

16 NCAC 06C .0401 is propose for readoption with substantive changes as follows:

SECTION .0400 – SALARIES AND BENEFITS

16 NCAC 06C .0401 ~~VACATION LEAVE~~ DEFINITIONS

~~(a) All full time or part time permanent public school employees who are working or on paid leave for at least one half of the calendar days in a month shall earn vacation leave, based on length of state service in North Carolina.~~

~~(b) A part time permanent employee in a budgeted position shall earn vacation leave on a pro rata basis.~~

~~(c) Local boards of education may choose to record leave earned in hours. If leave is recorded in hours, the leave earned as indicated in this Paragraph shall be multiplied times the regular number of hours worked per day. Employees shall earn vacation leave as follows:~~

| Yrs. of | Days Per Month |
|-------------------------------------|---------------------------|
| State Service | of Employment |
| Less than 2 yrs. | 1.00 |
| 2 but less than 5 yrs. | 1.15 |
| 5 but less than 10 yrs. | 1.40 |
| 10 but less than 15 yrs. | 1.65 |
| 15 but less than 20 yrs. | 1.90 |
| 20 yrs. or more | 2.15 |

~~(d) LEAs shall credit state service for full-time or part-time permanent employment figured on the same basis as for longevity pay. The LEA must establish the anniversary date for each employee on the basis of the employee's state service.~~

~~(e) The LEA may advance vacation leave to an employee.~~

~~(f) The LEA shall transfer unused vacation leave when an employee transfers between LEAs. An employee may have leave transferred to or from a state agency or institution, community college or technical institute, a position subject to the State Personnel Act in a local mental health center, public health, social services or emergency management agency, if the receiving agency is willing to accept the leave; otherwise, the employee shall be paid in a lump sum for accumulated leave not to exceed 30 workdays or 240 hours, according to the earning rate.~~

~~(g) Leave payment at separation shall be subject to the following:~~

~~(1) An employee who is overdrawn on leave when he or she separates will have the excess leave corrected through a deduction from the final salary check.~~

~~(2) Payment for leave may be made on the regular payroll or on a supplemental payroll. The LEA shall make payment from the same source of funds and in the same proportion as the employee's salary is paid.~~

~~(3) Terminal leave payment shall be subject to the same deductions as salary, including retirement.~~

~~(4) The receipt of lump sum payment and retirement benefit shall not be deemed dual compensation.~~

1 ~~(5) The LEA shall make payment for unpaid salary, terminal leave and travel of a deceased employee~~
2 ~~to the personal representative of the deceased employee, or if there is no personal representative, to~~
3 ~~the Clerk of Superior Court of the county in which the employee resided.~~

4 ~~(h) Each LEA shall maintain leave records for all employees. LEAs must inform employees of their leave balances~~
5 ~~at least once a year. LEAs must retain leave records for separated employees for at least five years from the date of~~
6 ~~separation.~~

7 ~~(i) Leave must be taken in one half days, whole days, or hours as determined for earning purposes by the local board.~~

8 ~~(j) School bus drivers and instructional personnel who require a substitute may take vacation leave only on days when~~
9 ~~students are not in attendance. Instructional personnel who do not require a substitute may take vacation leave on any~~
10 ~~day school is in session. LEAs may designate specific scheduled workdays for required attendance. Employees may~~
11 ~~charge leave taken only to scheduled teacher workdays and the ten vacation leave days scheduled in the school~~
12 ~~calendar.~~

13 ~~(k) Other employees may take vacation leave instead of sick leave. These employees must have an opportunity to~~
14 ~~take annual leave earned in the school year.~~

15 As used in this Section, the following definitions shall apply:

16 (1) "Career employee" is defined in G.S. 115C-325(a)(1a).

17 (2) "Creditable service" is defined in G.S. 135-1(8).

18 (3) "Disability benefits" means benefits received under Chapter 135, Article 6 of the General Statutes.

19 (4) "Full-time employee" means a person employed by a local board of education for the number of
20 hours per week that the local board considers full-time for the position in which the person is
21 employed, but no less than 30 hours per week.

22 (5) "Immediate family member" means a spouse, parent, child, grandchild, brother, sister, half-sibling,
23 step-sibling, or dependent living in the employee's household. The term applies to any such
24 relationship whether by blood, adoption, or marriage.

25 (6) "Instructional personnel" includes any of the following:

26 (A) Teachers, as defined in Subparagraph (13) of this Rule.

27 (B) Student services personnel, as classified by 16 NCAC 06C .0306.

28 (7) "Interim employee" means a person employed temporarily to replace an employee who is on leave
29 without pay but is expected to return to work.

30 (8) "Part-time employee" means a person employed for at least 20 hours per week but fewer than the
31 number of hours per week of a full-time employee in the same position classification.

32 (9) "Permanent employee" means a person who is employed by a local board of education either:

33 (A) In a permanent position; or

34 (B) To replace one or more permanent employees who are on a leave of absence or to fill a
35 vacancy until a qualified permanent employee is hired, provided the employee is employed
36 for at least six full consecutive months.

- 1 A permanent employee shall not lose permanent status during any period of temporary or interim
2 assignment to another position in the same local school administrative unit, provided the local board
3 of education employee anticipates returning the employee to a permanent position.
- 4 (10) "Retirement" is defined in G.S. 135-1(20).
- 5 (11) "School year" means either:
- 6 (A) For a year-round school, as defined in G.S. 115-84.2(f)(5), a calendar year beginning on
7 July 1 of one year and ending on June 30 of the following year.
- 8 (B) For a traditional school with a summer break, the time between the opening and closing
9 date for the local school administrative unit, as established by the local board of education
10 pursuant to G.S. 115C-84.2.
- 11 (12) "Substitute employee" or "substitute" means a person employed to fulfill the duties of a permanent
12 employee on a temporary basis while the permanent employee is on paid leave.
- 13 (13) "Teacher" means a permanent employee of a local board of education:
- 14 (A) Whose major responsibility is classroom teaching; and
15 (B) Holds a current professional educator license.
- 16 (14) "Temporary employee" means a person who is employed to fill a vacancy and is either:
- 17 (A) Working fewer than 20 hours per week; or
18 (B) Employed for fewer than six full consecutive months.
- 19 (15) "Workers' compensation" means compensation received under Chapter 97, Article 1 of the General
20 Statutes.

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22 *History Note: Authority G.S. 115C-272; 115C-285; 115C-302.1; 115C-316;*
23 *Eff. July 1, 1986;*
24 *Amended Eff. July 1, 1994; October 1, 1993; December 1, 1991; March 1, 1990;*
25 *Temporary Amendment Eff. November 15, 1995;*
26 *Amended Eff. July 1, ~~2001~~, 2001;*
27 *Readoption Eff. July 1, 2026.*

16 NCAC 06C .0402 is proposed for readoption with substantive changes as follows:

16 NCAC 06C .0402 SICK LEAVE

~~(a) Public school employees who earn vacation leave shall also earn sick leave. Full-time employees shall earn one day per month or the number of hours worked daily by a full time employee in that class of work. Part time employees shall earn and may use sick leave in proportion to the part of the day for which they are employed.~~

~~(b) The LEA may allow sick leave to be used for temporary disability which prevents an employee from performing his or her usual duties, illness in the employee's immediate family and attendant medical appointments which require the employee's attendance, death in the immediate family and medical appointments for the employee. For purposes of this Rule the term immediate family shall include spouse, children, parents, brothers, sisters, grandparents, grandchildren, and dependents living in the household. The term shall also include the step, half, and in-law relationships. An employee of any public school system may contribute vacation or sick leave to another immediate family member who is employed by any State agency or public school system.~~

~~(c) Employees must take leave in one half days, whole days, or hours as determined for earning purposes by the local board.~~

~~(d) Employees may accumulate sick leave indefinitely and may transfer sick leave as in the case of vacation leave.~~

~~(e) LEAs may advance sick leave not to exceed the amount which would be earned within the school year.~~

~~(f) An employee who is overdrawn on sick leave when the employee separates from service will have the excess leave corrected through a deduction from the final salary check.~~

~~(g) If the period of sick leave taken is less than 30 days, the employee will return to his or her position with the LEA. If the period of temporary disability exceeds 30 days, the superintendent shall determine when the employee is to be reinstated. The superintendent makes this decision based on the welfare of the students and the need for continuity of instruction.~~

~~(h) The LEA shall credit an employee who separates from service and returns within 60 months with all sick leave accumulated to the time of separation.~~

~~(i) Permanent full or part-time instructional personnel, excluding teacher assistants, who are absent due to their personal illness or injury in excess of their accumulated sick leave, shall be allowed extended sick leave of up to 20 work days throughout the regular term of employment. These days do not have to be consecutive. A new employee must have reported to work to be eligible for extended sick leave. The superintendent may require a doctor's certificate or other proof acceptable to the superintendent of the reason for the absence.~~

~~(j) An LEA may establish a voluntary sick leave bank for its employees. Any employee of an LEA that establishes a voluntary sick leave bank may, but is not required to, participate in the voluntary sick leave bank.~~

~~(1) — The LEA shall develop and implement a plan for participation that shall include those factors listed in G.S. 115C-336(b)(i)-(vii) and the following:~~

~~(A) — a uniform number of days to be contributed to the bank by participants;~~

~~(B) — provisions for legitimate usage of days by participants;~~

~~(C) — means to protect against overdraft of total contributed days; and~~

- (D) ~~safeguards to prevent abuses by participants.~~
- (2) ~~The LEA shall establish a sick leave bank committee to administer the sick leave bank.~~
- (A) ~~The LEA shall assure that all local personnel are equitably represented on the committee.~~
- (B) ~~The LEA shall develop operational rules for the efficient and effective functioning of the bank.~~
- (C) ~~The LEA shall develop procedures for participants' usage of days based upon requirements in the plan.~~
- (D) ~~The LEA shall specify the limits of the committee's authority.~~
- (E) ~~The committee shall notify all participating employees of the ways in which their participation will affect their state retirement account.~~
- (3) ~~The LEA shall ensure that its operational procedures require:~~
- (A) ~~that payment of substitutes and matching social security are charged to the appropriate program report code; and~~
- (B) ~~the reporting to the division of school business services of the Department of the number of employees participating itemized by job classification, the number of sick leave days withdrawn, the cost of the leave, and other data required for fiscal and programmatic accountability.~~
- (a) This Rule shall govern the use of sick leave by employees of a local board of education ("local board") pursuant to G.S. 115C-336. The local board may adopt additional policies to govern the use of sick leave, provided they are consistent with this Rule.
- (b) Eligibility for Sick Leave
- (1) A permanent full-time employee who works or is on paid leave (including State holidays and days for which the employee is receiving workers' compensation) for at least one-half of the workdays in a calendar month shall earn either:
- (A) One day of sick leave per month; or
- (B) The number of hours in sick leave per month that is equivalent to the number of hours in a workday for a permanent full-time employee in that position classification, up to a maximum of eight hours.
- (2) A permanent part-time employee who works or is on paid leave (including State holidays and days for which the employee is receiving workers' compensation) for at least one-half of the workdays in a calendar month shall earn sick leave on a pro rata basis relative to the amount of leave earned by a permanent full-time employee in the same position classification. A permanent part-time employee who was previously employed in a full-time position shall retain any sick leave earned in the full-time position upon transferring to the part-time position.
- (3) An employee may accumulate unused sick leave from year to year without limit.
- (4) An employee who is not eligible to earn sick leave may not use previously accumulated sick leave.
- (c) Use of Sick Leave

- (1) A permanent employee may use sick leave for any of the following purposes:
- (A) Personal illness or injury that renders the employee unable to perform the employee's professional duties.
 - (B) Personal medical appointments of the employee.
 - (C) Caretaking for a newborn child or child placed with the employee for adoption or foster care, subject to the requirements of G.S. 115C-336.1.
 - (D) Caretaking for an immediate family member due to the family member's illness or injury, including taking the family member to medical appointments.
 - (E) Death of an immediate family member.
- (2) The employee shall provide advanced notice to the administrative unit ("LSAU") of the employee's intent to use paid sick leave for elective medical procedures or childbirth, in accordance with policies adopted by the local board of education. When possible, the employee shall provide notice at least 30 days in advance.
- (3) The employee shall, upon the request of the local superintendent or designee, provide medical documentation to verify that the employee's use of sick leave is for a permissible purpose.
- (4) The employee shall not use sick leave for paid holidays, days for which the employee was previously scheduled to use vacation leave, or days in which the employee is on leave without pay. Any period of absence for which the employee is receiving workers' compensation is not considered leave without pay.
- (d) An LSAU may advance sick leave to an employee based on the amount of sick leave the employee is anticipated to earn in the remainder of the current fiscal year, provided that the LSAU shall assume financial responsibility for any advanced sick leave not earned at the time the employee separates from employment or at the end of the fiscal year, whichever is earlier.
- (e) An employee is not entitled to compensation for accumulated sick leave, except as permitted by the North Carolina Teachers and State Employees Retirement System.
- (f) Separation from Employment
- (1) If an employee separates from employment with a local board or transfers to a temporary employee position, the employee shall retain the employee's accrued sick leave balance for 60 months.
 - (2) If the employee returns to employment in a full-time or part-time permanent position with a local board within 60 months, the employee shall regain access to the accumulated sick leave.
 - (3) If the individual was employed on a 10-month contract at the time of separation, the employee shall retain the leave for 63 months, provided the person returns to employment on another 10-month contract.
- (g) Transfer of Sick Leave
- (1) An employee may transfer accumulated sick leave from one LSAU to another LSAU upon transfer of employment, provided that any variance in the number of working hours per day that is considered "full-time" between the new position and the previous position shall not result in an

1 increase or decrease in the total number of sick leave days of available as a result of the transfer. To
2 calculate the equitable value of the transferred leave:

3 (A) The sending LSAU shall divide the total number of hours of accumulated sick leave by the
4 number of working hours per day that is considered "full-time" in the departing employee's
5 previous position. This generates a total number of sick leave days available for transfer to
6 the receiving LSAU.

7 (B) The receiving LSAU shall then multiply the number of transferred sick leave days by the
8 number of working hours per day that is considered "full-time" in the incoming employee's
9 previous position. This generates the total number of sick leave hours available for use by
10 the employee in the new position.

11 (2) An employee may transfer accumulated sick leave to a State agency or any of the entities listed in
12 25 NCAC 01E .0309 upon transfer of employment to such agency or entity, if the agency or entity
13 is willing to accept the leave. A person employed by the agency or entity may transfer accumulated
14 sick leave to an LSAU upon transfer of employment to such LSAU if such LSAU is willing to accept
15 the leave and, consistent with Subparagraph (g)(1), any variance in the number of working hours
16 per day that is considered "full-time" between the new position with the LSAU and the previous
17 position with the agency or entity shall not result in an increase or decrease in the total number of
18 leave days available as a result of the transfer.

19 (3) An employee may only transfer accumulated sick leave from one leave-earning position to another
20 leave-earning position, even the new position is within the same local school administrative unit.

21 (h) Extended Sick Leave

22 (1) Full-time teachers and instructional personnel may request extended sick leave.

23 (2) To qualify for extended sick leave, the employee must:

24 (A) Be absent due to personal illness or injury that renders the employee unable to perform the
25 employee's professional duties;

26 (B) Require a substitute employee; and

27 (C) Have exhausted all other available paid leave except personal leave under G.S. 115C-
28 302.1(d).

29 (3) A qualified employee is entitled to up to 20 days of extended sick leave per school year.

30 (4) The employee shall, upon the request of the local superintendent or designee, provide medical
31 documentation to verify that the employee's use of extended sick leave is for a permissible purpose.

32 (5) Unused extended sick leave days shall not accumulate from year to year.

33 (6) Extended sick leave shall not be available beyond the mandatory waiting period for workers'
34 compensation or short-term disability benefits.

35 (i) Use of Vacation Leave for Catastrophic Illness

1 (1) If an employee who requires a substitute employee is unable to perform the employee's professional
2 duties due to a catastrophic personal illness and has exhausted the employee's available sick leave,
3 the employee may use vacation leave for days in which students are in attendance.

4 (2) The local superintendent or designee shall determine whether a condition constitutes a catastrophic
5 personal illness based on an evaluation of the following factors:

6 (A) The debilitating nature of the condition;

7 (B) The life-threatening potential of the condition;

8 (C) The monetary hardship incurred by the employee because of the condition;

9 (D) The anticipated length of the employee's absence due to the condition; and

10 (E) Other forms of relief available to the employee, such as disability benefits.

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13 *History Note: Authority G.S. 115C-12(8); 115C-336; 115C-336.1; 126-5; 135-4; 135-1;*
14 *Eff. July 1, 1986;*
15 *Amended Eff. June 1, 1994; October 1, 1993; July 1, 1992; March 1, 1990;*
16 *Temporary Amendment Eff. November 8, 1999;*
17 *Amended Eff. April 1, ~~2001~~, 2001;*
18 *Readoption Eff. July 1, 2026.*
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1 16 NCAC 06C .0403 is proposed for readoption with substantive changes as follows:

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3 **16 NCAC 06C .0403 SUBSTITUTES SUBSTITUTE EMPLOYEES**

4 (a) ~~LEAs~~ Each local school administrative unit ("LSAU") shall employ all substitutes substitute employees deemed
5 necessary for the efficient operation of the unit. LSAU, subject to the requirements of this Rule. The superintendent
6 determines the need to employ a substitute for a non-teaching assistant principal, principal or supervisor.

7 (b) Substitute Teachers

8 (1) The LSAU shall, to the extent feasible, hire licensed teachers to serve as substitute teachers.

9 (2) ~~LEAs~~ The LSAU shall employ substitute teachers in units of half or whole days.

10 (3) If the LSAU employs a teacher assistant as a substitute, the LSAU shall pay the substitute an amount
11 equivalent to the daily salary rate for a first-year teacher with a bachelor-level teaching license.

12 (4) The minimum pay rate for a substitute teacher who holds a current North Carolina teaching license
13 shall be at least 65 percent of the daily pay rate of a licensed first-year teacher with a bachelor-level
14 teaching license.

15 (5) The minimum pay for a substitute teacher who does not hold a current North Carolina teaching
16 license shall be paid at least 50 percent of the daily pay rate of a licensed first-year teacher with a
17 bachelor-level teaching license but shall not exceed the minimum pay of a substitute teacher who
18 holds such a license.

19 (6) If a teacher takes extended sick leave under 16 NCAC 06C .0402(h), the LSAU shall deduct fifty
20 dollars (\$50.00) per day from the teacher's salary, regardless of whether the LSAU hires a substitute
21 teacher.

22 (7) The LSAU shall pay the substitute teacher from the same source of funds (local, state, or federal) as
23 the regular teacher, unless otherwise specified by this Section.

24 (8) A substitute teacher shall be considered a long-term substitute if employed for at least 30 hours per
25 week for an anticipated duration of at least six months. A long-term substitute teacher is not an
26 interim employee and is entitled to the same benefits as permanent full-time employees if the
27 substitute otherwise meets the eligibility requirements for those benefits.

28 (c) Other Substitute Employees

29 (1) The local superintendent shall determine the need to hire a substitute employee for a school
30 counselor, assistant principal, principal, or other administrator who does not have teaching
31 responsibilities; or for non-licensed employees such as school nurses, custodians, or clerical staff.

32 (2) The LSAU shall pay for any substitute employee hired to replace such an employee from local
33 funds.

34 (3) The LSAU may temporarily assigns a teacher to fulfill the duties of a principal who is on sick leave
35 for at least 10 days. Under such circumstances, the LSAU shall not deduct any money from the
36 teacher's salary to pay for a substitute teacher for the teacher's regular classroom.

37 (e) ~~The LEA pays substitutes as follows:~~

(1) ~~A person who substitutes for a non-teaching assistant principal, principal or supervisor is paid from local funds.~~

(2) ~~Unless required to be otherwise, a substitute for the regular teacher is paid from the same source of funds as the regular teacher is paid.~~

~~(d) Absences not covered in Rule .0404 require the appropriate amount of substitute teacher pay to be deducted from the regular teacher's salary. These absences include extended sick leave as explained in Paragraph (f) of this Rule, personal leave and in-state meetings of no longer than 3 days or out of state meetings of no longer than 5 days, and not to exceed a total of 10 days within the school year, for professional responsibilities and attendance at professional meetings. The superintendent must approve these absences. The time limitations of this Rule do not apply to a person who is the local or district president or president-elect or a state or national officer of an educational professional organization, or to a person selected as National Teacher of the Year from this state.~~

~~(e) Teachers earn personal leave at the rate of one-half day for every two and one-half months .20 days for full month of employment and may accumulate five personal leave days. Teachers may transfer these days between LEAs. A teacher who requests personal leave at least five days in advance of the date desired is not required to give a reason for the leave. No teacher may take personal leave on the first day teachers are required to report for the school year, required teacher workdays, the day before or the day after holidays or scheduled vacation days, except as approved by the principal. The LEA shall credit a teacher who has separated from service and is reemployed within 60 months from the date of separation with all personal leave, up to the five-day maximum, accumulated at the time of separation. The LEA may not advance personal leave beyond that which a teacher earns. Teachers may take personal leave in units of one-half or whole days.~~

~~(f) If the regular vacates a teaching position during the school year, that teacher receives the regular compensation for the actual days employed during the current month, adjusted for overdrawn leave or unpaid longevity pay. If the LEA employs an interim teacher to fill the vacancy until a regular is available, the LEA pays the interim teacher as follows:~~

~~(1) For service of no more than 10 teaching days, the person is paid as a substitute.~~

~~(2) For service in excess of 10 teaching days, the person is paid on the basis of the person's certified salary rating. The person may elect to be paid as a substitute.~~

(d) An LSAU may employ a licensed teacher to fill a teacher vacancy of at least 10 days but less than six months if the teacher is licensed in the same license area. Unless the teacher requests to be employed as a substitute, the LSAU shall pay the teacher at the teacher's eligible rate on the State salary schedule, but the teacher shall not be entitled to benefits.

History Note: Authority G.S. 115C-12(8);

Eff. July 1, 1986;

Amended Eff. October 1, 1993; October 1, 1990; March 1, 1990; August 1, 1987. 1987;

Readoption Eff. July 1, 2026.

16 NCAC 06C .0404 is proposed for readoption with substantive changes as follows:

16 NCAC 06C .0404 LEAVE WITH PAY

~~The LEA shall not make deductions from public school employees' salaries in the following cases:~~

(a) A local school administrative unit ("LSAU") shall provide permanent employees with leave with pay under the circumstances set forth in this Rule.

(b) Except where otherwise provided below, the LSAU shall pay any substitute employee hired to fulfill the duties of an employee on leave with pay from the same funding source as the employee taking the leave.

(c) The LSAU shall not deduct from a permanent employee's salary if the employee is absent from the employee's regularly scheduled duties for any of the following reasons:

(1) The employee is ~~absent~~ on sick leave in accordance with Rule .0402 of this Section.

(2) ~~The employee is absent due to community responsibility, as approved by the superintendent. The employee's supervisor has granted the employee leave to represent the school or LSAU at a community event. Substitutes for these persons may not be paid from state funds. The LSAU shall pay any substitute employee hired under these circumstances from local funds.~~

(3) The employee is attending meetings or performing duties as a member of the ~~SBE, State Board of Education; the State Textbook Commission, Commission; the Board of Governors of the North Carolina Governor's Schools, School; a case manager hearing;~~ or a commission or committee appointed by the Governor, the ~~State Superintendent, Superintendent of Public Instruction, the SBE State Board of Education,~~ or the General Assembly. ~~Substitutes for these persons will be paid from state funds.~~

(4) The employee is ~~absent due~~ summoned to jury duty, attendance at or is required to attend court court, a deposition, or other legal proceeding in connection with the employee's official duties, ~~or attendance at court under~~ duties or in response to a subpoena or court order to testify as a witness to a crime. If the employee is required to attend court as a plaintiff, defendant, or witness in relation to a personal matter, whether or not in response to a subpoena or court order, the employee must use available leave time. The employee may not receive witness fees in addition to regular salary. The employee shall return to the LSAU any fees, other than travel reimbursement or per diem, that the employee earns from serving as a witness in connection with the employee's official duties.

(5) ~~The employee has been assigned by the superintendent. The local superintendent assigns the employee to attend an in-service school project conducted by the administrative unit, professional training or participate in another school program outside the employee's regular duties. Substitutes for these persons will be paid from local funds. The LSAU shall pay any substitute employee hired under these circumstances from local funds.~~

(6) ~~The employee has been~~ The local superintendent or designee has suspended the employee with pay under G.S. 115C-325(f1), 115C-325(f1) or 115C-325.5. The LEA LSAU shall pay persons employed to replace any substitute employee hired to cover for the suspended employee a salary

1 based on the ~~replacement's certification.~~ substitute's qualifications under Section .0300 of this
2 Subchapter. ~~The LEA shall make payment from the same source of funds as the person suspended~~
3 ~~was paid.~~

4 (7) The employee is ~~absent pursuant to 1 NCAC 8C .2900 (military leave).~~ on military leave with pay
5 in accordance with 25 NCAC 1E .0802-.0821.

6 (8) The employee ~~is absent due to~~ suffers an injury or disability ~~which~~ that is covered by G.S. 115C-
7 338.

8 (9) The employee ~~may be absent for no more than two days in a school year due to~~ requests leave to
9 observe a bona fide religious holidays which are not holiday, provided the employee is permitted
10 no more than two such observance days in one school year. The employee shall use available
11 vacation leave, subject to the requirements of Rule .0409 of this Section, use personal leave, subject
12 to the requirements of G.S. 115C-302.1(d), or make up the time absent from work at a time and
13 under circumstances approved by the employee's supervisor. The employee shall not request such
14 leave time on days that are already scheduled as vacation days or paid holidays in the school
15 calendar. The superintendent must approve these absences in advance and the employee must make
16 up the time missed.

17 (10) Upon recommendation of the local superintendent, the local board of education may grant leave
18 with pay for elected officers of professional organizations, provided the organization pays the full
19 salary and all benefit costs for the employee while the employee is on leave. During such leave time,
20 the employee shall earn sick leave, vacation leave, personal leave, and paid holidays.

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23 *History Note:* Authority G.S. 115C-12(8); 115C-300; 115C-302.1; 115C-325; 115C-325.5; 115C-338; 115C-408;
24 N.C. Constitution, Article IX, Sec. 5;
25 Eff. July 1, 1986;
26 Amended Eff. July 1, 2001; March 1, 1990; August 1, 1987. 1987;
27 Readoption Eff. July 1, 2026.

16 NCAC 06C .0405 is proposed for readoption with substantive changes as follows:

16 NCAC 06C .0405 LEAVE WITHOUT PAY

~~Whenever possible, public school employees shall give advance notice of requests for leaves of absence, subject to rules of the LEA. LEAs may determine the beginning or ending date of leaves of absence, except for military leave. LEAs may provide educational leave, but they may not use state funds for this purpose. LEAs may~~

(a) A local school administrative unit shall allow leaves of absence without pay for permanent employees as follows: under the following circumstances:

(1) ~~An~~ The employee is ~~granted a leave of absence without pay under 1 NCAC 8C .2900 (military leave).~~ on military leave without pay in accordance with on military leave with pay in accordance with 25 NCAC 1E .0802-.0821.

(2) ~~An employee is granted a leave of absence without pay up to one calendar year for the birth or adoption of a child. This period may, with the approval of the local board, be extended for the remainder of the school year when the leave would otherwise end in the latter half of the school year. The employee gives birth to or adopts a child. The employee may take up to 12 months of leave without pay, beginning on the date of the birth or finalization of the adoption. This provision is in addition to any paid parental leave to which the employee may be entitled under Rule .0408 of this Section.~~

(3) ~~An employee may be granted a leave of absence without pay for periods as granted in the discretion of the superintendent and in accordance with rules adopted by the LEA. Other such circumstances deemed appropriate by the local superintendent or designee in accordance with policies adopted by the local board of education.~~

(b) The employee shall provide advanced notice to the LSAU of the employee's request for a leave of absence, in accordance with policies adopted by the local board of education.

(c) The LSAU shall determine the start and end dates for a leave of absence, except for military leave without pay.

(d) The LSAU may provide a leave of absence to allow the employee to pursue an educational degree or other credential but shall not use state funds to pay any substitute employee hired to fulfill the duties of the absent employee.

*History Note: Authority G.S. 115C-12(8); 115C-336.1; 115C-408; N.C. Constitution, Article IX, Sec. 5; 126-8.6; Eff. July 1, 1986;
Amended Eff. March 1, ~~1990~~. 1990;
Readoption Eff. July 1, 2026.*

16 NCAC 06C .0406 is readopted with substantive changes as follows:

16 NCAC 06C .0406 MILITARY DUTY WITHOUT LOSS OF PAY LEAVE

~~Public school employees including charter school employees on leaves of absence for State or federal military duty under honorable service status, for required training, or for special emergency management service shall be paid the difference in military base pay and State salary, including non performance based bonuses, when the military pay is less than the State salary. Differential pay for military duty after July 1, 2002 shall be paid from the same source of funds as the public school salary.~~

(a) As used in this Rule, the following definitions shall apply:

(1) "Active duty" is defined in 10 U.S.C. 101(d)(1).

(2) "Armed forces" is defined in 10 U.S.C. 101(a)(4).

(3) "Extended active duty" is defined in 26 U.S.C. 32(c)(4).

(4) "Military orders" is defined in 50 U.S.C. 3955(i)(1).

(5) "Military service" is defined in 50 U.S.C. 3911(2).

(6) "Reserve component" is defined in 38 U.S.C. 101(27).

(b) This Rule shall govern the use of military leave by employees of all public school units ("PSUs") pursuant to G.S. 115C-302.1(g1), G.S. 127A-116, and the Uniformed Services Employment and Reemployment Rights Act of 1994, 103 P.L. 353. Each PSU shall ensure that an employee does not suffer loss of regular pay or benefits because of training or duty in service of the Armed Forces of the United States or the State of North Carolina, or for special emergency services. The governing body of a PSU may adopt additional policies to govern the use of military leave, provided they are consistent with this Rule. To the extent any provisions of this Rule conflict with federal law, the federal law shall control.

(c) Paid Short-Term Military Leave

(1) A PSU shall grant paid short-term military leave to employees who are members of any of the following military services:

(A) The reserve components of the United States Armed Forces.

(B) The Civil Air Patrol, when participating in missions or training exercises that are authorized by the Governor, the Secretary of the Department of Public Safety, or the United States Air Force. Such employees are not entitled to leave for regularly scheduled unit training assemblies.

(C) The North Carolina State Defense Militia, when called to service by the Governor for infrequent special activities in the interest of the State (usually not exceeding one day) or for missions related to disaster recovery, search and rescue, or similar efforts. Such employees are not entitled to leave for regularly scheduled unit training assemblies or when volunteering in support of activities sponsored by civic or social organizations.

(2) A qualified employee is entitled to up to 15 days of paid short-term military leave each fiscal year.

1 (3) Any portion of the vacation leave or 15 days of paid short-term military leave to which an employee
2 may be entitled may be used in lieu of or in conjunction with unpaid military leave for attendance
3 at any of the following:

4 (A) A military service academy.

5 (B) Active duty training with a reserve component.

6 (4) In addition to the 15 days provided by Subparagraph (c)(2), an employee who is a member of the
7 National Guard is entitled to leave for activities in service of the State when so authorized by the
8 Governor or the Governor's designee.

9 (5) An employee is not entitled to short-term military leave for any of the following:

10 (A) Duties imposed to the employee as a result of disciplinary action under the Uniform Code
11 of Military Justice.

12 (B) Inactive duty training (drills) undertaken for the convenience of the employee, such as
13 equivalent training, split-unit assemblies, or make-up drills.

14 (C) Unscheduled or incidental activities related to membership in the reserves, such as
15 volunteer work at military facilities.

16 (d) An employee shall provide the PSU with advanced notice to the employer of the need for military leave and shall
17 apply for reinstatement of employment for any leave absence exceeding 30 consecutive calendar days.

18 (e) Unpaid Military Leave for Extended Active Duty

19 (1) A PSU shall grant unpaid military leave for extended active duty to employees who enter active
20 duty in service of the United States Armed Forces for a period exceeding 30 consecutive calendar
21 days. The employer shall notify the employee of all rights and benefits concerning military leave at
22 the time of the employee's hire or enlistment in the Armed Forces, whichever is later.

23 (2) An employee may use available paid short-term military leave at the beginning of a period of
24 extended active duty.

25 (3) In addition to time spent on active duty, an employee may use unpaid military leave for any of the
26 following reasons:

27 (A) A personal adjustment period while awaiting entry into active duty, not to exceed 30 days.

28 (B) Any period during which the employee is awaiting reinstatement in the employee's
29 previous position following military service.

30 (C) Involuntary extended military service.

31 (D) Extensions of enlistment due to hospitalization as a result of military service.

32 (4) During a time of military leave for extended active duty, an employee shall continue to earn years
33 of service as calculated for salary increases. The employee shall retain all accumulated sick leave
34 during the absence. The employee may choose to retain all accumulated vacation leave during the
35 absence or obtain a payout at the time the leave begins, subject to the limitations of 16 NCAC 06C
36 .0409(d).

1 (5) An employee seeking to return to work with the PSU after extended active duty shall apply for
2 reinstatement within 14 days following active duty service of 30 to 180 days or within 90 days
3 following active duty service of more than 180 days, provided the employer gave prior notice to the
4 employee of the employee's right to re-employment under this Rule and 38 U.S.C. 4316. If the
5 employer failed to give prior notice, the employee may apply within 90 days of receipt of notice.
6 Upon such application, the PSU shall reinstate the employee to a position of equivalent status,
7 seniority, and pay to the position vacated at the time the employee took leave. If the employee is
8 disabled due to military service to the extent that the employee cannot perform the duties of the
9 original position, the PSU shall assign the employee to a position with appropriate accommodations.
10 (f) If the employee has exhausted paid short-term military leave and all other available paid leave, and the employee's
11 military service pay is less than what the employee would earn with the PSU during the equivalent time period, the
12 employee shall be eligible for differential pay. The employee shall provide the PSU with a military pay voucher or
13 other documentation to prove the pay differential.
14 (A) A PSU shall pay any pay differential for employees in State-funded positions using State funds.
15 (B) A PSU shall pay any differential for employees in federally-funded positions using federal funds.
16 (C) A local board of education shall pay any pay differential for employees in locally funded positions
17 using local funds
18 (D) A charter school shall pay any pay differential for its employees.
19 (E) A local board of education shall include any local supplement as part of the pay differential.
20 (g) An employee shall provide the PSU, upon request, with a copy of the military orders or other documentation of
21 the required military duty or service.

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24 *History Note: Authority G.S. 115C-302.1(g1); 127A-116; 38 U.S.C. 4316;*
25 *Eff. December 1, ~~2004~~ 2004;*
26 *Readoption Eff. July 1, 2026.*

16 NCAC 06C .0409 is proposed for adoption as follows:

16 NCAC 06C .0409 VACATION LEAVE

(a) In addition, the relevant provisions of Articles 18, 19, 20, 21, and 23 of Chapter 115C of the General Statutes, this Rule shall govern the use of vacation leave by employees of a local board of education ("local board"). The local board may adopt additional policies to govern the use of vacation leave, provided they are consistent with this Rule. Except where otherwise indicated below, "employee" shall include the following:

- (1) Superintendents, as provided by G.S. 115C-272.
- (2) Principals and Supervisors, as provided by G.S. 115C-285.
- (3) Teachers and other instructional personnel, as provided by G.S. 115C-302.1.
- (4) Other public school employees, as provided by G.S. 115C-316.

(b) Eligibility for Vacation Leave

- (1) A permanent full-time employee who works or is on paid leave (including State holidays and days for which the employee is receiving workers compensation) for at least one half of the workdays in a calendar month shall earn vacation leave based on the employee's length of total state service, as defined in 25 NCAC 01D .0112. The employee shall accrue vacation leave at the same rate as State employees, as set forth in 25 NCAC 01E .0203, subject to the limitations in Subparagraph (b)(3).
- (2) A permanent part-time employee who works or is on paid leave (including State holidays and days for which the employee is receiving workers compensation) for at least one half of the workdays in a calendar month shall earn vacation leave on a pro rata basis relative to the amount of leave earned by a permanent full-time employee in the same position classification. A person employed in two or more positions may not earn more leave than that earned by a permanent full-time employee.
- (3) The local school administrative unit ("LSAU") shall establish the required daily and weekly work hours for each permanent employee. If a permanent full-time employee works fewer than 40 hours per week, the employee shall earn a percentage of the relevant vacation leave accrual rate that is equivalent to the weekly work hours for the employee as a percentage of a standard 40-hour work week. For example, if the employee works 35 hours per week, or 87.5 percent of a 40-hour work week, then the employee would earn leave at 87.5 percent of the monthly and annual accrual rates listed in Paragraph (a).
- (4) An employee who is not eligible to earn vacation leave may not use previously accumulated vacation leave.
- (5) A school bus driver who works fewer than 20 hours per week and is not otherwise entitled to earn vacation leave under this Rule shall earn one vacation day (equal in hours to the number of hours in the driver's regular workday) if the driver:
 - (A) Is employed to drive a regular daily route (i.e., is not a substitute driver); and
 - (B) Was employed as a regular driver during the entire previous school year.A driver who is dismissed by the local board or resigns before taking the vacation leave day provided

by this Subparagraph shall not receive compensation for that day.

(b) Use of Vacation Leave

(1) For teachers and instructional personnel who works 10 months per year, the employee must use the first 10 days of accrued available vacation leave each year on days designated by the local board as vacation days in accordance with G.S. 115C- 302.1(c).

(2) A classroom teacher, school media coordinator, or teacher assistants shall not use vacation leave on days in which students are scheduled to be in attendance if the employee would require a substitute, unless the employee:

(A) Does not earn personal leave under G.S. 115C-302.1(d);

(B) Is using the vacation leave to care for a newborn child or a child placed with the employee for adoption or foster care under G.S. 115C-302.1(j); or

(C) Is using the vacation leave for catastrophic illness under 16 NCAC 06C .0402(i).

(3) An employee who earned vacation leave during the school year, as defined in 16 NCAC 06C .0401(11)(b), shall continue to earn vacation leave during the summer break if the employee works at least 20 hours per week for the same local school administrative unit. If the employee works less than full-time, the employee shall earn leave on a pro rata basis consistent with Subparagraph (a)(2).

(4) An employee who is not eligible to earn vacation leave may not use previously accumulated vacation leave.

(c) An LSAU may advance vacation leave to an employee based on the amount of leave the employee is anticipated to earn in the remainder of the current fiscal year, provided that the LSAU shall assume financial responsibility for any advanced leave not earned at the time the employee separates from employment or at the end of the fiscal year, whichever is earlier.

(d) Except as provided by Paragraph (e), when an employee separates from employment with an LSAU, the LSAU shall pay the employee a lump sum for accumulated vacation leave. The payout shall be calculated using the daily rate of pay based on the employee's salary at the time of separation and shall not exceed the equivalent pay of 30 days. In the case of a deceased employee, the LSAU shall pay the lump sum to the administrator or executor of the deceased employee's estate upon receipt of a valid probate claim.

(e) Transfer of Vacation Leave

(1) An employee may transfer accumulated vacation leave from one LSAU to another LSAU upon transfer of employment, provided that any variance in the number of working hours per day that is considered "full-time" between the new position and the previous position shall not result in an increase or decrease in the total number of vacation leave days available as a result of the transfer. To calculate the equitable value of the transferred leave:

(A) The sending LSAU shall divide the total number of hours of accumulated vacation leave by the number of working hours per day that is considered "full-time" for the departing employee's previous position. This generates a total number of vacation leave days available for transfer to the receiving LSAU.

1 (B) The receiving LSAU shall then multiply the number of transferred vacation leave days by
2 the number of working hours per day that is considered "full-time" for the incoming
3 employee's new position. This generates the total number of vacation leave hours available
4 for use by the employee in the new position.

5 (2) An employee may transfer accumulated vacation leave to a State agency or any of the entities listed
6 in 25 NCAC 01E .0309 upon transfer of employment to such agency or entity, if the agency or entity
7 is willing to accept the leave. If the agency or entity is unwilling to accept the leave, the LSAU shall
8 pay the employee for the accumulated leave, up to a maximum of 30 days.

9 (3) A person employed by such agency or entity may transfer accumulated vacation leave to an LSAU
10 upon transfer of employment to such LSAU if such LSAU is willing to accept the leave and,
11 consistent with Subparagraph (e)(1), any variance in the number of working hours per day that is
12 considered "full-time" between the new position with the LSAU and the previous position with the
13 agency or entity shall not result in an increase or decrease in the total number of leave days available
14 as a result of the transfer.

15 (4) If, within 31 days of separation from employment with an LSAU, an employee obtains employment
16 with another LSAU or a State agency or entity willing to accept transferred vacation leave, the
17 original LSAU shall transfer any accumulated vacation leave to the new employer in lieu of paying
18 the employee for the leave.

19 (5) An employee may only transfer accumulated vacation leave from one leave-earning position to
20 another leave-earning position, even if the new position is within the same LSAU.

21 (f) This Rule shall also govern any bonus vacation leave awarded to an employee pursuant to S.L. 2002-126, Section
22 28.3A (as amended by S.L. 2002-159, Section 82); S.L. 2003-284, Section 30.12B; or S.L. 2005-276, Section 29.14A,
23 except that the employee shall maintain the leave from year-to-year until it is used or paid out upon separation from
24 employment. Each LSAU shall track bonus vacation leave separately from otherwise earned vacation leave and shall
25 not include it in the 30 days calculated under Paragraph (d).

26 (g) Each LSAU shall maintain leave records for each of its employees. The LSAU shall inform each employee of the
27 employees leave balances at least once per fiscal year. The LSAU shall retain employee leave records for at least five
28 years from the date of the employee's separation.

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31 *History Note:* Authority G.S. 115C-12(8), (9), (16); 115C-272; 115C-285; 115C-302.1; 115C-316; 115C-408;
32 S.L. 1997-443, s. 8.6;
33 Eff. July 1, 2026.

16 NCAC 06C .0411 is proposed for adoption as follows:

16 NCAC 06C .0411 SICK LEAVE BANKS

(a) As used in this Rule, the following definitions shall apply:

(1) "Donor" means an employee donating sick leave to a sick leave bank.

(2) "Eligible recipient" means an employee withdrawing donated sick leave from a sick leave bank who meets the requirements of Paragraph (d) of this Rule.

(3) "Participant" means all donors and recipients participating in the sick leave bank.

(b) A local board of education ("local board") may establish a voluntary shared sick leave bank ("sick leave bank") for its employees, subject to the requirements of this Rule.

(c) Donors

(1) A full-time or part-time permanent employee may donate sick leave to the sick leave bank.

(2) A donor shall not, by donating sick leave, reduce their balance of accumulated sick leave time to less than half the amount of leave time that employee would otherwise earn in a school year.

(3) A donor shall not receive any form of compensation for donated sick leave.

(4) The minimum donation of sick leave shall be one half-day.

(d) Eligible Recipients

(1) Eligibility to withdraw sick leave from the sick leave bank shall be limited to full-time and part-time permanent employees who:

(A) Have a serious medical condition that renders the employee unable to perform the employee's professional duties for a prolonged period, or has an immediate family member with such a condition who requires the employee's continuous supervision and care; and

(B) Have exhausted all other available paid leave except personal leave available under G.S. 115C-302.1(d) and extended sick leave available under 16 NCAC 06C .0402(1).

(2) An employee cannot withdraw sick leave from the sick leave bank for work time for which the employee is receiving disability benefits or workers' compensation benefits.

(3) To withdraw sick leave, an eligible recipient must provide the local school administrative unit ("LSAU") with:

(A) Medical documentation of the serious medical condition, signed by the employee or family member's treating physician; and

(B) An authorization for the treating physician or medical provider to release to the LSAU medical information related to the serious medical condition. The release shall be signed by the employee or immediate family member, or by that person's legal guardian or health care power of attorney.

(4) The local superintendent or designee shall approve or deny each request to withdraw sick leave from the sick leave bank. The local superintendent or designee shall determine how many days of sick

1 leave the recipient may withdraw, provided that the employee may withdraw sick leave for the same
2 condition for more than twelve months from the initial date that the employee used donated leave.

3 (6) Donated sick leave shall be credited toward the recipient's sick leave balance but shall not count as
4 creditable service toward retirement.

5 (e) The LSAU shall notify participants of any effect of participation in the sick leave bank on retirement.

6 (f) The local board shall adopt a policy to govern the sick leave bank and shall direct the LSAU to adopt rules and
7 regulations to implement that policy. In addition to the requirements above, these policies, rules, and regulations may
8 address the following:

9 (1) Requirements of minimum service to the LSAU and accumulation of a minimum balance of sick
10 leave before an employee may participate in the sick leave bank.

11 (2) A waiting period before an employee is eligible to withdraw sick leave.

12 (3) Enrollment periods for current employees and new hires.

13 (4) Time limits for rejoining the sick leave bank after leaving the bank.

14 (5) Limitations on the number of days that can be withdrawn from the sick leave bank by any recipient.

15 (6) A uniform number of days to be contributed to the bank by donors.

16 (g) The LSAU shall report the following information the State Board of Education ("SBE") by July 1st of each year:

17 (A) The number of participants in the sick leave bank, itemized by position classification.

18 (B) The number of sick days withdrawn from the sick leave bank.

19 (C) The total cost of the withdrawn sick leave.

20 (D) Any other data requested by the SBE to ensure compliance with this Rule and other state and federal
21 financial rules.

24 *History Note: Authority G.S. 115C-12(8); 115C-336(b);*

25 *Eff. July 1, 2026.*