

Salary Audit Lessons Learned FY 2025-26 & Insights for FY 2026-27

SBS Summer Conference
Presented by SBS Salary
July 23rd, 2026

Salary Key Topics

- Lessons Learned from FY 2025-26
- Insights for FY 2026-27
- Helpful Reporting Tools in LicSal
- NC Legislative changes that effect LicSal for FY2026-27



For everyone who survived Salary Audits exceptions and Days Overages in LicSal for FY 2025-26 and is here today in one piece, Salary would like give you a round of applause.

From challenges with expired NBPTS certifications, valendar issues with Principals, or other PSR purgatory challenges, let's face it, aren't you glad FY2025-26 is in your rear-view mirror?



For everyone who survived Salary Audits exceptions and Days Overages in LicSal for FY 2025-26 and is here today in one piece, Salary would like give you a round of applause.

From challenges with expired NBPTS certifications, calendar issues with Principals, or other PSR purgatory challenges, let's face it, aren't you glad FY2025-26 is in your rear-view mirror.

Just be grateful we did not have to re-live FY 2024-25!!!!

Salary Audit Lessons Learned FY 2025-26 & Insights for FY 2026-27

Salary Audit Lessons Learned FY 2025-26 & Insights in LicSal for FY 2026-27



Calendars used to set up for Principals



Calendars used to set up for other positions



Expired NBPTS Certification



NTO greater than 3.0 Days Employed



Issues with PSR file submission



Shift from Month Employed Used to Days Employed Used

Salary Audit Lessons Learned in LicSal FY 2025-26



Calendars used to
set up for Principals

- Principals set up with a calendar other than 21.75 days employed per month may have incurred an exception

Salary Audit Lessons Learned in LicSal FY 2025-26



Calendars used to
set up for Principals

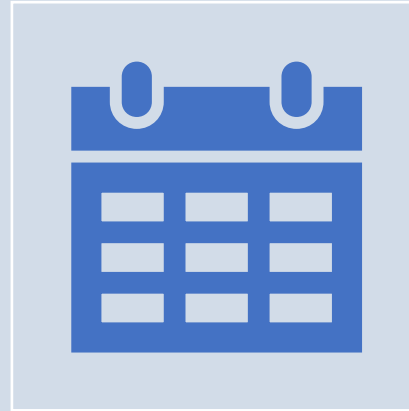
- Principals set up with a calendar other than 21.75 days employed per month may have incurred an exception
- (261 Days Employed / 12 months = 21.75 Days Employed)
 - **Fixed** Calendar = 21.75 Days Employed per Pay Period
 - **Variable** Calendar = the number of workdays per Pay Period

Salary Audit Lessons Learned in LicSal FY 2025-26

- Calendars used to set up for Principals
 - Principals set up with a calendar other than 21.75 Days Employed may have incurred an exception
 - (261 Days Employed / 12 months = 21.75 Days Employed)
 - **Fixed** Calendar = 21.75 Days Employed per Pay Period
 - **Variable** Calendar = the number of workdays per Pay Period
- However, if the LEA had set up the Principal with 261 YTD Days Employed, the exception should have cleared by the end of the Fiscal year.

State Results														
Action	PSU	School	Pay Period	Budget Code	Pay Level	Certified Salary	Payline Gross	Reported YTD Gross	Daily Rate of Pay	YTD Days Employed Used	Percent Employed	Calculated YTD Gross	Salary Compliance Check	Employee Type
			12	1X.54100.0005.01140.	G2	\$7,844.00	\$7,844.00	\$94,128.00	\$360.6437	261.00	100.00 %	\$94,128.01		12.0
Total:								\$94,128.00						

Insights in LicSal for FY 2026-27



Principals should be set up using a 261 YTD Days
Employed calendar (21.75 days per month)

Salary Audit Lessons Learned in LicSal FY 2025-26



Calendars used to set
up for Principals



Calendars used to set
up for other positions

Salary Audit Lessons Learned in LicSal FY 2025-26



Calendars used to set
up for other positions

- All other certified positions, i.e., assistant principals, 11-month, and 12-month employees set up with a calendar other than 21.5 Days Employed may have incurred an exception and money owed at the end of the Fiscal Year

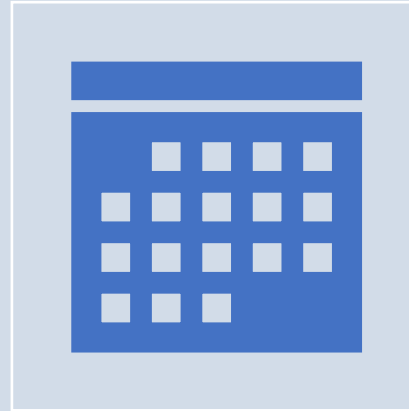
Salary Audit Lessons Learned in LicSal FY 2025-26



Calendars used to set
up for other positions

- All other certified positions, i.e., assistant principals, 11-month, and 12-month employees set up with a calendar other than 21.5 Days Employed may have incurred an exception and money owed at the end of the Fiscal Year
- However, If the LEA set up the educator with 21.5 Days Employed per pay period, no matter if the educator is a 10-month, 11-month, or 12-month employee, the exception should have cleared by the end of the Fiscal Year.

Insights in LicSal for FY 2026-27



All other certified employees should be set up using a 21.5 Days Employed calendar, regardless if they are 10-, 11-, or 12-month employees

Salary Audit Lessons Learned in LicSal FY 2025-26



Calendars used to set
up for Principals



Calendars used to set
up for other
positions



Expired NBPTS
Certification

Salary Audit Lessons Learned in LicSal FY 2025-26



Expired NBPTS Certification

- Salary Compliance Checks for FY26 were primarily driven by NBPTS certification ending 12/31/25 without setting up a 2nd payroll record for the new Certified Salary

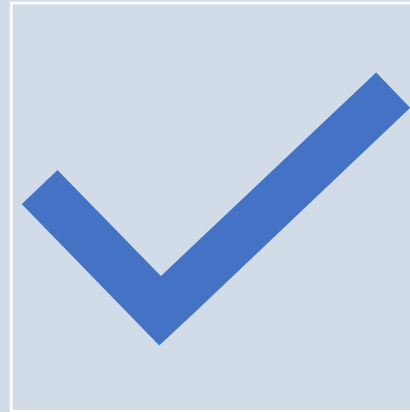
Salary Audit Lessons Learned in LicSal FY 2025-26



Expired NBPTS Certification

- Salary Compliance Checks for FY26 were primarily driven by NBPTS certification ending 12/31/25 without setting up a 2nd payroll record for the new Certified Salary
- Questions related to expired NBPTS or NBPTS renewals should be directed to DPI Licensure

Insights in LicSal for FY 2026-27



If NBPTS expires for an educator, the
LEA should set up a 2nd payroll record
for the new Certified Salary

Salary Audit Lessons Learned in LicSal FY 2025-26



Calendars used to set
up for Principals



Calendars used to set
up for other positions



Expired NBPTS
Certification



NTO greater than 3.0
Days Employed

Salary Audit Lessons Learned in LicSal FY 2025-26



NTO greater than
3.0 Days Employed

- Even though NTO with greater than 3 Days Employed would not have incurred an exception in LicSal, eligible new teachers may only be paid up to a maximum of 3 days from State or Federal funds.

Salary Audit Lessons Learned in LicSal FY 2025-26



NTO greater than
3.0 Days Employed

- Even though NTO with greater than 3 Days Employed would not have incurred an exception in LicSal, eligible new teachers may only be paid up to a maximum of 3 days from State or Federal funds.
- LEAs must contact salary@dpi.nc.gov at DPI to manually approve and certify New Teacher Orientation for teachers with more than zero years' experience on their license.

Insights in LicSal for FY2026-27



NTO may not exceed a maximum of 3
Days Employed and must be manually
certified by Salary

Salary Audit Lessons Learned in LicSal FY 2025-26



Calendars used to set
up for Principals



Calendars used to set
up for other
positions



Expired NBPTS
Certification



NTO greater than 3.0
Days Employed



Issues with PSR file
submission

Salary Audit Lessons Learned in LicSal FY 2025-26



Issues with PSR
file submission

- Continue to work with your Software Vendor to ensure your PSR files are correct and submitted with the payroll records you expect.

Salary Audit Lessons Learned in LicSal FY 2025-26



Issues with PSR file submission

- Continue to work with your Software Vendor to ensure your PSR files are correct and submitted with the payroll records you expect.
- With each submission of a PSR file, Salary fully replaces previously submitted files and there is no mechanism for us to track any changes between those file submissions.

Insights in LicSal for FY 2026-27



Salary fully replaces previously
submitted PSR files with each new
PSR submission

Salary Audit Lessons Learned in LicSal FY 25-26



Calendars used to set up for Principals



Calendars used to set up for other positions



Expired NBPTS Certification



NTO greater than 3.0 Days Employed



Issues with PSR file submission



Shift from Month Employed Used to Days Employed Used

Salary Audit Lessons Learned in LicSal FY 2025-26



Shift from Month
Employed Used to
Days Employed Used

- Salary will continue to use YTD Days Employed for FY2026-27

Salary Audit Lessons Learned in LicSal FY 2025-26



Shift from Month
Employed Used to
Days Employed Used

- Salary will continue to use YTD Days Employed for FY2026-27
- DPI does not have the capacity to provide reconciliations between the details and the summary data or review per period changes

Insights in LicSal for FY 2026-27



Salary will continue to use YTD Days
Employed for FY 2026-27

Recap of Insights in LicSal for FY 2026-27



Principals should be set up using a 261 YTD Days Employed calendar



All other certified educators should be set up using a 21.5 Days Employed calendar, regardless if they are 10-, 11-, or 12-month employees



Questions related to expired NBPTS or NBPTS renewals should be directed to DPI Licensure



NTO should not be greater than 3 Days Employed



Previously submitted PSR files will be overwritten with the newly submitted PSR file



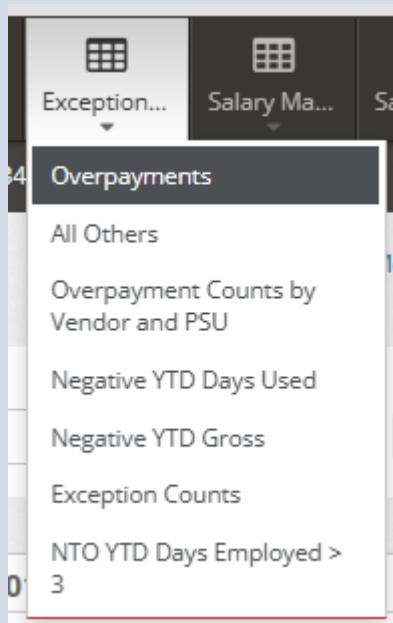
Salary will continue to use YTD Days Employed for FY 2026-27

Helpful reporting tools in LicSal



Overpayments

The 'Overpayments' exception report can be found on the Exception Reports tab and is helpful when looking for educator pay records that the LEA owe due to an exception.



Fiscal Year

2026

PSU

Search

Exception Overpayments for FY 2026 PSU ()

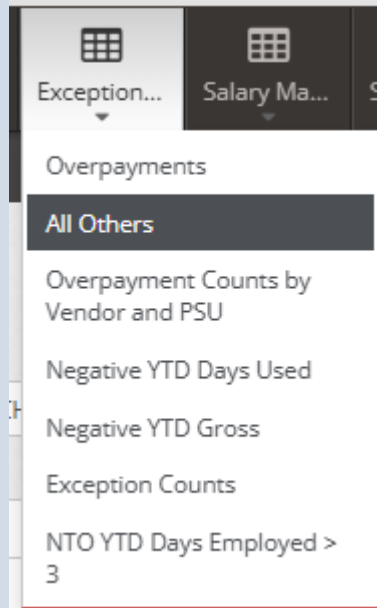
Export to Excel

17 Records

SSN	School	Budget Code	Percent Employed	Name	Exception Message Total: \$21,436.65	Summary	Details
		1X.51100.0001.01270	100.00 %		You might owe \$4,042.74		
		1X.58300.0031.01310	100.00 %		You might owe \$504.94		
		1X.51100.0001.01210	100.00 %		You might owe \$508.19		
		1X.58300.0007.01310	100.00 %		You might owe \$500.00		
		1X.58300.0006.01310	100.00 %		You might owe \$700.00		
		1X.52100.0032.01210	100.00 %		You might owe \$3,273.07		
		1X.51200.0013.01210	100.00 %		You might owe \$1,971.58		

All Others

The 'All Others' exception report can be found on the Exception Reports tab and is helpful when looking for licensure related issues.



Fiscal Year

2026

PSU

Exceptions

--All--

Search

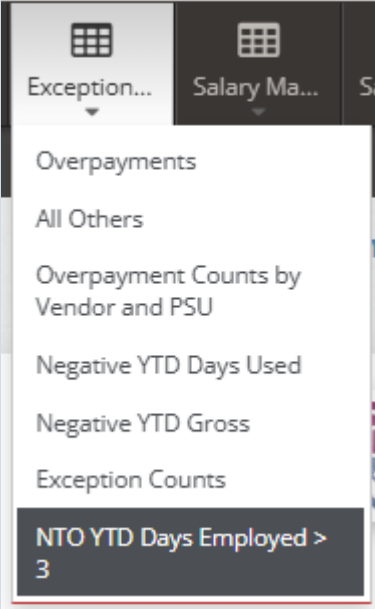
All Other Exceptions for FY 2026 PSU ()

Export to Excel

7 Records

SSN	School	Budget Code	Percent Employed	Name	Exception Message	Summary	Details
					Total: \$229,290.93		
		1X.52100.0032.01210.	100.00 %		You might owe \$52,970.00 due to: license is expired		
		1X.52100.0032.01210.	100.00 %		You might owe \$8,772.09 due to: no license found		
		1X.51100.0031.01210.	100.00 %		You might owe \$41,000.00 due to: no license found		
		1X.58300.0006.01310.	100.00 %		You might owe \$4,250.00 due to: employee is not certified		
		1X.58300.0069.01310.	100.00 %		You might owe \$38,250.00 due to: employee is not certified		
		1X.51100.0001.01210.	100.00 %		You might owe \$43,048.84 due to: license is expired		
		1X.51100.0001.01210.	100.00 %		You might owe \$41,000.00 due to: no license found		

NTO YTD Days Employed > 3



The ‘NTO YTD Days Employed > 3’ report can be found on the Exception Reports tab and is helpful when looking for pay records that report NTO Days Employed that exceed the maximum permitted to be paid with State or Federal funds.

Fiscal Year

2026

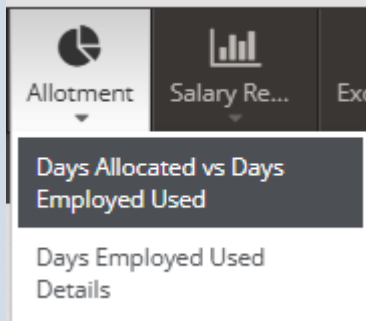
PSU

Search

NTO Days Employed > 3.0 Exceptions for FY 2026 PSU ()

SSN	PSU	School	Budget Code	Percent Employed	NTO Days Employed (Max 3 Allowed)
			1X.53300.0001.01250	100.00 %	21.50
			1X.51200.0001.01250	100.00 %	21.50

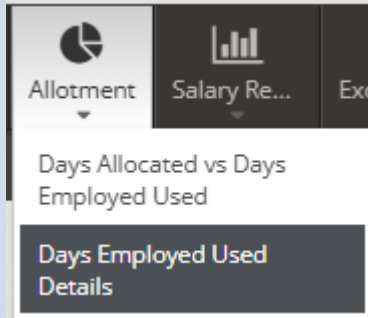
Days Allocated vs. Days Employed Used



The 'Days Allocated vs. Days Employed Used' report can be found on the Allotment Reports tab and is helpful when looking for the total Days Allotted remaining and Percent Remaining by PRC.

Days Allocated vs Days Employed Used - FY 2026 for LEA [REDACTED]							
ADMIN - EXPORT DATA FOR ALL PSUs Months to Days Conversion Export to Excel Details							
PSU	PRC	Category	Days Allotted	Days Employed Used	Days Allotted Remaining	Percent Used	Percent Remaining
[REDACTED]	001	Classroom Teachers	171,677.50	171,654.88	22.62	99.99%	0.01%
[REDACTED]	004	Program Enhancement Teachers	10,535.00	10,531.50	3.50	99.97%	0.03%
[REDACTED]	005	School Bldg Administration	14,107.50	14,106.25	1.25	99.99%	0.01%
[REDACTED]	006	School Health Personnel Position	10,320.00	10,315.13	4.87	99.95%	0.05%
[REDACTED]	007	Instructional Support	10,320.00	10,319.50	0.50	100.00%	0.00%
[REDACTED]	013	Career Technical Education Months of Employment	20,210.00	20,177.50	32.50	99.84%	0.16%

Days Employed Used Details



The 'Days Employed Used Details' report can be found on the Allotment Reports tab and is helpful when looking for the details that make up the 'YTD Days Employed Used' report by PRC. Each PRC is collapsed and can be expanded to see the detail of the report.

Fiscal Year: 2026 PSU: [REDACTED] Search: [REDACTED]

Days Used Details for FY 2026 PSU [REDACTED] [Months to Days Conversion](#) [Export to Excel](#)

Classroom Teachers (942) ▶ 1416 Records

PSU	Category	Budget Code	PRC	School	SSN	Name	YTD Days Employed Used
Total:							171654.88

Program Enhancement Teachers (88) ▶

PSU	Category	Budget Code	PRC	School	SSN	Name	YTD Days Employed Used
Total:							10531.50

School Bldg Administration (71) ▼

PSU	Category	Budget Code	PRC	School	SSN	Name	YTD Days Employed Used
[REDACTED]	School Bldg Administration	1X.54100.0005.01140. [REDACTED]	0005	32000	[REDACTED]	[REDACTED]	261.00
[REDACTED]	School Bldg Administration	1X.54100.0005.01140. [REDACTED]	0005	32200	[REDACTED]	[REDACTED]	130.50

Days Employed Used Details

Days Used Details for FY 2026 PSU [REDACTED]							Months to Days Conversion Export to Excel
Classroom Teachers (942) ▶							1416 Records
PSU	Category	Budget Code	PRC	School	SSN	Name	YTD Days Employed Used
Total:							171654.88
Program Enhancement Teachers (88) ▶							
PSU	Category	Budget Code	PRC	School	SSN	Name	YTD Days Employed Used
Total:							10531.50
School Bldg Administration (71) ▶							
PSU	Category	Budget Code	PRC	School	SSN	Name	YTD Days Employed Used
Total:							14106.25
School Health Personnel Position (92) ▶							
PSU	Category	Budget Code	PRC	School	SSN	Name	YTD Days Employed Used
Total:							10315.13
Instructional Support (121) ▶							
PSU	Category	Budget Code	PRC	School	SSN	Name	YTD Days Employed Used
Total:							10319.50
Career Technical Education Months of Employment (102) ▶							
PSU	Category	Budget Code	PRC	School	SSN	Name	YTD Days Employed Used
Total:							20177.50

NC Legislative changes that effect LicSal for FY 2026-27

NC Legislative changes that effect LicSal for FY 2026-27

- Principal Legislative Salaries for the PP1-PP6 of FY 2026-27 for 7/1/2026-12/31/2026 will continue to be based on ADM and Growth. The 2026 Principal Annual Salary Schedule is shown below.
- Based on HB 56 ratified bill that became law on 7/7/26.

PRINCIPAL SALARY (Annual Schedules) FY 2026-27 Effective July 1, 2026								
Base			Growth Met			Growth Exceeded		
ADM Range	Schedule / Pay Level	Annual Salary	ADM Range	Schedule / Pay Level	Annual Salary	ADM Range	Schedule / Pay Level	Annual Salary
Up to 200	B0	\$80,126	Up to 200	G0	\$88,137	Up to 200	E0	\$96,151
201 to 400	B1	\$84,131	201 to 400	G1	\$92,544	201 to 400	E1	\$100,958
401 to 700	B2	\$88,137	401 to 700	G2	\$96,952	401 to 700	E2	\$105,766
701 to 1,000	B3	\$92,145	701 to 1,000	G3	\$101,358	701 to 1,000	E3	\$110,574
1,001 to 1,600	B4	\$96,151	1,001 to 1,600	G4	\$105,766	1,001 to 1,600	E4	\$115,381
Over 1,600	B5	\$100,156	Over 1,600	G5	\$110,172	Over 1,600	E5	\$120,188

NC Legislative changes that effect LicSal for FY 2026-27

- The monthly Principal Salary schedule below is based on the FY2026-27 Principal Annual Salary Schedule.
- $(\text{Annual Principal Salary}/261 * 21.75)$

PRINCIPAL SALARY (Monthly Schedules) FY 2026-27 Effective July 1, 2026								
July 1, 2026-Dec 31, 2026								
Base			Growth Met			Growth Exceeded		
ADM Range	Schedule / Pay Level	Monthly Salary	ADM Range	Schedule / Pay Level	Monthly Salary	ADM Range	Schedule / Pay Level	Monthly Salary
Up to 200	B0	\$6,677.17	Up to 200	G0	\$7,344.75	Up to 200	E0	\$8,012.58
201 to 400	B1	\$7,010.92	201 to 400	G1	\$7,712.00	201 to 400	E1	\$8,413.17
401 to 700	B2	\$7,344.75	401 to 700	G2	\$8,079.33	401 to 700	E2	\$8,813.83
701 to 1,000	B3	\$7,678.75	701 to 1,000	G3	\$8,446.50	701 to 1,000	E3	\$9,214.50
1,001 to 1,600	B4	\$8,012.58	1,001 to 1,600	G4	\$8,813.83	1,001 to 1,600	E4	\$9,615.08
Over 1,600	B5	\$8,346.33	Over 1,600	G5	\$9,181.00	Over 1,600	E5	\$10,015.67

NC Legislative changes that effect LicSal for FY 2026-27

- Principal Legislative Salaries for the PP7-PP12 of FY 2026-27 for 1/1/2027-6/30/2027 will be based on the 2027 Principal Annual Salary Schedule shown below

2027 PRINCIPAL SALARY (Annual Schedules)		
Base		
ADM Range	Schedule / Pay Level	Annual Salary
Up to 200	B0	\$80,126
201 to 400	B1	\$84,131
401 to 700	B2	\$88,137
701 to 1,000	B3	\$92,145
1,001 to 1,600	B4	\$96,151
Over 1,600	B5	\$100,156

NC Legislative changes that effect LicSal for FY 2026-27

No later than **January 31, 2027**, DPI will provide a **Salary supplement** to qualifying **Principals**. The **Salary supplement** shall be for an amount equal to **half the difference between the annual amount** the Principal receives on the **2027 Principal Annual Salary Schedule** and the **total annual amount** the Principal qualifies to receive on the following supplemental salary schedule.

PRINCIPAL ANNUAL SUPPLEMENT SALARY SCHEDULE					
(Annual Schedules)					
FY 2026-27					
Growth Met			Growth Exceeded		
ADM Range	Schedule / Pay Level	Annual Salary	ADM Range	Schedule / Pay Level	Annual Salary
Up to 200	G0	\$88,137	Up to 200	E0	\$96,151
201 to 400	G1	\$92,544	201 to 400	E1	\$100,958
401 to 700	G2	\$96,952	401 to 700	E2	\$105,766
701 to 1,000	G3	\$101,358	701 to 1,000	E3	\$110,574
1,001 to 1,600	G4	\$105,766	1,001 to 1,600	E4	\$115,381
Over 1,600	G5	\$110,172	Over 1,600	E5	\$120,188

NC Legislative changes that effect LicSal for FY 2026-27

No later than **January 31, 2027**, DPI will provide a **Salary supplement** to qualifying **Principals**. The **Salary supplement** shall be for an amount equal to **half the difference between the annual amount** the Principal receives on the **2027 Principal Annual Salary Schedule** and the **total annual amount** the Principal qualifies to receive on the following supplemental salary schedule.

		Base				Growth Met
ADM Range	Schedule / Pay Level	Annual Salary		ADM Range	Schedule / Pay Level	Annual Salary
Up to 200	B0	\$80,126		Up to 200	G0	\$88,137

Example: 50% * (G0 Annual Salary – B0 Annual Salary)

$$50\% * (\$88,137 - \$80,126) = \$4,005.50$$

NC Legislative changes that effect LicSal for FY 2026-27

- **Example: $50\% * (\text{G0 Annual Salary} - \text{B0 Annual Salary})$**
 - $50\% * (\$88,137 - \$80,126) = \$4,005.50$

PRINCIPAL ANNUAL SUPPLEMENT SALARY SCHEDULE			
(Annual Schedules)			
FY 2026-27			
Effective July 1, 2026			
Payable no later than Jan 31, 2027			
ADM Range	Schedule / Pay Level	50% Difference Base - Growth Met	50% Difference Base - Growth Exceeded
Up to 200	B0	\$4,005.50	\$8,012.50
201 to 400	B1	\$4,206.50	\$8,413.50
401 to 700	B2	\$4,407.50	\$8,814.50
701 to 1,000	B3	\$4,606.50	\$9,214.50
1,001 to 1,600	B4	\$4,807.50	\$9,615.00
Over 1,600	B5	\$5,008.00	\$10,016.00



Breathe! You made it
through FY 2025-26
in LicSal.

Here is to an even
better fiscal year
ahead in FY 2026-27!



Questions