of May 06, 2021 still a bill) to rewritten the above G.S. 115c-302.4

<https://www.ncleg.gov/Sessions/2021/Bills/House/PDF/H428v3.pdf>

## L. INTERNATIONAL FACULTY EXCHANGE TEACHERS

State Board policy allows LEAs to convert **teaching** positions to dollars to cover the contract cost for International Faculty Exchange Teachers.

For the 2021-22 fiscal year, the conversion to dollars shall be the statewide average teacher salary, with benefits. The dollars from this conversion will be allotted to PRC 020 International Faculty Exchange. See allotment policy manual for PRC-020.

The Appropriations Bill, SL 2016-94 Section 8.16, modified the allowable uses for the conversion dollars to costs associated with supporting IFE teachers within the local education agency:

- salaries (commensurate with their experience levels) and State approved bonuses
- costs associated with:
  - programming and related activities
  - background checks
  - medical coverage
  - Other program administration services in accordance with federal regulations

To request the conversion, the LEA must submit the *International Faculty Exchange Position Conversion to Dollar Allotment Request form*.

Please return your form to the Division of School Business, Allotments Section.

## M. SUMMER SCHOOL

Summer school teachers are paid in accordance with their teaching license rating on the teacher salary schedule.

### 1. Lead Teacher Positions/Summer School

Teachers, who are assigned to work as the lead teacher (budget code xxxx-069-135) for summer school programs, will receive a salary increase of four percent (4%) above their base certified salary (i.e. \$4000 during regular school year, \$4160 for summer assignment only).

Lead teachers are not eligible for NBPTS differential.

**This special salary assignment is applicable for the summer school program only.**

### 2. Teacher reassigned to site supervisor

Teachers reassigned to work as a site supervisor (object code 113) during the summer school period shall be assigned to a School Administrator I-VII category by the local board of education.

Salary determination will be made by the local board of education within the salary range that corresponds to the School Administrator I-VII assignment.

## N. DPI CONSULTANT

Teachers assigned to work with DPI on a statewide or regional instructional basis (e.g., state teacher of the year, PBL regional coordinator, Recruiters, Educators on Loan, etc.) during the school year are to be paid at the same monthly rate as they would earn in the position they held prior to being named a teacher-on-loan plus 6% above their certified salary for the length of their assignment at DPI.

It is common practice for LEAs to continue to pay these individuals their local supplements. Local Supplements may not be paid from State funds.

If a state Teacher of the Year returns to the classroom in an instructional role, they will continue to receive their normal salary plus 6%. The teacher will also have the option of eleven or twelve months of employment. The additional one or two months may include work on local, regional and state initiatives; working with beginning teachers; serving on local, regional and state committees; developing and delivering professional development; or other functions as assigned by the employing LEA. The teacher will be responsible for signing a waiver form if he/she opts out of the twelve (12) months of employment.

**NOTE:** Regional consultants, Closing the Gap consultants, and previous teacher-on-loan do not qualify for this 6% increment.

## Coding

The allotment for the DPI consultant is in PRC 096 Special Position Allotment. Individuals should be coded to school number “860”.

The allotment for previous Teacher of the Year is in PRC 001. Individuals should be coded to the school number in which they are assigned. **Please notify the Salary Analysts to manually certify the additional 6% increment.**

## Effective date

For salary purposes, the consultant position is effective with the first day of the consulting contract.

## O. INTERIM TEACHERS

An interim teacher may be employed when a vacancy in a teaching position exists by separation of employment. An interim teacher may not be employed to replace a permanent employee who is using paid leave.

### 1. Pay Basis

An interim teacher will be paid at his or her certified salary rating if:

- the interim employee is licensed in the area of assignment and
- service in the interim position is more than 10 teaching days, and
- is coded with an object code of 121.

An LEA may want to see if it is an advantage to the LEA or the individual to request a provisional license if the interim is certified but working out-of-field. This may allow the individual to be paid with state funds and receive experience credit. However, the interim employee **may** be paid at the substitute rate if he or she requests to be paid at the substitute rate.

An interim teacher **must** be paid at the substitute rate if:

- the interim employee is not licensed in the area of assignment or
- service in the interim position is 10 teaching days or less,
- is coded with an object code of 122.

Interim teachers coded to 122 (non-certified) do not earn experience credit.

**EXCEPTION:** Retirees re-employed as classroom teachers must be coded to object code 121 as outlined in Section D and K above.

### 2. Budget code

Certified interim teachers are paid from the budget code from which the regular teacher (XXXX-XXX-121) being replaced was paid. Therefore, all interim



teachers must be paid from the program report code from which the regular teacher being replaced was paid.

### **3. "Permanent" status**

The interim teacher will be afforded all benefits due a permanent employee, if the period of interim employment will be at least six full consecutive monthly pay periods. (Benefits and Employment Policy Manual 1.1.2 (b) and 12.1.3.)

## **P. ADJUNCT INSTRUCTORS**

### **1. Adjunct CTE instructors**

An adjunct instructor may be employed for no more than 20 hours per week or no more than five full consecutive months of employment. An adjunct instructor shall not be eligible to earn paid leave, participate in the Teachers' and State Employees' Retirement System, or receive or purchase health benefits through the State Health Plan for Teachers and State Employees.

An adjunct instructor shall not be required to hold or apply for licensure as a teacher.

For the 2019-2020 school year, an individual who does not possess an associate or baccalaureate degree shall be deemed to meet the minimum criteria for employment as an adjunct instructor if the individual (i) can clearly demonstrate a minimum of six years in the last 10 years of professional experience in the relevant skill or trade and (ii) possesses a recognized industry credential or an active professional license that is required for each subject area or course.

For the 2020-2021 school year, the State Board of Education shall develop minimum criteria of relevant education or employment experience to qualify to contract as an adjunct instructor in each career and technical education career cluster. The criteria shall weigh work experience and industry recognized licenses or credentials over educational attainment level.

(G.S. 115C-157.1 SL 2019-185 Section 2.(a), SBE Policy EVAL-023)

### **2. Adjunct K-12 instructors in Core Academic subjects, fine and performing arts, and foreign languages**

An adjunct instructor may be employed for less than 20 hours per week or for less than six full consecutive months of employment. Adjunct instructors may be classified as temporary full-time or part-time employees. Based on the status as a temporary public school employee, an adjunct instructor shall not be eligible to earn paid leave, participate in the Teachers' and State Employees' Retirement System, or receive or purchase health benefits through the State Health Plan for Teachers and State Employees.

An adjunct instructor shall not be required to hold or apply for licensure as a teacher.

The State Board of Education shall develop minimum criteria of relevant education or employment experience for an individual who is currently employed at an institution of higher education as a faculty member to qualify that individual to contract as an adjunct instructor in specific core academic subjects in grades kindergarten through 12.

(G.S. 115C-298.5 SL 2017-91 Section 1, SL 2021-48 Section 1)

### III. Substitute Teachers

*A person is considered a substitute when filling in for a teacher who is on paid leave, not filling an interim position.*

#### A. PAY BASIS

Current pay rates are indexed to the A-00 teacher rates.

| Substitute | Minimum Dollar Amount | Maximum Daily Rate | % of A-00 Teacher Rate (calc. on 22 days) |
|------------|-----------------------|--------------------|---|
| Licensed   | 109                   | 168                | 65%                                       |
| Unlicensed | 84                    | 168                | 50%                                       |

Note: Beginning FY 2023 Minimum \$ 15.00 per hour for noncertified public-school employees.

#### Licensed

For licensed substitutes working either part-time or full-time, the pay rate is at least 65% of the A-00 teacher calculated on a 22-day month (not 21.5). The maximum pay rate allowable is the licensed daily rate of pay calculated on a 22-day month.

A licensed substitute must hold a current North Carolina license.

#### Unlicensed

For unlicensed substitutes working either part-time or full-time, the pay rate is at least 50% of the A-00 teacher rate calculated on a 22-day month (not 21.5). The maximum pay rate allowable is the daily rate of licensed substitutes pay calculated on a 22-day month.

**NOTE:** Under no circumstances can an unlicensed substitute earn more than a licensed substitute; however, the pay rate can be the same for both.

## B. FULL TIME SUBSTITUTES

A full-time substitute must work at least 30 hours per week and is expected to be employed at least six consecutive months. Full-time substitutes earn the same benefits as other employees and are paid as a substitute.

Full-time substitutes must be coded with an object code of 164.

## C. NON FULL-TIME SUBSTITUTES

Substitute teachers who are not classified as full-time can only be paid for the actual number of days worked. This payment does not include the option of pay for weekends, pay for holidays, etc.

## D. TEACHER ASSISTANTS AS A SUBSTITUTE

When a teacher assistant is assigned to serve as a substitute teacher, the daily rate paid shall be the same as the daily rate for an entry level teacher with an 'A' license (A-00) (calculated on 21.5 days).

An absence code (Reason Code 37) is to be charged to the regular teacher assistant assignment (object code 142) for each day or half-day the teacher assistant serves as a substitute. The PRC for the payment of the teacher assistant's substitute payment is the same PRC from which the teacher assistant is normally paid, with the exception of substitute payment for staff development activities.

## E. FUNDING SOURCE

### 1. Instructional Personnel

Unless otherwise required, a substitute for a regular teacher is paid from the same source of funds from which the regular teacher is paid. If the teacher is paid from more than one fund, the substitute will be paid at the same percent from each fund as the teacher for the appropriate number of days.

**Example:** A teacher is 50% state and 50% local and is absent one day. The substitute will be paid for one day at 50% state and 50% local; NOT ½ day at 100% state and ½ day at 100% local.

#### **Exceptions:**

##### **a. *Substitute Pay for Staff Development:***

The PRC used for the substitute's payment due to staff development activities is the same PRC used for the teacher's staff development payment. Substitute payments for staff development activities are **not** charged to object 312 (Workshop Expenses), but to one of the approved substitute pay object codes.

***b. Substitute Pay for Child Involvement Leave:***

Substitutes employed for teachers taking Child Involvement Leave shall be paid from Local funds **only**.

## **2. Principal Replacement**

A substitute employed to replace the teacher who fills in for a principal shall be paid from the same source of funds as that of the principal's salary (local, state or federal). An assistant principal filling in for a principal does not constitute a substitute. Additional pay is not applicable to the assistant principal due to the terms in the contract of regular duties associated with the position of assistant principal.

## **3. Exceptional Children Requirements**

When non-instructional temporary replacement personnel are required in the Exceptional Children Program, the replacement person shall be paid from the same source of funds as the employee being replaced. If a teacher assistant is absent and a temporary replacement teacher assistant is required by law to be placed in that absent position, the temporary replacement teacher assistant is paid based on the non-certified salary schedule, which includes teacher assistant. The same source of funds as the absent teacher assistant should be used.

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## IV. Student Services Personnel

### A. STUDENT SERVICES PERSONNEL POSITIONS AND BUDGET CODES

1. Student Services Personnel paid on the Teacher Salary Schedule:

| Positions  | Object Codes |
|--|--------------|
| School Counselor ( <i>licensure area 00005</i> )                       | 131          |
| School Social Worker ( <i>licensure area 00006</i> )                   | 131          |
| Nationally Certified School Nurse<br>(no license area assigned by DPI) | 131          |
| Media Coordinator ( <i>see "Attachment A"</i> )                        | 131          |
| Full-Time Mentors  | 134          |
| Instructional Coaches  | 135          |

2. Student Services Personnel paid starting at the 6<sup>th</sup> Step of the A Teacher Salary Schedule:

| Positions   | Object Codes |
|---|--------------|
| Speech-Language Pathologist ( <i>licensure area 88082</i> ) | 132          |
| Audiologist ( <i>licensure area 88003</i> )                 | 132          |
| School Psychologist ( <i>licensure area 00026</i> )         | 133          |

3. Student Service Personnel paid on the Non-Certified Salary Schedule:

| Positions  | Object Codes |
|--|--------------|
| Non-Nationally Certified School Nurse<br>(no license area assigned by DPI) | 146          |

**B. AUDIOLOGISTS LICENSED BELOW THE MASTER'S DEGREE LEVEL**

Audiologists licensed below the master's level in license area 88003 are to be compensated on the teacher salary schedule according to the number of years on their license and their highest level of education. (See Salary Schedules for salary ranges).

**C. SPEECH-LANGUAGE PATHOLOGISTS LICENSED BELOW THE MASTER'S DEGREE LEVEL**

Speech-language pathologists licensed below the master's degree level in area 88082 are to be compensated on the teacher salary schedule according to the number of years on their license and their highest level of education. (See Salary Schedules).

**D. PROVISIONALLY LICENSED SCHOOL PSYCHOLOGISTS**

School psychologists who are provisionally licensed and have not completed the sixth-year education requirement will be compensated on **the master's degree 'M' teacher salary schedule.**

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## V. Other Certified Personnel

### A. OVERVIEW

Other certified personnel are employed in positions with job classifications requiring professional certification as prescribed by the State Board of Education. These positions do not require a professional license issued by the Licensure Section and are not required:

- to complete an approved education program or
- to achieve a specified minimum score on the National Teacher’s Examination/Praxis Examination.

### B. SCHOOL NURSE

Effective July 1, 2002, school nurses employed in the public schools prior to July 1, 1998, shall not be required to be nationally certified to continue employment. Therefore, all school nurses employed since July 1, 1998 are required to be certified by either:

- the American Nurses Credentialing Center (ANCC) or
- the National Board for Certification of School Nurses (NBCSN)

#### 1. Prerequisites for national certification:

| Association   | Initial Certification Requirements   |
|---|--|
| American Nurses Credentialing Center (ANCC)               | ANCC has discontinued its program for initial certification in school nursing. ANCC only provides re-certification in school nursing for nurses who hold current ANCC certification in school nursing.   |
| National Board for Certification of School Nurses (NBCSN) | Required:<br>Current license as a registered nurse in the U.S. or territories;<br>A baccalaureate degree or higher in nursing or a health-related field; and<br>Recommended to also have completed a year or more of practice in school nursing. |

#### For additional information:

The American Nurses  
Credentialing Center  
8515 Georgia Ave, Suite 400,  
Silver Spring, MD 20910-3492  
1.800.284.2378  
212.356.0678 (fax)

National Board for Certification of  
School Nurses, Inc.  
1350 Broadway, 17th Floor  
New York, NY 10018  
1.888.776.2481 (toll free)

## 2. Salary basis

Nationally certified school nurses who are employed in the public schools as nurses shall be paid on the classroom teacher's 'M' salary schedule according to their years of experience. The Licensure Section does not currently license school nurses. LEAs will assign years of experience for their nationally certified school nurses using the formula Licensure uses to determine non-teaching experience for workforce development health occupations. Contact the Licensure section if you have any question on the rules for assigning non-teaching experience.

Non-nationally certified school nurses should be paid within the non-certified nurse salary range.

## 3. Budget code

Budget code 5840-xxx-131 should be used to code the nationally certified school nurses.

Budget code 5840-xxx-146 should be used to code the non-certified school nurses.

## 4. Daily rate of pay

Nationally certified school nurses are paid based on 21.5 days regardless of the number of weekdays in the month of service.

Non-certified school nurses whose term of employment is *exactly* 10 months (215 days) will be paid based on 21.5 days in a month. Those non-certified school nurses whose term of employment is *not exactly* 10 months (215 days) will be paid based on the actual number of workdays in a month (20, 21, 22, or 23).

## 5. Employing non-certified school nurses

LEAs may employ, if necessary, non-certified nurses. However, they must be hired with the stipulation that they become nationally certified within three years of their hire date.

**Rule:** Until national certification is attained, their salary shall be assigned according to the non-certified nurse ranges.



## SECTION E NON-CERTIFIED PERSONNEL

### I. Salary Determinations

#### A. DAILY RATE OF PAY

Effective July 1, 2005, school-based non-certified employees whose term of employment is exactly 10 months (215 days) will be paid based on 21.5 days in a month.

School-based non-certified employees whose term of employment is not exactly 10 months (215 days), and all central office non-certified employees will be paid based on the actual number of weekdays in a month.

**EXCEPTION:** All teacher assistants will be paid based on 21.5 days in a month.

#### B. NON-EXEMPT HOURLY RATE OF PAY

Compute the hourly rate of pay for non-exempt employees using the following calculations:

| Step | Calculation                         |
|------|-------------------------------------|
| 1    | Monthly Salary x 12 = Annual Salary |
| 2    | Annual Salary ÷ 52 = Weekly Salary  |
| 3    | Weekly Salary ÷ 40 = Hourly Rate    |

#### C. SALARY BASIS

Non-certified personnel must be paid within the salary range for their job classification, based on a 40-hour workweek. If the established workweek is less than 40 hours, the hourly rate of pay must be based on a 40 hour workweek.

EXAMPLE: According to the Non-Certified Salary ranges in the <https://www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/compensation-public-school-employees>

Beginning with the 2022-23 fiscal year, the State Board of Education shall increase the minimum of all salary grades and ranges it maintains for noncertified public school employees, as necessary, to achieve a minimum hourly compensation rate of fifteen dollars (\$15.00) per hour.

Beginning July 1, 2021, the annual salary for noncertified public school employees whose salaries are supported from State funds shall be a minimum of \$15 per hour.

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The minimum allowed salary for a pay grade employee is: 2,600. This is based on the employee working 40 hours. If the employee works less than 40 hours, the individual has to be paid the same hourly rate as if they worked 40 hours, although they will not earn the \$2,600. If the employee worked 30 hours a week, the monthly salary would be \$1,950.

| Step | Calculation                         | Example                  |
|------|-------------------------------------|--------------------------|
| 1    | Monthly Salary x 12 = Annual Salary | \$ 2,600 x 12 = \$31,200 |
| 2    | Annual Salary ÷ 52 = Weekly Salary  | \$ \$31,200 ÷ 52 = \$600 |
| 3    | Weekly Salary ÷ 40 = Hourly Rate    | \$ 600 ÷ 40 = \$15.00    |

The individual that worked the full 40 hours would earn \$600.00 per week. An individual that worked 30 hours would only earn \$450.00. Both are being paid the same hourly rate and would meet the minimum monthly salary requirements for a pay grade 50 employee.

**EXCEPTION:** Nationally certified school nurses are to be paid on the classroom teacher’s ‘M’ salary schedule. See Section D V.B.

**D. AVERAGE SALARY/STATE ALLOTMENT COMPLIANCE**

By the end of the third pay period each fiscal year, state law (G.S. 115C-12(16)(b)) requires that local boards of education place the following state-allotted positions:

- office support personnel (object codes 151),
- teacher assistants (object code 142), and
- custodial personnel (object code 173)

on the salary schedule adopted by the State Board of Education so that the average salary paid for each personnel classification is at least 98% of the state-allotted amounts. In placing these employees on the salary schedule, local boards shall consider each employee’s:

- education,
- training, and
- experience (including other local school administrative units).

**E. WORKWEEK**

Salaries for all classifications of non-certified personnel are based on a 40-hour workweek. The monthly salary for standard workweeks of less than 40 hours must be prorated accordingly.

## **F. TEACHER ASSISTANT ENGAGED IN INTERNSHIP**

Teacher assistants shall continue to receive their salary and benefits while interning in the same local school administrative unit where they are employed as a teacher assistant.

Teacher assistants who participate in this program shall meet the following requirements: (1) Be enrolled in a recognized EPP. (2) Be employed in a North Carolina public school

Local school administrative units are encouraged to assign teacher assistants to a different classroom during an internship than the classroom they are assigned to as a teacher assistant. To the extent possible, they may be assigned to another school within the same local school administrative unit.

(G.S. 115C-269.30, Session Law 2017-189 section 2(i), 6(n).

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## **II. Source of Funds**

### **A. STATE FUNDED NON-CERTIFIED EMPLOYEES**

Each local board of education shall:

1. Examine the duties and responsibilities of all non-certified personnel in its employment whose salaries are paid from state funds (in whole or in part),
2. Classify non-certified personnel according to class specification in Class Specifications for Non-Certified Public School Employees, and
3. Pay these employees in accordance with the state salary ranges for non-certified personnel.

**Class Specifications for Non-Certified Personnel can be found at or contact:**

<https://www.dpi.nc.gov/districts-schools/districts-schools-support/district-human-capital>

### **B. LOCAL OR FEDERAL FUNDS FOR NON-CERTIFIED EMPLOYEES**

The local board of education shall have full authority to establish the salary of its locally or federally paid employees. Local boards are not bound by rules and regulations established for employees paid from state funds if they have adopted a local salary schedule that recognizes a difference in salaries based on variations in:

- duties,
- training,
- experience,
- professional fitness, and
- continued service in the same school.

If a local salary schedule is not adopted, the state salary schedule shall be in force.

### **C. PRORATING OF TIME - MULTIPLE POSITIONS - NO OVERTIME**

#### **Teachers and Other Personnel Who Also Drive a Bus**

If a teacher or other employee also drives a school bus during the hours designated as their standard workday, the standard workday of that individual must be adjusted to reflect actual work time and their salary adjusted accordingly. The bus driving time must be coded to and paid from the transportation allotment. The rate of pay for bus driver duty is based on the bus driver salary range. For example, if a teacher's regular work hours begin at 7:30, but the teacher drives a bus from 7:30 till 8:00, the teacher would be prorated 93.33% employed as teacher and 6.67% employed as Bus Driver (no overtime applicable).

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## **III. Overtime Pay Policy and Definitions**

### **A. OVERTIME POLICY**

As of April 15, 1986, overtime compensation must be provided to employees determined to be non-exempt on the basis of U.S. Department of Labor Regulations (Code of Federal Regulations, Chapter 29, Part 541) and other U.S. Department of Labor publications.

### **B. TYPES OF OVERTIME COMPENSATION**

Public schools may provide this compensation in either of two forms:

- overtime pay at the rate of one and one-half times the regular rate of pay for all hours in excess of 40 hours in a workweek, or
- compensatory time off at a rate of one and one-half hours for each hour worked in excess of 40 hours in a regular workweek provided the employee is notified and is in agreement that compensatory time will be given before the work is performed.

### **C. WHO DECIDES HOW TO COMPENSATE?**

The decision to provide either overtime pay or compensatory time off rests with the local board of education. The local board of education may establish policies on:

- the number of hours allowed to be accumulated up to a maximum of 240 hours and
- the timeframe in which these hours shall be taken (e.g., compensatory time off must be taken before annual vacation leave is used).

If compensatory time off is used, the following guidelines must be followed:

1. The employer and the employee must arrive at an understanding or agreement on the use of compensatory time before any work is performed.

2. Compensatory time must be given at the premium rate of not less than one and one-half hours for each hour of employment for which overtime compensation is required.
3. Employees may not accrue more than 240 hours of compensatory time (160 actual hours) for hours worked.
4. An employee who accrues the maximum amount of compensatory time (240 hours) must receive cash payments for any additional hours of overtime work.
5. If the employee is paid for the accrued compensation time off (i.e. cashed out), cash payments must be paid at the regular rate earned by the employee at the time the employee worked the overtime or receives such payment.
6. Upon termination of employment, an employee must be paid for unused compensatory time at a rate of compensation not less than (a) the average regular rate received by the employee during the last 3 years of employment, or (b) the final regular rate received by the employee, whichever is higher.
7. An employee who requests the use of compensatory time must be permitted to use such time within a reasonable period, if the use of compensatory time does not unduly disrupt the operations of the unit. Any unused compensatory time must be paid for at the time of separation from employment.

#### **D. DETERMINING FLSA STATUS**

The determination of exempt status for employees depends on:

- the duties of the position
- the employee's actual work.
- the salary level and
- the salary basis/method of payment.

Generally, employees occupying positions requiring an educator's license and others occupying professional or managerial positions without licensure requirements are exempt from the FLSA and are not subject to the overtime provision.

#### **E. EXEMPTIONS FROM OVERTIME PAY**

FLSA exemption determinations must be made at the local level.

Under the FLSA, the following groups of employees are exempt from the overtime pay provision:

1. Elected public officials, their immediate advisors, and appointees
2. Employees that meet exemption requirements for executive, administrative, professional and highly compensated occupations, and high-income computer employees, which are defined as follows:
  - a. Executive employees - must earn a salary of \$455 or more a week, and meet the following conditions:
    - i. Primary duty (main, major or most important duty; generally, 50% or more of time) - must manage an enterprise, department, or subdivision thereof;
    - ii. Supervision - must customarily and regularly direct the work of two or more employees;

- iii. Authority - must be able to hire and fire or suggest changes in status of other employees, and their input is given particular weight.
- b. Administrative employees - must earn a salary or fee of \$455 or more per week, except for academic administrative personnel, who must earn at least the entrance salary for teachers in the school or educational institution by which employed; and meet the following conditions:
  - i. Primary duty (main, major or most important duty; generally, 50% or more of time) - must perform office or non-manual work relating to management policies, or general business operations, or perform functions in the administration of a school or educational institution in work directly related to academic instruction;
  - ii. Other duties - must regularly and directly assist an executive or administrative employee, or must work under general supervision along specialized or technical lines that require special training, experience, or knowledge, or must execute specialized assignments under only general supervision;
  - iii. Discretion - must customarily and regularly exercise discretion and independent judgment with respect to matters of significance.
- c. Professional employees - must earn a salary or fee of \$455 or more per week, except this requirement does not apply to teachers employed by schools or other educational institutions, or to qualified computer employees who may be paid on an hourly basis of at least \$27.63 per hour. In addition, the following conditions must be met:
  - i. Primary duty (main, major, or most important duty; generally 50% or more of time) - must perform work requiring advanced knowledge in a field of science or learning acquired by specialized study; or must perform original and creative work in a recognized artistic endeavor, which depends primarily on the invention, imagination, or talent of the employee; or must teach; or must perform work requiring theoretical and practical application of specialized knowledge in computer systems analysis, programming design, or software engineering;
  - ii. Other duties - learned professionals must perform work that is predominantly intellectual and varied in nature and involves output, which cannot be measured on the basis of standardized units of time;
  - iii. Discretion - must consistently exercise discretion and judgment.

## **F. SPECIAL PROVISIONS - PUBLIC EMPLOYEES**

One of the most important factors used to determine whether an employee qualifies for the overtime exemption is that the employee must be paid on a “salary basis.” One test used by the US Department of Labor to determine “salary basis” payment is whether an employee’s pay is subject to reduction for time away from work of less than one day. This test has been recognized as an important factor in determining the line between exempt and non-exempt employees. *However, this test does not work well in the public*

*sector.* Statute or public policy requires public employers to use pay systems that require all employees to use accrued leave or incur a reduction in pay for absences from work. Thus, under the above test, all public employees, including managers who otherwise would clearly be exempt from the overtime requirements, could be considered non-exempt. As a result, the US Department of Labor has adopted regulations to eliminate this anomaly. Under this rule, an otherwise exempt public-sector employee who is paid according to a pay system that reduces earnings for time away from work of less than one day will not be disqualified from exemption because of such a pay system. Furthermore, the exemption will not be lost because of budget-required furloughs that are not regular and recurring, except in the workweek in which such a deduction occurs.

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## **IV. Calculating Overtime Pay/Hours**

### **A. STATE DOES NOT ALLOT OVERTIME FUNDS**

The state does not provide additional funds to pay overtime. If overtime occurs and money is not available in the state allotment from which the employee is paid, it must be paid from local fund sources.

### **B. STANDARD WORKWEEK**

All monthly salaries shown in the non-certified section of the state salary schedule are based on a standard workweek of 40 hours.

#### **Workweek:**

The workweek is a fixed and regularly recurring period of 168 hours (seven consecutive 24-hour periods).

An employee who is subject to the requirements of FLSA is entitled to overtime at time and one-half for all hours worked over 40 in a workweek. Holidays and paid leave do not count toward the 40-hour requirement.

#### **Employee's regular workweek:**

For a non-exempt employee, the employee's regular workweek is the period of time (hours) for which the salary is intended to provide compensation.

**EXCEPTION:** The standard workweek for teacher assistants is established by the local board of education.

#### **1. Regular workweek less than 40 hours?**

If an employee's regular workweek is less than 40 hours, the employee is not entitled to overtime pay until hours worked exceed 40. However, the employee

may be entitled to straight-time pay for hours worked up to 40, unless it is clear that the salary covers a 40-hour workweek.

Hours worked do not include any pay for:

- holiday,
- vacation, or
- sick leave.

If the regular workweek includes any pay for:

- holiday,
- vacation, or
- sick leave,

the employee must work in excess of 40 hours, excluding paid leave days to receive overtime pay.

## **2. Hours worked**

Hours worked includes all the time that an employee is required to be on duty, on the employer's premises or at another prescribed workplace, and all times during which the employee is permitted to work for the employer. It also includes any work, which the employee performs on or away from the premises, if the employer knows or has reason to believe that the work is being performed. If an employee's regular workweek is less than 40 hours, the employee is not entitled to overtime pay until hours worked exceed 40. However, the employee may be entitled to straight-time pay for hours worked up to 40, unless it is clear that the salary covers a 40-hour workweek.

## **3. Volunteer work**

An employee cannot volunteer to perform work that involves duties, which are normally associated with the employee's regular work. Volunteers may be paid expenses, reasonable benefits, a nominal fee, or any combination of these for their services without losing their volunteer status. The value of any benefit or nominal fee received by an employee for volunteer work would be reported on the employee's annual W-2 form.

## **4. Occasional or sporadic work**

The FLSA provides that State and local government employees can work "occasionally or sporadically" at another job for the same public agency, without requiring the employer to combine the hours from both jobs in determining the overtime liability. However, to use this exemption, the employee must work at the other job solely at his/her option, and the other job must be on a part-time basis and must be infrequent, irregular or occurring in scattered instances. In addition, the employee's other job must be in a different capacity from his/her regular job.

## **C. SALARY**

An employee's salary includes:



- the amount of compensation to which the employee is entitled during the year from the salary schedule;
- the amount of longevity pay, if any, to which the employee is entitled during the year; and
- the amount of local supplement, if applicable, to which the employee is entitled during the school year,
- non-discretionary bonuses (i.e. the employer contract agrees or makes a promise to pay it).

**D. CALCULATION WHEN EMPLOYED IN ONE POSITION**

| Step | Calculation  |
|------|--|
| 1    | Monthly salary x 12 (or months employed) = annual salary                 |
| 2    | Annual salary ÷ 52 = weekly salary                                       |
| 3    | Weekly salary ÷ hours actually worked = hourly regular rate of pay       |
| 4    | Determine the number of hours worked during the workweek in excess of 40 |
| 5    | Hourly regular rate x hours worked over 40 x 1.5 = overtime pay          |
| 6    | Weekly salary + overtime pay = total gross wages due                     |

**E. CALCULATION WHEN EMPLOYED IN MORE THAN ONE POSITION**

When a non-certified person is employed:

- in two or more positions having different rates of pay and
- the total hours worked in the workweek exceeds 40.

If agreed upon by both the employer and the employee, up to 240 hours may be granted as compensatory time off instead of overtime pay. Hours of compensatory time shall accrue at a rate of time and a half. Overtime compensation, in the form of overtime pay or compensatory time shall be provided after 40 hours of work and cannot be waived by agreement between the employer and employee.

**Prorate overtime to budget codes for each position**

Allocation of overtime pay at time and one-half must be prorated to the overtime budget codes for each position’s respective allotment.

- a. Non-exempt Employee and a Non-exempt Position:* If a non-exempt employee works in more than one capacity (i.e., teacher assistant/bus driver), all compensation would be paid from the sources of funds that incurred the expense. For example, if the teacher assistant/bus driver worked 45 hours in a given week, the first 40 hours would be distributed and paid at straight time according to the work normally performed. The appropriate number of hours would be paid for

teacher assistant duties from the teacher assistant allotment, and the appropriate number of hours would be paid for bus driver duties from the transportation allotment. **Payment for the five (5) hours of overtime must be prorated between the same budget codes as the salary payments.**

Use the respective percentages calculated by comparing the number of hours in the teacher assistant position to the total hours and the number of hours in the bus driver position to the total hours to prorate the overtime payment. The overtime payment would be charged to the appropriate overtime expenditure code in each allotment.

- b. *Non-exempt Employee and an Exempt Position:*** When a non-exempt employee works in more than one capacity and the second position is typically held by an exempt employee (i.e., teacher assistant/athletic coach), those hours worked as a coach are categorized as non-exempt hours. Where the employee who coaches beyond the regular full-time duties performed in a position which is non-exempt under the Fair Labor Standards Act, the employee remains non-exempt in the coaching position. This is true even though a full-time coach could be classified as exempt. **Part-time duties of non-exempt employees do not change their classification; the full-time duties control in fixing the status of non-exempt employees.**
- c. *Exempt Employee and a Non-exempt Position:*** If an exempt employee works in more than one capacity, and the second position is typically held by a non-exempt employee (i.e., teacher/bus driver), the amount of time worked per week in the non-exempt position **must** not be the employee's primary duty. Therefore, if the employee's regular workweek in a combination job is 40 hours, then they may work only eight hours per week in a non-exempt position without changing their classification to non-exempt, and **none** of the time worked would be subject to overtime. However, if the employee worked more than eight hours in a non-exempt position, then the employee's classification would change to non-exempt and **all** of the time worked would be used to qualify for overtime.
- d. *Exempt Employee and Non-Exempt Summer Employment:*** When a 10-month employee (i.e., teacher) works as a painter or in some similar class of work during the summer months, that employee is to receive time and a half compensation for hours over 40 per week during those summer months. This answer is based upon the implicit assumptions that (1) the employee is employed by the same employer during the summers as during the school term, and (2) that the employee does not perform his/her regular full-time teaching duties during the summer months. Work as a painter is non-exempt under the Fair Labor Standards Act, and the requirements pertaining to overtime (i.e., hours over 40 hours per week) apply to that employee.

## **F. OVERTIME CALCULATION: MULTIPLE POSITIONS WITH DIFFERENT PAY RATES:**

1. Determine the total number of hours worked during the workweek in each position.
2. Determine the employee's hourly rate of pay for each position.
3. Multiply the number of hours worked during the workweek in each position by the appropriate hourly rate of pay.
4. Total the results for all positions to determine the total regular wages.
5. Divide the result in #4 above by the total number of hours worked during the workweek in all positions to determine a weighted hourly rate of pay for the employee.
6. Multiply the weighted hourly rate by .5 and then multiply the result by the number of hours worked in the workweek in excess of 40 to determine the overtime premium.
7. Add the result in #6 to the result in #4. This is the employee's total gross compensation due.
8. Total gross compensation, consisting of salary and overtime pay, must be prorated among the positions worked, with overtime pay recorded to the appropriate overtime code.

## **G. FUNDING SOURCE**

Whether an employee is funded from multiple state sources, multiple federal sources, multiple local sources, or a combination of any of these sources, the appropriate wage for hours worked (both for straight time and overtime) must be paid from the funding sources appropriate for the duties being performed.

Overtime compensation is an expense that is paid from available funds in the appropriate allotment. No additional allotments are made to cover these expenses. Therefore, if overtime occurs and funds are not available in the appropriate allotment, the overtime must be paid from local funds. This is true regardless of the funding sources for employees subject to the Fair Labor Standards Act. Overtime pay must be charged to object code 199. The regular salary object code (i.e., 142, 171) is not used for the payment of overtime.

## **H. DUE DATE OF OVERTIME PAYMENT**

Overtime compensation earned in a particular workweek must be paid to the employee on the regular payday for the period in which such is done. If this is not possible due to cut off times necessary for preparing payrolls, then payment must be made no later than the next regular payday.

## **I. RECORD KEEPING**

Under FLSA, all covered employers must meet certain record keeping regulations. These records must be kept for each non-exempt employee. The following is a listing of the basic records that an employer must maintain:

- 1. Every LEA shall maintain and preserve payroll or other records containing the following information and data:**
  - a. Employee's full name and social security number.
  - b. Home address, including zip code.
  - c. Date of birth, if under 19.
  - d. Sex and occupation.
  - e. Time of day and day of week on which the employee's workweek begins (can be stated in LEA policy).
  - f. Hours worked each day.
  - g. Regular hourly rate of pay in any workweek in which overtime premium is due; basis on which wages are paid (e.g., \$6/hour, \$220/week, \$1300/month); the amount and nature of payments which are excludable from the regular rate of pay. (Basis of which employee's wages are paid)
  - h. Total daily and weekly hours of work.
  - i. Total daily or weekly straight time earnings.
  - j. Total overtime earnings for the workweek.
  - k. All additions to or deductions from wages.
  - l. Total wages paid each pay period.
  - m. Date of payment and the pay period covered by payment.
- 2. The basic record keeping requirements for employees subject to the compensatory time provisions are:**
  - a. All of the applicable information above,
  - b. The number of hours of compensatory time earned each workweek, or other work period, by each employee at the rate of one and one-half for each overtime hour worked,
  - c. The number of hours of such compensatory time used each workweek, or other work period, by each employee,
  - d. The number of hours of compensatory time paid in cash, the total amount paid, and the date of such payment, and
  - e. Any collective bargaining agreement or written understanding or agreement with respect to earning and using compensatory time. If such agreement or understanding is not in writing, a record of its existence must be kept.
- 3. The basic record keeping requirements for executive, administrative, and professional employees are:**
  - a. All of the information required above in (1.) except for items (f) through (k).
  - b. Necessary information to permit calculation for each pay period of the employee's total remuneration for employment, including fringe benefits (e.g., \$2000 per month plus hospitalization, insurance plan A, benefit package B, and two weeks paid vacation).

Records of the required payroll information must be preserved for three (3) years. Records on which wage computations are based should be retained for two (2) years; i.e., time cards, wage rate tables, time schedules, and records of additions to or deductions from wages.

An employer that fails to maintain adequate records could face serious consequences if subjected to enforcement proceedings or a lawsuit seeking to collect back wages and unpaid overtime.

## **J. ENFORCEMENT**

Investigators for the local Wage and Hour Division of the US Department of Labor enforce the provisions of the FLSA. The wage-hour investigators have the authority to conduct investigations and gather data on wages, hours, and other employment conditions or practices, in order to determine compliance with the FLSA. If violations are found, the wage-hour investigators have the authority to recommend changes in employment practices in order to bring an employer into compliance with the FLSA. Employers who willfully violate the FLSA may be prosecuted criminally. The violator may be fined criminal penalties up to \$10,000, and a second conviction may result in imprisonment. Employers who willfully or repeatedly violate the overtime pay provisions are subject to civil monetary penalties of up to \$1,100 per violation. Finally, the FLSA prohibits the shipment of goods in interstate commerce, which were produced in violation of the overtime pay provisions.

## **K. COMMON VIOLATIONS**

The 10 most common violations made by employers are as follows:

1. ***Misclassification of employees as exempt from the overtime requirements of the FLSA.***

In many cases, an employee has been erroneously classified as exempt and should have been receiving overtime.

2. ***Not properly compensating employees for meal and break periods.***

Generally, an employee must be paid for meal periods unless:

- a. the period is at least 30 minutes long,
- b. the employee is completely relieved of duties, and
- c. the employee can leave the work post, although he/she can be required to stay on the premises of the unit.

If an employee is required to perform work during this time, it must be counted as hours worked even if the period is labeled as a meal period and the employee eats during this time. Rest periods and coffee breaks of 20 minutes or less are generally required to be counted as hours worked.

3. ***Not compensating employees for “on call” time.***

If an employee is required to sit by the phone and be available for a phone call and come to work immediately, that time is compensatory.

4. ***Not paying employees for time in training and other educational sessions.***

Payment is required when attendance is mandatory, and the training session is designed to enhance the skills needed by an employee to perform a current job assignment. Teacher assistant training to meet the employment criteria under “No Child Left Behind” legislation is exempt from this requirement.

5. ***Not paying employees for compensatory travel time.***

6. ***Not properly administering a compensatory time off policy that substitutes time off for overtime.***

7. ***Not compensating employees for unauthorized overtime.***

If management is aware that an employee is working before or after normal

hours, during break times, or at home, the hours worked must be compensated and included as overtime if the employee has worked more than 40 hours in a week.

8. ***Failing to include certain non-discretionary bonus payments or overtime into weekly payments for overtime calculation.***
9. ***Not paying employees for all time that is recorded on time cards.***
10. ***Not maintaining accurate records or in cases of dual recordkeeping, having inconsistent records.***

## L. INTERPRETATION OF FLSA LAWS

To obtain additional information, contact the nearest office of the Wage and Hour Division listed in most telephone directories under U. S. Government, Department of Labor; or by accessing the Department of Labor on the internet: [www.dol.gov](http://www.dol.gov).

## M. SAMPLE QUESTIONS - OVERTIME PAY

1. When a teacher assistant (or any non-exempt employee) is also employed beyond their regular workweek as an athletic coach, are those hours worked as a coach in the exempt or non-exempt category?

**Answer** - Non-exempt: When an employee coaches beyond the regular duties performed in a full-time position which is non-exempt under the FLSA, the employee remains non-exempt in the coaching position. This is true even though a full-time coach could be classified as an exempt position. Part-time duties in this instance do not change the status as the full-time primary duties predominate in fixing the character of the position.

2. When a teacher, who is exempt from FLSA by the law during the regular ten month term, also works as a painter or in some such class of work during the summer months, is that employee to receive time and a half compensation for hours over forty per week during those months?

**Answer** - Yes, this answer is based upon the implicit assumptions that (1) the employee is employed by the same employer during the summer as during the school term, and (2) that the employee does not perform his/her regular full-time teaching duties during the summer months. Work as a painter is non-exempt under the FLSA, and the requirements pertaining to overtime (i.e., hours over 40 hours per week) applies to that employee.

3. When a school secretary volunteers to serve as an athletic coach for a small fee, are those hours worked as a coach eligible for overtime compensation?

**Answer** - No, according to the Fair Labor Standards Act, employees who volunteer their time outside their normal services and who receive only expenses, reasonable benefits, or a nominal fee are exempt from coverage under the FLSA. When utilizing school employees who volunteer their time to coach, always take care to see that their services

are totally voluntary, are not similar to their normal duties, and are rewarded with a nominal fee, expense reimbursement, or on some other basis that is clearly not a salary.

4. When a maintenance or any other non-exempt employee is employed beyond their regular workweek to perform work at the school (cleanup, opening and closing of school, etc.) for an outside agency, how is the employee paid?

**Answer** - If the employee is required to perform work for the outside agency, anytime worked over 40 hours is payable at time and a half. The employee is still considered an employee of the school system when conducting this type of work for the outside agencies and is paid accordingly. The school system should pay the employee the applicable rate (including overtime, if appropriate) and have the outside agency reimburse the school system, if the outside agency is required to pay for this service by the school system. Payment for this type of activity must be paid from local funds. Note, however, that an employee could choose to volunteer to assist an outside agency, and such work would not have to be compensated as long as the outside agency is considered an independent entity from the school district.

5. What is the workweek for a non-exempt employee?

**Answer** - The workweek is established by the local Board of Education for teacher assistants. For all other non-certified employees the salary manual provides for a 40 (forty) hour workweek.

## SECTION F MISCELLANEOUS

### I. Deductions from Payroll

#### A. REFERENCES for Deductions from Payroll

North Carolina Department of State Treasurer Policies Manual  
[www.nctreasurer.com](http://www.nctreasurer.com)

N. C. General Statutes 110-136.1, 105-366, 105-364, and 105-368  
[www.ncleg.net/gascripts/Statutes/Statutes.asp](http://www.ncleg.net/gascripts/Statutes/Statutes.asp)

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### II. Installment Pay

\*If an employee on installment pay has a break in service during the school year (i.e., on Worker's Compensation, short-term disability, leave of absence, etc.), they are no longer on payroll status for 10 months and are therefore, no longer eligible for installment pay. The LEA must adjust the employee to non-installment status.

#### A. ACADEMIC TEACHERS

According to Public School Law, G. S. 115C-302.1(b), State-allotted teachers shall be paid for a term of 10 months. Each local board of education shall establish a set date on which monthly salary payments to State-allotted teachers shall be made. This set pay date may differ from the end of the month of service.

Any individual teacher who is not employed in a year-round school may be paid in 12 monthly installments if the teacher so requests. Such request shall be filed in the local school administrative unit, which employs the teacher. Local school administrative units shall fulfill this requirement through a payroll deduction plan.

The payment of the annual salary in 12 installments instead of 10 shall not increase or decrease the teacher's annual salary nor in any other way alter the contract made between the teacher and the local school administrative unit.

**Principals, Superintendents and Directors are not eligible for installment pay.**



**B. SCHOOL EMPLOYEES PAID ON AN HOURLY BASIS**

According to Public School Law, G. S. 115C-316, “Salary payments to employees other than those covered in G.S. 115C-272(b)(1), 115C-285(a)(1) and (2), 115C-302.1(b) and 115C-316(a)(1) shall be made at a time determined by each local board of education. Expenditures for the salary of these employees from State funds shall be within allocations made by the State Board of Education and in accordance with rules and regulations approved by the State Board of Education concerning allocations of State funds:

School employees employed for a term of 10 or 11 calendar months in year-round schools shall be paid in 12 equal installments.

Any individual school employee employed for a term of 10 or 11 calendar months who is not employed in a year-round school may be paid in 12 monthly installments, if the employee so requests. Such request shall be filed in the administrative unit, which employs the employee. Local school administrative units shall fulfill this requirement through a payroll deduction plan.

The payment of the annual salary in 12 installments instead of 10 or 11 shall not increase or decrease said annual salary nor in any other way alter the contract between the employee and the said administrative unit.

**C. INSTALLMENT PAY INDICATORS**

Installment indicators indicate when the last 2 installment payments are made to an employee. The type of school calendar does not affect the installment indicator. The table below details the valid numeric characters and the new interpretations.

| <b>Numeric Indicator</b> | <b>11th and 12th Installment Months</b>                  |
|--------------------------|--|
| 0                        | Not applicable. Employee is paid on a 10-month schedule. |

If the installment indicators are improperly reported, position resources will be overused and could result in allotment overdrafts.

If you have any questions, please contact the School Reporting Section for help.

**D. BUS DRIVERS**

It is permissible to pay bus drivers employed in full or part-time permanent positions in equal monthly installments (i.e., ten equal checks instead of ten checks of varying amounts.) If a driver is paid an hourly wage, it must be annualized, and then divided by the months of employment. The formula is as follows:

**Formula:** Number of Days of employment X daily rate = annual salary ÷ months employed = monthly rate.

**Example:** 200 days = length of employment (180 driver days, 10 holidays, 10 vacation days); and 10 months of employment.

\$75 = daily rate (\$15.00 per hour X 5 hours per day)

200 X \$75 = \$15,000 annual salary

\$15,000 ÷ 10 = \$1,500 monthly rate

Adjustments for payments of unearned holiday and annual leave must be made if employee resigns during the school year.

**NOTE:** The payment of a bus driver “bonus” (unless specifically legislated) is ineligible from state funds. If and when legislated, bonus pay must be paid from the regular bonus program report code, PRC 45 - Compensation Bonus, not the transportation program report code, PRC 56 - Transportation of Pupils. Under no circumstances can bus drivers be paid above the state salary schedule from state funds.

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### III. Absence Reporting

#### A. ABSENCE CODES

The required codes for reporting absences are as follows:

##### Codes when Employing a Substitute

| <u>Codes</u> |                             | <u>Pay Status</u>           |
|--------------|-----------------------------|-----------------------------|
| 01           | Sick Leave                  | No Deduction                |
| 02           | Donated Shared Leave        | No Deduction                |
| 03           | Extended Sick Leave         | \$50 Deduction              |
| 04           | Absence Without Deduction   | No Deduction                |
| 05           | Absence With Deduction      | \$50 Deduction              |
| 07           | Absence Without Pay         | Days Pay Deduction          |
| 08           | Sick Leave Bank             | No Deduction                |
| 09           | Personal Leave Not Approved | Variable Days Pay Deduction |
| 24           | Contagious Disease          | No Deduction                |

##### Other Absences Codes

| <u>Codes</u> |  | <u>Pay Status</u>  |
|--------------|--|--------------------|
| 10           | Child Involvement Leave                  | At LEA Discretion  |
| 20           | Annual Leave                             | No Deduction       |
| 22           | Annual Leave for Catastrophic Illness    | No Deduction       |
| 26           | Personal Leave Day/Non-Instructional Day | No Deduction       |
| 28           | Bonus Annual Leave                       | No Deduction       |
| 37           | Teacher Assistant When Subbing           | Days Pay Deduction |

(1) If no substitute is hired when a teacher takes personal leave, LEAs shall refund the \$50 deduction.

**Absence Code 10 - Child Involvement Leave:** Substitutes will be charged to local funds only. Substitutes are paid for whole or half days only.

*Note: If using absence code 10, please contact the Salary Administration section and inform them on how this absence is being recorded (whether using a standard deduction or daily rate).*

**Other Absence Code 12 - Leave Adjustment** is no longer needed since the absence deduction is no longer based on the type of substitute but has been standardized at \$50.00.

For a full discussion of employee leave policy; see the [Benefits and Employee Policy Manual](#)

## B. ABSENCE WITHOUT DEDUCTIONS

The LEA will not make deductions from the public school employee's salary in the following cases:

1. **Annual Leave:** Temporary employees are not allowed to be employed to replace an Public School employee, (non-teaching) who is absent on annual leave, except in the case of catastrophic illness or annual leave for new parents. (Reference Section, in the [Benefits and Employment Policy Manual](#).)
2. **Annual Leave for Catastrophic Illness:** Temporary employees employed for these absences shall be paid from the same source of funds as the employee. (Reference Section, in the [Benefits and Employment Policy Manual](#).)
3. **Sick Leave:** Temporary employees employed for these absences shall be paid from the same source of funds as the employee's salary. (Reference Section, in the [Benefits and Employment Policy Manual](#).)
4. **Jury Duty:** Temporary employees employed for these absences shall be paid from the same source of funds as the employee. (Reference Section, in the [Benefits and Employment Policy Manual](#).)
5. **Professional Leave (Assignment by State Superintendent, Governor, General Assembly, or State Board of Education):** Temporary employees employed for these absences shall be paid from State funds. (Reference Section, in the [Benefits and Employment Policy Manual](#).)
6. **Court Attendance by Duty or Subpoena:** Temporary employees employed for these absences shall be paid from the same source of funds as the employee. (Reference Section, in the [Benefits and Employment Policy Manual](#).)
7. **Educational Leave (In-Service School Projects):** Temporary employees employed to replace teachers participating in in-service school projects must be paid from the same source of funds as the employee. (Reference Section, in the [Benefits and Employment Policy Manual](#).)
8. **Educational Leave State-Sponsored Staff Development:** Temporary employees employed to replace teachers participating in state-sponsored staff development activities, for which state funds have been budgeted for substitutes, shall be paid from the appropriate budgeted State funds. (Reference Section, in the [Benefits and Employment Policy Manual](#).)

9. **North Carolina Center for Advancement of Teaching (NCCAT):** Employees may be allowed to attend NCCAT seminars with pay upon the approval of the local superintendent. Pay for substitutes must be provided by the Center.
10. **Incident of Contagious Disease:** Temporary employees employed to replace teachers absent for reason of a contagious disease shall be paid from the same source of funds as the employee. (Reference Section in the Benefits and Employment Policy Manual.)
11. **Bona Fide Religious Holiday:** When a substitute is employed on these holidays, payment must be made from the same source of funds as the employee's salary.
12. **Community Service:** Upon approval of the supervisor, full-time or part-time public school employees may be granted leave to represent the school or LEA at community functions. Substitutes or temporary employees employed for these absences shall not be paid from state funds.
13. **Military Leave with Pay:** Substitutes or temporary employees employed for these absences shall be paid from the same source of funds as the employee's salary. (See Section in the Benefits and Employment Policy Manual.)
14. **Episode of Violence:** If the employment of a replacement teacher is necessary for the continuation of services, the replacement teacher shall be paid from the same source of funds as the injured teacher. The Department of Public Instruction, Division of School Business, shall be notified of the employee who is absent due to an episode of violence. (Reference Section, in the Benefits and Employment Policy Manual.)
15. **Suspension with Pay:** A person employed to replace the suspended employee shall be paid a salary based on the replacement's certification and shall be paid from the same source of funds as the individual suspended. The Department of Public Instruction, Division of School Business shall be notified of the suspension and the replacement person employed. See **NOTE** below. (Reference Section, in the Benefits and Employment Policy Manual.)

**NOTE:**

The notification of an absence due to an **Episode of Violence** or a **Suspension with Pay** can be made by setting a "flag" through payroll that will update the 275-byte payroll detail record or entered through the BUD System on an IPC adjustment. Refer to your individual software instructions on how to set the flag.

16. **Principal Replacement:** No deduction shall be made from the salary of a teacher who fills in for a disabled principal who does not have an assistant principal. The teacher may be reassigned to fill in for the principal after the principal has been on sick leave for at least ten days. This reassignment shall be allowed until the principal returns to work or exhausts paid leave.

### C. ABSENCE WITH DEDUCTIONS

The LEA will make deductions from public school employees' salaries in the following cases:

1. **Leave with Deduction:** Prior to 11/19/2021, absences not covered under the rules of Leave with Pay require a deduction of \$50.00 from the regular teacher's salary. As of 11/19/2021, absences not covered under the rules of Leave with Pay require a deduction of the full cost of the substitute from the regular teacher's salary. The superintendent must approve these absences. These absences include:
  - a. Extended Sick Leave
  - b. Personal Leave <sup>(See Note 1)</sup>
  - c. Other Absence with Deduction includes leave for professional obligations. Permanent public-school employees who have professional responsibilities, or who need to attend professional meetings, may be absent with pay minus a salary deduction of \$50.00. This deduction is mandatory whether or not a substitute is employed. Such absences are allowed only with the approval of the local superintendent and will be allowed for a period not exceeding three successive days for in-state meetings or five successive days for out-of-state meetings. Absences for this purpose may not exceed ten days for the school year. The limitation shall not apply to a person who is a local or district president or president-elect, state or national officer of a professional education association, or a person selected as the National Teacher of the Year. The Office of the State Superintendent shall upon request determine the eligibility of the professional education association.

(Note 1) 07-01-2021- 11/18/2021 \$50 Personal Leave deduction shall be refunded if no substitute is hired for the teacher. As of 11/19/2021 full substitute cost shall be refunded if no substitute is hired for the teacher.)

2. **Day's Pay Deduction:** Monthly Salary divided by days in the pay period.
3. **Leave of Absence without Pay:**
  - a. **Family Medical Leave:** If the employee does not elect to use earned leave or the employer does not wish to require use of earned leave. (Reference Section, in the Benefits and Employment Policy Manual.)
  - b. **Military leave** without pay for certain periods of active duty or attendance at service schools beyond annual eligible days. (See Section, in the Benefits and Employment Policy Manual.)

## IV. Personal Use of Vehicles

The value of fringe benefits that you provide to your employees is taxable and must be included in their income as compensation, unless law specifically excludes the benefits, or the employee pays fair market value for them. Some of the benefits you may provide

to your employees that must be reported in their income include their personal use of an employer-provided vehicle.

The total value of the fringe benefit is determined by the employer and included on the W-2 of the employee. The employer reports the taxable fringe benefits in the “wages, tips, and other compensation” box and, if applicable, in the “social security wages” and “Medicare wages” boxes on Form W-2. The total value of the fringe benefits should also be shown on Form W-2.

The reporting and withholding on personal use of employer-provided vehicles must be handled through **local funds**. To submit this information on your state payroll records is incorrect and results in a salary discrepancy and an expense to the state for the matching social security on an ineligible charge. If you have previously handled your personal use of employer-provided vehicles through state funds, a refund for the salary plus social security matching (and retirement, if applicable) is due immediately. All future reporting must be handled through **local funds**. For additional information, please refer to IRS Publication 17 - Your Federal Income Tax, Publication 505 - Tax Withholding and Estimated Tax, or Publication 535 - Business Expenses.