

North Carolina Public School Personnel

Employee Salary and Benefits Manual 2016-2017

Part I: Salary

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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 license due to working at least 6 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 guidance 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
6334 Mail Service Center
Raleigh, NC 27699-6334
PHONE: 919.807.3700

FAX: 919.807.3704

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.ncpublicschools.org

Salary Schedules: www.ncpublicschools.org/fbs/finance/salary/

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 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

Other helpful materials with financial information can be found on www.ncpublicschools.org/fbs/, click on the Manuals link for access.

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 <http://www.ncpublicschools.org/fbs/finance/reporting/>

NC Public Schools Uniform Chart of Accounts provides the allowable current year 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 <http://www.ncpublicschools.org/fbs/finance/reporting/>

B. EDUCATOR HUMAN CAPITAL POLICY & RESEARCH SECTION

The Benefits and Employment Policy Manual contains information on employee benefits related to leave, calendar issues, substitute teachers, longevity, contracts, and hiring retired teachers. [Benefits and Employment Policy Manual](#).

Contact: 919.807.3429

C. ALLOTMENTS SECTION

The **Allotment Policy Manual** contains all of the legislative, State Board of Education, and departmental policies regarding the current school year's state and federal funding categories. This is online at: www.ncpublicschools.org/fbs/allotments/general/.

Contact: 919.807.3700

D. LICENSURE SECTION

Licensure frequently asked questions, supporting forms, and contact information is online at www.ncpublicschools.org/licensure/.

Contact: 919.807.3310

III. New Legislation Impacting 2016-2017

House Bill 1030 (*Session Law 2016-94*), **Section 9.1(a) through 9.7** establishes [salary schedules](#) and other important information for the 2016-2017 fiscal year, effective July 1, 2016. Listed below are the major changes to legislation.

A. TEACHERS AND INSTRUCTIONAL SUPPORT

- The teacher salary schedules moved from the six tiered pay level salary schedule to a step salary schedule.
- The top of the scale is at 25 years.
- Step 1 remained at \$3,500 per month,
- All other steps were increased between \$250 and \$3,250.
- Step plus increase in schedule ranges from 2.0% and 13.1%
- Average increase is 4.7%.
- NBPTS, Masters and Advanced degree supplements remain the same

SECTION 9.1. (c) school psychologists, speech pathologists, and audiologists.

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 the *sixth step* of the "A" salary schedule. These employees shall receive a salary supplement each month of ten percent (10%) of their monthly salary and 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.

Hold Harmless for teachers to ensure they do not make less than they did in 2013-14 **Section 9.1.(f)**

A teacher compensated in accordance with this salary schedule for the 2016-2017 school year 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 provided in 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 provided in S.L. 2013-360, Sec. 35.11, based on the teacher's current years of service.
 - c. The annual bonus provided in S.L. 2014-100, Sec. 9.1(e).
- (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 provided in S.L. 2014-100, Sec. 9.1.

B. PRINCIPAL AND ASSISTANT PRINCIPAL SALARIES

Principals or assistant principals paid on the principal or assistant principal salary schedule will receive a step increase on the School Based Administrator Salary Schedule.

Section 9.2.(a)

This base salary schedule shall apply for the 2016-2017 fiscal year commencing July 1, 2016.

- SBA schedules increased by 1.5%
- Step plus increase in schedule averages 2.67%
- SBA eligible for a 0.5% bonus payment paid out in October
-

Section 9.3. No Pay Loss for Break in Service for Teachers Who Become Administrators Modifies G.S. 115C-285

Adds: A teacher who becomes a principal shall be paid at least as much as they would have earned as they would have as a teacher.

Removes: “without a break in service” – therefore, **all** assistant principals and principals are eligible to be paid on the higher of the teacher or SBA schedule. No retroactive pay prior to July 1, 2016.

C. LEA EMPLOYEES NOT PAID FROM THE CERTIFIED SALARY SCHEDULE (NONCERTIFIED PERSONNEL SALARIES)

The annual salary increase for permanent full-time and part-time noncertified public school employees whose salaries are supported from the State's General Fund shall be 1.5% effective July 1, 2016.

For part time employees, the pay increase shall be pro rata based on the number of hours worked.

Bonus 0.5% (not subject to retirement) paid out in October 2016

D. BENEFITS

Section 36.20

The State employer's contribution rate for retirement and related benefits is 16.12% effective July 1, 2016.

Rate may be increased in January 2017, up to 16.54%

Section 36.20.(c)

The maximum annual hospitalization rate is \$5,471 for non-Medicare-eligible employees, effective July 1, 2016.

The State Health Plan may increase the rate starting January 1, 2017 up to \$5,659

IV. OTHER CHANGES IMPACTING 2016-2017

9.4 Joint Legislative Study Committee on School Based Administrator Pay

Study on the assistant principal and principal pay and make recommendations.

Study to include:

- whether the SBA schedules need to be revised,
- process of recruiting and retaining principals compared with other professions,
- strategies to recruiting and retaining the most qualified principals in low performing and hard to staff schools

36.1A Merit Based Bonus for Non Educators

Merit based bonuses for non-educators, including school based administrators, central office and non-certified personnel. Educators are not eligible. LEAs shall provide to DPI details of how these funds are distributed by district and school. By February 1, 2017.

8.8 Bonuses for Advanced Placement and International Baccalaureate Pilot Program

Pilot for two school years beginning with the 2015-16 test results

- Bonus of \$50 for each student who receives a 3 or above in an AP exam or 4 or above for an International Baccalaureate exam.
- Maximum \$2,000 per year.
- Bonus payable in January and is not subject to retirement
- To be eligible the teacher must remain employed teaching advanced courses in the SAME LEA at least until the bonus is paid.

8.9 Bonuses for industry certifications and credentials

Pilot for two school years beginning with the 2015-16 test results

- Bonus of \$25 or \$50 for each student taught by a teacher who provided instruction in a course that led to the attainment of an industry certification or credential.
- Maximum \$2,000 in a given year.
- The Department of Commerce shall assign a value ranking for each certification and credential based on academic rigor and employment value.
- Bonus payable in January and is not subject to retirement
- To be eligible the teacher must be licensed and remain employed teaching advanced courses in the SAME LEA at least until the bonus is paid.

9.7 3rd Grade teacher Reading Performance Pilot

Begins with the data from 2015-16

\$5m to pay for bonus to top 25% of the 3rd grade teachers based on EVAAS growth scores

\$5m to pay for bonus top 25% of 3rd grade teachers in each LEA (charter school teachers not eligible)

To be eligible for either bonus the teacher must be teaching 3rd grade in the SAME LEA at least until the bonus is paid.

Teachers may receive bonuses under both criteria

Bonuses payable in January and is not subject to retirement

8.7 Teacher Compensation Models and Advanced Teaching Roles

North Carolina Educational Endowment Fund (money report)

Three year pilot, starting in the 2017-18 school year and ending 2019-20, to develop advanced teaching roles and organizational models that link teacher performance and professional growth to salary increases in selected LEAs for classroom teachers.

Purpose:

- Allow highly effective teachers to teach an increased number of students
- Enable LEAs to provide salary supplements to teachers in advanced roles
- Enable LEAs to create innovative compensation models that focus on teacher professional growth and student outcomes.

9/15/16

SBE to develop a RFP

10/15/16

LEAs shall submit proposals. Must include:

- Description of the program structure
- Description of advanced teaching roles
- job classifications and minimum qualifications including certifications and teacher evaluations.
- Job responsibilities
- Description of the communication of the program to the LEA and the public
- Supplements information and amounts for the advanced roles. Supplements may be up to 30% of the State salary schedule
- Plans to sustain the program once the grant money is no longer available.

12/15/16

SBE Select up to 10 Pilot Units

- 5 LEAs with ADM less than 4,000
- 3 LEAs with ADM of 4,001 to 20,000
- 2 LEAs with ADM of 20,001 or more

Use of Funds:

- Salary supplements for advanced teaching roles
- Development of advanced teaching role plans
- Professional development
- Transition costs including staff or contractors to assist with eth design and implementation

Pilot evaluation

SBE shall contract with an independent research organization to report annually beginning October 15, 2017. \$200,000 may be used by SBE for evaluation of pilot

Award amount:

Shall be proportioned based on the current expenditure of the LEA on teacher salaries

Flexibility

Grantees are exempt from class size maximums in grades K-3

V. 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 on pages A-7 through A-9 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 D, II, B on page D-5) 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

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

4. Advanced (sixth-year) level

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

5. Doctoral level

Licensure Class Code	Licensure Area
D	Regular teaching area
	Supervisor/Director
	Workforce Development (Vocational)
	Counselor
	Instructional Support Personnel (School Social Worker, Speech Language Pathologist)
DP	Principal
DS	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 to request access to the Licensure and Salary Info center.

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

	Digits 1 & 2	Digits 3 & 4	Digits 5 & 6	Digit 7
Teacher Schedule	Education: A, M, MS, or MD	Years of Experience	Blank	Blank or N for NBPTS
Psychologist Schedule	3, 3S, or 3D	Years of Experience	Blank	Blank
School Based Administrator Schedule	0, 0S, or 0D (zero)	Pay Level 1-46	Blank	ABCs & Safe Schools Incentive Indicators (See Section C I.B & D)

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

Principals and assistant principals are designated as Schedule 0.

The School Psychologist salary schedule (which includes master’s level audiologist and master’s level speech-language pathologists) is designated as Schedule 3, differentiating it from the teacher schedules (A and M).

VI. 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.

VII. 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 15th. If a License request is submitted after April 15th and is not processed in the current fiscal year, local dollars must be used for any resulting salary audit exception.

VIII. 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. ADVANCED DEGREE SUPPLEMENT

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](#).

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 TCP-A-001, 1.20 Type of Licenses.**

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.

101 rule no longer valid.

Effective July 1, 1993, the state requirement that the superintendent of each local education agency will be compensated at an amount that is at least one percent (1%) greater than the highest paid principal in that same unit **is no longer valid**.

However, superintendents whose salaries were established under this provision during the 1992-93 school year will continue to have their salary established based on this provision provided that:

- they are employed as superintendent of the LEA in which they were employed during 1992-93 and
- there is a principal employed in that LEA whose salary exceeds that of the current superintendent.

NOTE: Each LEA is responsible for assigning its superintendent's salary. For assistance with the 101 Rule, please contact the School Financial Reporting Section.

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](#).

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.

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 (21.5 day basis) and 50% of the day as an assistant principal (actual number of week day basis). This employee's daily rate is calculated on the 21.5 days per month formula.

B. SALARY BASIS - SCHOOL BASED ADMINISTRATORS

1. ABCs and Safe Schools Salary Incentives Schedule

New ABCs and Safe Schools Salary Incentives are no longer awarded. Principals and Assistant Principals who earned ABCs of Public Education Program accomplishments and for maintaining a safe and orderly school for the 1997-1998 through 1999-2000 school year(s) will continue to be paid on the [salary schedule](#) with any incentives that they earned during that time. This incentive is added to the base salary and continues to be paid if the principal or assistant principal moves to a different school.

Accomplishments earned after the 1999-2000 school year are not added to the principal or assistant principal base salary.

2. Service requirements for ABCs and/or Safe Schools eligibility

A school based administrator who served in one school for at least eight (8) months (any percentage) qualifies for ABCs and/or safe schools salary incentives for any year the school met or exceeded its goals from 1997-1998 through 1999-2000.

A school based administrator serving in more than one school qualifies for 2000-2001 salary incentives, if he/she served at least eight (8) full-time equivalent months as a school based administrator for any year in which the school(s) met or exceeded its goals.

C. SALARY SCHEDULE PLACEMENT - BASE PAY

A principal or an assistant principal is assigned a salary on the base [salary schedule](#) if he or she:

- did not serve as an assistant principal or principal during the 1997-1998 through 2000-2001 school years, or
- served as a school based administrator at a school(s) which did not meet or exceed its ABCs or Safe Schools objectives for any school year between 1997-1998 and 1999-2000, or
- did not meet the service requirement (see page C-1) as a school based administrator in a school(s) meeting or exceeding its ABCs or Safe Schools objectives.

A principal shall be placed on the step on the salary schedule that reflects total number of years of experience as a certified employee of the public schools and an additional step for every three years of experience serving as a principal on or before June 30, 2009. A principal or assistant principal shall also continue to receive any additional State-funded percentage increases earned for the 1997-1998, 1998-1999, and 1999-2000 school years for improvement in student performance or maintaining a safe and orderly school. (Session Law 2016-94, Section 9.2.(c))

Principal salaries are not held harmless in the case where teacher count decreases. Salary should be adjusted, either up or down, based on teacher count.

Effective July 1, 2015, an assistant principal who becomes a principal shall be paid, on a monthly basis, at least as much as he or she would earn as an assistant principal employed by that local school administrative unit.

Effective July 1, 2016, a teacher who becomes a 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.

Note: This includes a provisional assistant principal who immediately becomes a principal after clearing their provisional status.

D. SALARY SCHEDULE PLACEMENT - ABCS AND SAFE SCHOOLS

A principal or assistant principal shall continue to receive any additional State-funded percentage increases earned for the 1997-1998, 1998-1999, and 1999-2000 school years for improvement in student performance or maintaining a safe and orderly school. The level of the percentage increase is reflected in the 7th digit of the pay level.

Salary Schedule	Criteria	7th Digit on Lic/Sal system
Base	Did not meet or exceed ABCs or Safe Schools objectives for any school year between 1997-98 and 1999-2000.	Nothing
Base + 1%	Met or exceeded one ABCs or Safe Schools objective for any school year between 1997-98 and 1999-2000.	A
Base + 2%	Met or exceeded two ABCs and/or Safe Schools objectives for any school year between 1997-98 and 1999-2000.	B
Base + 3%	Met or exceeded three ABCs and/or Safe Schools objectives for any school year between 1997-98 and 1999-2000.	C
Base + 4%	Met or exceeded four ABCs and/or Safe Schools objectives for any school year between 1997-98 and 1999-2000.	D
Base + 5%	Met or exceeded five ABCs and/or Safe Schools objectives for any school year between 1997-98 and 1999-2000.	E
Base + 6%	Met or exceeded all ABCs and Safe Schools objectives for all school years between 1997-98 and 1999-2000.	F

E. ADVANCE AND DOCTORAL DEGREE SUPPLEMENT

A principal or an assistant principal who earns an *advanced or doctoral license* will receive an additional monthly supplement as indicated on the principal or 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.

II. Principals

A. MONTHLY SALARY

Principals are paid monthly according to:

- **Teacher Count** - The number of state-funded teachers, student services personnel, and assistant principals employed at their school;
- **Years of Experience** - The total number of years of experience on their teaching license, plus one additional year of credit for every three years on their principal's license, provided, however, a principal who acquires an additional step during the 2011-2012 or 2012-2013 fiscal years shall not receive a corresponding increase in salary during the 2012-2013 fiscal biennium (2011 House Bill 200);
- **ABCs** - Achievements in the ABCs of Public Education Program for school years 1997-1998 through 1999-2000;
- **Safe Schools** - Achievements for maintaining a safe and orderly school in accordance with goals set by the local board of education for school years 1997-1998 through 1999-2000; and
- **Education level** as determined by their highest license designation.

See the Salary Schedules for a list of Principal salary ranges.

1. Determining Teacher Count

State-funded Teacher Count Based On:

Each specific school/principal is assigned a teacher count based on the number of state-funded teachers, student services personnel, and assistant principals who have at least 5 months of service reported at that specific school. (See MOS REPORTED column on Employee Roster). This includes all fund 1 certified employees except object 114,125 and 126. This calculation includes BUD transactions made throughout the year. (See exception below for alternative schools, innovative high schools, and early colleges).

HOW TO COUNT ONLY STATE FUNDED EMPLOYEES ACCORDING TO EMPLOYEE ROSTER *(3rd and 7th pay period only):*

1. Under MOS REPORTED column, verify that the employee has at least 5 months reported at that specific school and that their license has not expired.
2. For all employees with 5 or more months at the specific school, according to the PCT EMPL column, assign a value of (1.0) to those employees that are full-time (100% employed) or a percentage (.50 or more, etc...) to part-time employees according to their percentage employed. Formula:

% employed x months of employment. If result is less than 5 months, the employee is excluded from the teacher count.

3. Add all full and part-time employees that qualify together to determine the total number of teachers. If needed, round to the nearest whole number (fifty percent or greater is rounded up and forty-nine percent or lower is rounded down) to get the teacher count.

Part-time is defined as a position employed less than 100% for at least 5 months.

EXAMPLE: If the state-funded teacher, student services personnel, and assistant principal count TOTAL is 11.5, the principal's salary shall be based on 12 teaching positions.

HOW TO COUNT ONLY STATE FUNDED EMPLOYEES (11th pay period only):

There is NO rounding in the final count. Each employee that has an employment history of 5 or more months (at any time during the fiscal year) at the specific school shall be assigned an FTE value of 1. The sum of the FTEs determines the final State paid teacher count, retroactive to July 1 of the current school year.

FTE is computed as follows: $FTE = \text{MOS REPORTED} \times \text{percent employed}$

FTE must be equal to or greater than 5 months.

An employee whose PCT EMPL changed during the year, their MOS REPORTED will be summed and included in the total teacher count.

For example:

50% employed for 2pp through 7pp (6 pay periods) = 3 MOS

100% employed for 8pp through 10pp (3 pay periods) = 3 MOS

Employee has worked a total of 6 MOS, thus 1 FTE will be credited toward the principal's teacher count.

HELPFUL HINT:

12 month employees must be at least 42% employed all year to have 5 MOS REPORTED and count toward teacher count.

11 month employees must be at least 46% employed all year to have 5 MOS REPORTED and count toward teacher count.

10 month employees must be at least 50% employed all year to have 5 MOS REPORTED and count toward teacher count.

NOTE: Salaries are re-calculated automatically when the 3rd, 7th and 11th pay periods salaries are loaded, retroactive to the 1st pay period. Any changes made after the salary load (3, 7 and 11 pay periods) WILL NOT affect the calculated

salary, until the next time the salary is automatically recalculated (3rd, 7th and 11th pay periods). We WILL NOT manually recalculate principal salaries due to teacher count changes.

Alternative Schools, Early Colleges, and Innovative High School Exception

The beginning classification for principals in Alternative Schools, Early Colleges and Innovative High Schools (as defined in SL2005-0276 (SB 622 Section 7.2)) shall be the Principal III level. Principals in these schools who supervise 33 or more state-funded teachers, student services personnel, and assistant principals shall be classified according to the number of these individuals supervised.

Reduction in Teacher Count

House Bill 200 (Session Law 2011-145) Section 29.13.(f) states that if a principal is reassigned to a lower job classification because the principal is transferred to a school within a local school administrative unit with a smaller number of State-allotted teachers, the principal shall be placed on the salary schedule as if the principal had served the principal's entire career as a principal at the lower job classification.

Therefore, the State will not hold harmless principal salaries. The LEA may hold the principal's salary harmless using local funds.

2. Determining years of experience

An additional year of credit for three years of principal experience (prior to July 1, 2009) is not subject to rounding.

8 years of experience on 'P' license ÷ 3 = 2.66

2.66 equals 2.00 for salary schedule experience purposes

Verify years on principal license

The number of years on the principal's license must be verified through the Licensure Section.

EXAMPLE 1: Holly's first year as a Principal was 2005. How many additional years will be added to her years of experience?

04-05: 0 Years

05-06: 1 year

06-07: 2 years

07-08: 3 years

08-09: 4 years

4 years of experience on 'P' license ÷ 3 = 1.33

1.33 equals 1 for salary schedule experience purposes.

Holly will receive 1 additional year.

Example 2: Holly's first year as a Principal was 2007. How many additional years will be added to her years of experience?

06-07: 0 years

07-08: 1 years

08-09: 2 years

2 year of experience on 'P' license cannot be divided by 3 to get a whole number

Holly doesn't receive any additional years towards her experience.

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 employed by that local school administrative unit. *The "without a break in service" no longer applies*

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 fewer state-allotted teachers

will not be reduced for one calendar year following the date of the merger or reassignment.

C. PRINCIPALS IN NEW 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 teacher count. This does not apply to principals assigned to alternative schools, innovative high schools and early colleges, who will be paid according to the Principal III salary schedule.

NOTE: Documentation of the projected teacher count 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. The allotment 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.

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.

E. BUILDING PRINCIPALS

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

- at the appropriate pay level on the Principal I [salary schedule](#);
- based upon total years of experience on their teacher's license, with no extra credit for years on their principal's license;
- achievements in the ABCs of Public Education program for years 1997-1998 through 1999-2000;
- maintenance of a safe and orderly school in accordance with goals set by the local board of education for the school years 1997-1998 through 1999-2000; and
- at the scheduled monthly rate of pay for ten months.

Notify DPI

The 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 as noted on the state salary schedule for principals with 0-10 teachers.

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;
- ABCs - achievements in the ABCs of Public Education program for years 1997-1998 through 1999-2000;
- Safe Schools - maintenance of a safe and orderly school in accordance with goals set by the local board of for the school years 1997-1998 through 1999-2000; and
- Education - their education level as determined by their highest license designation.

See the Salary Schedules for Assistant Principals salary ranges.

NOTE: An additional year of credit is not given for every three years on the educator's principal license if serving as an Assistant Principal.

The first step (0-9 years of experience) on the Assistant Principal Salary Schedule increased from **\$3,909 to \$3,968**.

B. 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. *The employment date of on or after July 1, 2009 no longer applies. The "without a break in service" no longer applies*

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

C. 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.

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

D. PROVISIONAL ASSISTANT PRINCIPAL'S LICENSE

A local school administrative unit may employ a person who is provisionally certified as an assistant principal.

To qualify for a one-year provisional assistant principal's license issued by the [Licensure Section](#), one of the following conditions must be met:

- 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's of education program in school administration and is participating in the program's required internship.

Provisionally licensed assistant principals do not qualify for 1% or 2% bonus award for achievements on ABC of education program and safe schools (applicable to the 1997-98 through 1999-2000 school years only).

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 the higher of:

- their teacher rating on the teacher schedule
- or the first step of the assistant principal salary schedule (\$3,968 per month).
(See the [Salary Schedules](#) for assistant principal salary ranges)

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.

NOTE 2: When a provisionally licensed assistant principal earns a master's degree, thereby clearing the principal certification area, the assistant principal will move to

the assistant principal or the teacher salary schedule, whichever is higher. This change will be effective the first day of the pay period, beginning the same month as the license certification effective date, unless the degree is earned after April 1. If earned after April 1, the move to Assistant Principal salary schedule will be effective July 1 of the following year. (i.e. Masters is earned 3/15, the effective date of the move to the Assistant Principal schedule will be 3/1. If the master's is earned 5/20, the effective date of the move to the Assistant Principal schedule will be 7/1 of the following year).

2. Budget code - Provisional Assistant Principals

Provisionally licensed assistant principals are to be coded to 5400-005-117.

3. Benefits - Provisional Assistant Principals

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

D. ADMINISTRATIVE INTERNS (MSA): FULL-TIME STUDENTS

Administrative interns are 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 serving their internship are not required to have a North Carolina Educator's License.

1. Notification

The school of education where the intern participates in a full-time master's in school administration (MSA) program **shall supply transcripts** for verification of eligibility to the Department of Public Instruction.

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

2. Budget Code

Full-time MSA (Master's of School Administration) students serving internships under this provision are to be coded 5400-067-117.

3. Benefits

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

Full-time MSA interns receive the full beginning salary on the Assistant Principal salary schedule regardless of any sick leave, annual leave, personal leave or holiday leave taken.

Participants in the MSA program do not qualify for unemployment benefits.

NOTE: An administrative intern may NOT be in a full time MSA program and at the same time work in a state funded position.

E. PRINCIPAL FELLOWS PROGRAM

1. Salary Basis Administrative Interns

Administrative interns in the Principal Fellows Program shall receive up to a 10-month stipend that shall not exceed the difference between the beginning salary of an assistant principal (\$3,968) plus tuition & fees (\$4,100) and any fellowship funds received by the intern as a full-time student, including awards of the Principal Fellows Program. *(SL 2011-145, 29.13.(g))*

Intern Compensation

Asst. Principal Beg. Salary	\$	39,680
Fees & Tuition		4,100
	\$	43,780

Funding

PFP	60%	\$	23,808
			4,100
		\$	27,908

DPI	40%	\$	15,872
			(\$1,587.20/month)

2. Budget code

Principal Fellows are to be coded to 5400-066-117. **Principal Fellows are 10-month employees, not eligible for installment pay.**

3. Additional Principal Fellows Information – 1st and 2nd Year

The following information describes the status of an individual during each year of the Principal Fellows Program (PFP) as related to personnel and finance issues.

Year 1 Principal Fellows:

- 1) Are on a leave of absence without pay from his / her LEA during both years of the fellowship.
- 2) Receive \$30,000.00 of a scholarship/loan during the first year. The NC State Education Assistance Authority issues the funds at the beginning of the fall and spring semester to the financial aid departments of the Fellows’ university. Tuition and fees are taken out, and the balance is made available through the financial aid offices for living expenses.
- 3) Does not earn annual, personal, sick, or holiday leave or longevity during either year of the fellowship.

- 4) Participants do not qualify for unemployment benefits during either year of the fellowship.
- 5) Retirement account is on hold during the two year fellowship, although they may choose to contribute while in the program or buy back the Fellowship years after returning to service.
- 6) Teaching license is on hold – no experience is earned for the first year of the Fellowship. The Fellow is responsible for keeping the license active / current while on the leave of absence.
- 7) Individual health insurance premium for both years is paid by the LEA granting the leave of absence; however, the Fellow pays additional costs for a family plan or co-pays to an HMO.
- 8) May participate in any local benefits both years of the fellowship, e.g. life insurance, dental insurance, as allowed by the LEA.

Year 2 Principal Fellows:

- 1) Are on a leave of absence without pay from his / her LEA during both years of the fellowship.
- 2) Receive 60% of a current beginning assistant principal monthly salary multiplied by 10, plus \$4,100. This amount is divided in half and dispersed from the NC State Education Assistance Authority twice per year to each Fellow's campus financial aid office at the beginning of each semester (fall and spring). Tuition and fees are subtracted from the amount. The balance can be accessed by Fellows for remaining expenses.
Separate and in addition to the scholarship loan, second year Fellows receive a stipend through the NC Department of Public Instruction in the amount of 40% of a current beginning assistant principal monthly salary multiplied by 10. The money will be allotted from the NC Department of Public Instruction to each Fellow's internship school system during the internship year's first or second allotment. School finance officers will be informed via the Finance Officer's Weekly Newsletter the correct PRC for the Fellow. Each Fellow will then receive a monthly check from the internship school system of the amount less all applicable taxes. Federal, State, and FICA taxes are deducted from the stipend. No other benefits are paid from the stipend.
- 3) Does not earn annual, personal, sick, or holiday leave or longevity during either year of the fellowship.
- 4) Participants do not qualify for unemployment benefits during either year of the fellowship.
- 5) Retirement account is on hold during the two year fellowship, although they may choose to contribute while in the program or buy back the Fellowship years after returning to service.
- 6) One year of experience is earned on the teaching license for completion of the internship – the year is added at the request of the NC Principal Fellows Program to the Licensure Section at NCDPI upon completion of requirements as agreed upon by the Principal Fellows Program and the NCDPI.

- 7) Individual health insurance premium for both years is paid by the LEA granting the leave of absence; however, the Fellow pays additional costs for a family plan or co-pays to an HMO.
- 8) May participate in any local benefits both years of the fellowship, e.g. life insurance, dental insurance, as allowed by the leave of absence granting LEA.

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 week days 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 day 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](#))

Session Law 2016-94

SECTION 9.1.(e) 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.

SECTION 9.1.(f)

A teacher compensated in accordance with this salary schedule for the **2016-2017** school year 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 provided in 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 provided in

S.L. 2013-360, Sec. 35.11, based on the teacher's current years of service.

c. The annual bonus provided in 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 provided in S.L. 2014-100, Sec. 9.1.

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

<http://www.ncpublicschools.org/docs/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 for the 2014-2015 school year and subsequent school years:

- (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 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: 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. (See also page D-10 for Career Technical Teachers)

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-6 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.

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

Session Law 2016-94 Section 9.1.(c)

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, and 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.

Section 9.1.(d)

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.

3. School Nurses

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

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

C. ADVANCED DEGREE SUPPLEMENT

Session Law 2014-100, Section 8.3.(a)

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 for the 2014-2015 school year and subsequent school years:

- (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 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. 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.)

Table:	<u>Hours Per Month</u>		
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 \$2,500.

Extended-Day Payment = 40 ÷ 162.50 = 24.62% X \$2,500 = **\$615.50**

E. 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 "[Attachment A](#)". 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 2016-2017 salary when calculating based on 2013-2014 salary plus longevity. **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.

Effective July 1, 2003, 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 15th. If a License request is submitted after April 15th 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, **guidance** 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: <http://www.ncpublicschools.org/fbs/finance/forms/>

See the Guidelines for National Board for Professional Teaching Standards (NBPTS) Pay Differential document on the FBS website at www.ncpublicschools.org/docs/fbs/finance/legislation/salarypersonnel/nbptsguidelines.pdf.

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.ncpublicschools.org/nationalboardcertification/ or 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.

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.

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 www.ncpublicschools.org/fbs/finance/legislation/salarypersonnel/military.

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 TCP-A-006,

POLICIES RELATED TO EXPERIENCE/DEGREE CREDIT FOR SALARY PURPOSES

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

Consistent with TCP-A-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 TCP-A-6.30.

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 (TCP-A-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 funding was 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 mentors 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 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 the same six (6) month break in service. During the six (6) month break, 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.

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.

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.

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 2016-2017 school year, the conversion to dollars shall be \$62,368 (average teacher salary, with benefits). The dollars from this conversion will be allotted to PRC 020 International Faculty Exchange.

To request the conversion, the LEA must submit the *International Faculty Exchange Position Conversion to Dollar Allotment Request* [form](#) to the K-12 Programs Area.

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 and Closing the Gap consultants 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 “000”.

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 J 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.)

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	\$103	159	65%
Unlicensed	\$80	159	50%

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.

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 (no license area assigned by DPI)	131
Media Coordinator (see "Attachment A")	131
Full-Time Mentors	134
Instructional Coaches	135

2. Student Services Personnel paid starting at the 6th 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 (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.**

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: Current license as a registered nurse in the U.S. or territories; A baccalaureate degree or higher in nursing or a health-related field; and 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

National Board for Certification of
School Nurses, Inc.
1350 Broadway, 17th Floor
New York, NY 10018
1.888.776.2481 (toll free)
212.356.0678 (fax)
www.nbcsn.org

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

Session Law 2015-241, Section 9.4.

The annual salary for permanent full-time and part-time noncertified public school employees whose salaries are supported from the State's General Fund shall remain unchanged for the 2015-2017 fiscal biennium.

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 [salary schedule](#), the minimum allowed salary for a pay grade 55 employee is: \$1,916.76. 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 \$1,916.76. If the employee worked 30 hours a week, the monthly salary would be \$1,437.80.

Step	Calculation	Example
1	Monthly Salary x 12 = Annual Salary	\$1,916.76 x 12 = \$23,001.12
2	Annual Salary ÷ 52 = Weekly Salary	\$23,001.12 ÷ 52 = \$442.33
3	Weekly Salary ÷ 40 = Hourly Rate	\$442.33 ÷ 40 = \$11.06

The individual that worked the full 40 hours would earn \$442.33 per week. An individual that worked 30 hours would only earn \$331.80. Both are being paid the same hourly rate and would meet the minimum monthly salary requirements for a pay grade 55 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 (excluding teacher assistants) are based on a 40-hour workweek. The monthly salary for standard workweeks of less than 40 hours must be prorated accordingly.

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
www.ncpublicschools.org/docs/district-humanresources/tools/jobclass.pdf.

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).

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.

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.

EXAMPLE:

1. & 2.	Teacher Assistant	30 hrs	@ \$9.00
	Bus Driver	15 hrs	@ \$8.00
	Total Hours Worked	45 hrs	

Total Gross Compensation would be computed as follows:

3.	Teacher Assistant	30.0 hrs x \$9.00 =	\$270.00
	Bus Driver	15.0 hrs x \$8.00 =	\$120.00
4.	Regular Wages		\$390.00
5.	\$390.00 ÷ 45 hrs = \$8.67 weighted hourly rate		
6.	\$8.67 x .5 = \$4.34 = ½ time rate		
7.	\$4.34 x 5 = \$21.70 overtime premium		
8.	\$390.00 + \$21.70 = \$411.70 Total Gross Compensation		

9. **Proration of Overtime Pay:**

Teacher Assistant Overtime Pay:

$$30 \div 45 = .6667 \times 5 \text{ hrs} \times \$8.67 \times 1.5 = \$43.35$$

Bus Driver Overtime Pay:

$$15 \div 45 = .3333 \times 5 \text{ hrs} \times \$8.67 \times 1.5 = \$21.67$$

\$43.35 Coded to Teacher Assistant Overtime Pay

\$21.67 Coded to Bus Driver Overtime Pay

\$65.02 Total Overtime Pay

Total Gross Compensation = \$411.70

Total Overtime Pay = -\$65.02

Total Straight Time Pay \$346.68

Proration of Salary Payment:

Teacher Assistant	\$346.68 x .6667 =	\$231.13
Bus Driver	\$348.68 x .3333 =	\$115.55
Total Straight Time Pay		<u>\$346.68</u>

OR

Hours in each Job	Percentage in each Job	Overtime in each position	Rate/hr	Total Overtime Pay
30	66.667%	3.33 x 1.5	\$9.00	\$45.00
15	33.333%	1.67 x 1.5	\$8.00	\$20.00
45	100.000%	5.00		\$65.00

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.

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

N. C. General Statutes 110-136.1, 105-366, 105-364, and 105-368
www.ncleg.net/gascripts/Statutes/Statutes.asp

II. Installment Pay

NOTE:

The installment payment method may be granted only if the employee requests installment pay **on or before the first day of the school year**. The employee may discontinue installment pay at any time during the school year. However, if an employee discontinues the installment pay method during the school year, it cannot be continued before the next school year.

*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 **on or before the first day of the school year**. Such request shall be filed in the local school administrative unit, which employs the teacher. 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. Teachers employed for a period of less than 10 months shall

not receive their salaries in 12 installments. **Employees hired for more than 10 months cannot be paid on installments.**

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

Only 10 month Assistant Principals are 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: Provided that school employees employed for a term of 10 calendar months in year-round schools shall be paid in 12 equal installments: Provided further, that any individual school employee employed for a term of 10 calendar months who is not employed in a year-round school may be paid in 12 monthly installments, if the employee so requests **on or before the first day of the school year**. Such request shall be filed in the administrative unit, which employs the employee. The payment of the annual salary in 12 installments instead of 10 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

Beginning with the 1998-1999 school year, installment indicators were given new descriptions. They only 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.

Numeric Indicator	11th and 12th Installment Months
0	Not applicable. Employee is paid on a 10-month schedule.
1	July and August
2	May and June
3	June and July

Please note that indicator numbers 4 and 5 are invalid installment indicators. If the installment indicators are improperly reported, position resources will be overused and could result in allotment overdrafts. Therefore, it is imperative that these indicators be correct.

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

NOTE: 11-month employees cannot be on installment payments.

If installment pay indicators are changed prior to the payment of the 11th and 12th installments, it will not be necessary to change data for salary payments already submitted.

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.

\$65 = daily rate (\$13.00 per hour X 5 hours per day)

200 X \$65 = \$13,000 annual salary

\$13,000 ÷ 10 = \$1,300 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.

III. Absence Reporting

A. ABSENCE CODES

The required codes for reporting absences are as follows:

Codes when Employing Non-certified Substitutes		Codes when Employing Certified Substitutes	
<u>Codes</u>	<u>Pay Status</u>	<u>Codes</u>	<u>Pay Status</u>
01 Sick Leave	No Deduction	11 Sick Leave	No Deduction
03 Extended Sick Leave	\$50 Deduction	13 Extended Sick Leave	\$50 Deduction
04 Absence Without Deduction	No Deduction	14 Absence Without Deduction	No Deduction
05 Absence With Deduction	\$50 Deduction	15 Absence With Deduction	\$50 Deduction
06 Personal Leave	\$50 Deduction⁽¹⁾	16 Personal Leave	\$50 Deduction⁽¹⁾
07 Absence Without Pay	Days Pay Deduction	17 Absence Without Pay	Days Pay Deduction
08 Sick Leave Bank	No Deduction	18 Sick Leave Bank	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
50 Donated Annual Leave	No Deduction
51 Donated Sick Leave	No Deduction
52 Donated Leave Used	No Deduction
56 Substitute Not Used ⁽¹⁾	\$50 Refund (must be a negative value)⁽¹⁾

(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 Employment 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 3.1, 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 3.2, 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 4.1, 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 7.2, 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 6.2, 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 7.3, 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 6.1, 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 6.1, 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 9.4, 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 10.1 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 9.3, 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 9.5, 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:** Absences not covered under the rules of Leave with Pay require a deduction of \$50.00 from the regular teacher's salary. The superintendent must approve these absences. These absences include:
 - a. Extended Sick Leave
 - b. Personal Leave (See Note 1)
 - 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) \$50 Personal Leave deduction 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 4, 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 10, 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.