



**NORTH CAROLINA**  
State Board of Education  
Department of Public Instruction

## Good Faith Salary Determination

### **I. North Carolina General Statute 115C-302.1.(b3):**

Pay for Newly Employed Teachers with Experience Credit. – Notwithstanding any other provision of law, a local board of education shall determine experience credit for a teacher in that teacher's first year of employment with the board for the purposes of paying the teacher with State-allotted funds in accordance with the State salary schedule.

Notwithstanding subsection (f) of this section, the local board of education and the teacher shall not be responsible for the repayment of any overpayment of State funds due to misapplication of experience credit for the State salary schedule for the first year of employment when the determination of experience credit was done in good faith based on the teacher's verified prior employment record and the guidelines established by the State Board of Education for awarding experience credit.

However, a local board of education that does not use due diligence to verify prior employment will be responsible for the repayment of any overpayment of State funds. A teacher paid in accordance with this subsection (i) shall not be entitled to the same pay on the State salary schedule for teachers for subsequent years of employment after the State Board determines the appropriate experience credit for that teacher and (ii) shall not be deemed to be demoted under Part 3 of Article 22 of this Chapter if the State Board's determination of experience credit results in a reduction in salary in subsequent years of employment.

### **II. Experience Credit as a Professional Educator**

Salary for a NC public school employee shall be determined by the amount of creditable experience an individual has. Credit awarded for professional school experience shall be calculated according to the following rules:

1. Full-time work in a school unit of not less than six calendar months within one fiscal year (July 1 through June 30) shall earn one year of experience credit (excluding experience in a one-teacher private school, for example: homeschool). A calendar month is defined as the number of days employed divided by the number of days in the pay period multiplied by the employee's percentage of employment.
2. Part-time work shall require a minimum of 15 hours per week to establish experience credit in a school unit. One year of experience can be earned, if the



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experience totals six calendar months of full-time experience during a single fiscal year.

3. Partial years of full-time or part-time experience can be combined for experience credit. For example, two years of part-time work can be combined for one year of experience, if it is equivalent to six months of full-time experience. Full-time experience of less than six calendar months in a fiscal year can be combined with another partial year of part-time or full-time experience to equal one year of experience credit.
4. Experience credit for a single year served in two or more school administrative units shall be allowed unless the State Board of Education has been advised that the person's contract was willfully breached during the school year
5. Credit for college teaching shall be calculated based on the number of clock hours spent in the classroom teaching per week. Six class hours per week shall be considered half-time teaching and twelve class hours per week shall be considered full-time teaching.
6. Service as a tutor, clerical paraprofessional, or substitute teacher shall not be recognized for professional educator experience credit. It may be recognized for non-teaching work experience credit if it meets the criteria identified below in Section III of this guide.
7. Experience credit as a professional educator shall not be awarded for a period of time designated as a leave of absence except as required by Workmen's Compensation and the Uniform Services Employment Re-employment Rights Act (USERRA).
8. One full year of experience credit shall be awarded for every two years of full-time instructional duties performed in an instructional setting while on active military duty in the Armed Forces of the United States, regardless of academic degree held while serving in instructional roles. This applies to military veterans initially employed by an NC LEA or Charter School on or after July 1, 2014. "Non-teaching Experience Credit for Military Experience in Instructional Roles" shall be defined as professional work experience in a dedicated instructional setting while on active military duty that is clearly an instructional role and is verifiable on government issued service documents. Military service for which this credit is awarded must be characterized as honorable. This provision does not apply



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to JROTC instructors covered under Section IV of this guide.

9. One full year of experience shall be awarded to MSA interns who meet the following criteria:
- a. Enrolled in an approved EPP as a full-time MSA student; and,
  - b. Receives a stipend from either a state-funded or non-state funded source, and,
  - c. Completes a 10-month internship in a public-school unit; or
  - d. Any combination of internship experience and employment experience in an academic year that satisfies the 6-month employment requirement for experience credit.

**III. Experience Credit for Non-Teaching Work Experience**

For salary purposes, non-teaching work experience can be credited toward an individual's total licensure experience rating on the recommendation of the designated personnel administrator of the NC LEA or Charter School which has employed the individual in a professional position.

"Relevant non-teaching work experience" shall be defined as professional work experience in public or private sectors that is directly related to an individual's area of licensure and work assignment. Credit for non-teaching work experience is not transferable to other licensure areas for which the experience is not relevant. In addition, to be eligible for credit, such experience must meet the following criteria:

- 1. was at least half-time (20 hours or more per week);
- 2. was completed after age 18;
- 3. did not include on-the-job training;
- 4. was paid and documented.

One year of experience credit can be awarded for every two years of full-time relevant non-teaching work experience completed before the individual earned a bachelor's degree. One year of experience credit can be awarded for every year of full-time relevant non-teaching work experience completed after the individual earned a bachelor's degree. For Class V Career-Technical Trade and Industry Education licenses one year of experience credit can be awarded for every year of full-time relevant non-teaching work



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experience after the individual has completed the required training and work experience to qualify for the provisional license.

Partial years of full-time or part-time experience can be combined for experience credit.

Periodic audits of non-teaching work experience will be conducted by NCDPI and, pursuant to G.S. 143-64.80, LEAs and Charter Schools will be required to repay amounts if duplicate years of experience, experience credit exceeding the policy limits, or credit for non-relevant experience have been awarded.

**Note: Audit findings related to the awarding of years of experience based on duplicate years of experience, experience credit exceeding the policy limits, or credit for non-relevant experience are not covered by the “good faith” process.**

#### **IV. Experience Credit for JROTC**

Military experience may be awarded up to a maximum of 10 years for JROTC instructors, based on a minimum of 20 years of service and retirement from the military service.

#### **V. Non-teaching Experience Credit for Military Experience in Leadership Roles**

Consistent with Section II of this policy, 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.



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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 II of this policy.

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 Section III of this policy.

### **VI. Forms Related to Experience Credit**

[Form E - Verification of K-12 Educator Experience](#)

[Form NE - Verification of Non-teaching Experience](#)

[Form CE - Verification of Postsecondary Educator Experience](#)

[Form ME - Verification of Military Service Experience](#)

### **VII. Documenting Good Faith Salary Estimate**

NCDPI recommends that PSUs document the process they use to arrive at a salary determination. One recommendation is to have the licensure specialist initial beside the policy provisions that he/she used in the determination of the employee's position on the salary schedule. Likewise, the licensure specialist may initial the forms (section VI) that were submitted to the online licensure system as part of the vetting process. Licensure can then submit this completed form to finance for the purpose of demonstrating the PSU's good faith estimate of the salary should the need arise. The document does not have to be submitted to NCDPI unless there is a discrepancy between the salaries determined by the PSU and the NCDPI Licensure Office.

**Note: If PSUs follow the steps outlined in this document, there is likely to be only small discrepancies between the PSU and NCDPI experience calculation. Years of experience awarded to an employee by the PSU in excess of two years of shall be deemed to not adhere to a good faith estimate of the employee's salary. A maximum of two years of experience over the determination of NCDPI Licensure can be waived by NCDPI.**

# Good Faith Salary Determination

Financial Business Services Conference, July 21, 2022

Dr. Thomas Tomberlin, Senior Director, Office of Educator Preparation and Teacher  
Licensure



# Statutory Authority

## I. North Carolina General Statute 115C-302.1.(b3):

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- Notwithstanding subsection (f) of this section, **the local board of education and the teacher shall not be responsible for the repayment of any overpayment of State funds due to misapplication of experience credit for the State salary schedule for the first year of employment when the determination of experience credit was done in good faith based on the teacher's verified prior employment record and the guidelines established by the State Board of Education for awarding experience credit.**
- **However, a local board of education that does not use due diligence to verify prior employment will be responsible for the repayment of any overpayment of State funds.** A teacher paid in accordance with this subsection (i) **shall not be entitled to the same pay on the State salary schedule for teachers for subsequent years of employment after the State Board determines the appropriate experience credit for that teacher** and (ii) shall not be deemed to be demoted under Part 3 of Article 22 of this Chapter if the State Board's determination of experience credit results in a reduction in salary in subsequent years of employment.



# Good Faith Process

- The SBE policies related to the awarding of experience credit can be found in SBE policy LICN-006
- For the purposes of this process, sections I-IV are applicable.
- Graduate pay is not covered under the good faith salary determination.
- Any salary discrepancies related to graduate pay are subject to the audit exception process.



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# QUESTIONS

