

General Salary FAQ

Session 2021-2022, SL 2021-180 Section 39.17, Section VII A
(2021-22 School Year)

Overview: This document addresses General Salary and Benefit related legislation

Please see additional budget information posted on the NCDPI Financial and Business Services Division website at www.ncpublicschools.org/fbs. This document will be updated as additional questions are received.

Legislation for Salary and Benefit related provisions is based on Session 2021-2022, SB 105, Section 7.A and Section 39 available at <https://www.ncleg.gov/BillLookup/2021/s105>

GENERAL Salary Questions

1. What is the Hospitalization Rate to be used in December for January's coverage?

The budget was ratified after the State Health Plan rates were due to the vendors (November 1st). The published rate of \$532.36 should be used for December payroll. The rate in January is \$763.36 and then the rate goes to \$647.86 starting in February. Information has been provided by the SHP and is linked here. The table below reflects the necessary employer payments to meet the SHP Costs.

<https://www.shpnc.org/media/2652/download?attachment>

State Health Plan Premiums - EMPLOYER

Month expensed	Month covered	Projected Invoice	Actual Employer Deduction	Diff
Jun	July	521.96	521.96	-
July	August	521.96	521.96	-
August	Sept	521.96	521.96	-
Sept	Oct	521.96	521.96	-
Oct	Nov	521.96	521.96	-
Nov	Dec	521.96	521.96	-
Dec	Jan	647.86	532.36	(115.50)
Jan	Feb	647.86	763.36 *	115.50
Feb	March	647.86	647.86	-
March	April	647.86	647.86	-
April	May	647.86	647.86	-
May	Jun	647.86	647.86	-
		7,018.92	7,018.92	-
Goal		7,019.00		
Diff		0.08		

***Retro payment to SHP in January**

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CERTIFIED PERSONNEL

2. When are the new salary schedules effective?

July 1, 2021 is when the new scales go into effect. However, they are to be implemented beginning January 1, 2022. There is then required a retroactive pay adjustment for the period of July 1 to December 31, 2021. That pay adjustment is to be paid after January 1, 2022. To be eligible employee has to be employed through December 31, 2021.

Please see separate section of the FAQ on how to implement the new salary schedules and the overall legislative increase.

3. Do we have to pay the extra \$350 and \$100 as supplement code for the psychologists and counselors?

No, we have incorporated the supplements into their respective salary schedules. The amounts will be paid in their certified salary rate and not as a supplement. They are intended to differentiate the salary schedule and base pay for that staff.

We will not be adding the 181 supplement code to the position PRCs.

BONUS QUESTIONS:

Please see the Bonus Grid summary for details related to each bonus type that is in the SL2021-180. This does NOT apply to the retroactive salary bonus payment tied to the legislative salary increase.

- **Please refer to the FAQ developed for each bonus.**

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NONCERTIFIED PERSONNEL Salary Questions:

Per SL 2021-180, section 7A.10 all state supported noncertified personnel are to receive the greater of 2.5% or whatever it takes to achieve the minimum wage of \$13 per hour for FY 2021-2022. This is beginning July 1, 2021.

Under SL 2021-180, section 39.17 these new rates go into effect July 1, 2021 to be implemented January 1, 2022.

4. What are the substitute pay rates?

The following rates** are effective July 1, 2021:

Substitute	Minimum Dollar Amount	Maximum Daily Rate	% of A-00 Teacher Rate (calc. on 22 days)
Licensed	\$105	\$161	65%
Unlicensed	\$81	\$161	50%

*** Note: the minimum salary for a substitute paid with state funds shall also meet the required \$13/hour per SL2021-180. It is the responsibility of each district to verify that they are in compliance with this legislation.*

5. Are substitutes owed retroactive pay adjustments since the rates are applicable to July 1, 2021?

No, Substitutes would not receive the retroactive salary bonus payment (See FAQ on retro salary bonus).

6. Does the \$13 per hour apply to part-time employees or other types of substitutes such as for school food service, bus drivers, custodial services, after-school?

Section 7A.10 stipulates that the \$13 per hour minimum hourly compensation rate applies to all public school employees. Section (b) 2, it further includes permanent, part-time and temporary and permanent hourly employees.

Please note for personnel funded from non State funds, including School Nutrition Employees:
*Per GS 115C-12 (16) part c: Salary schedules for other support personnel, including but not limited to maintenance and school food service personnel, shall be adopted by the State Board of Education. The Board shall classify these support positions in terms of uniform pay grades included in the salary schedule of the State Human Resources Commission. **These schedules shall apply if the local board of education does not adopt a salary schedule of its own for personnel paid from other than State appropriations.***

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The State Board has increased the salary ranges for all personnel to meet the 2.5% and \$13 per hour minimum for all pay grades. Please reference the section in yellow related to public school employees paid from other funding sources.

7. *If our employees are already making \$13 an hour, do we have to increase them by some percentage regardless? The confusion for my district is the wording "the greater of..." I took this to mean that you needed to make sure that all hourly or salary employees were at \$13 an hour and then \$15 by 2023, whether you increased by an amount or a percentage to get to the \$13. HR took this to mean that if they were at \$13 then they got a 2.5% increase.?*

- The legislation states "...the greater of the following: a. 2.5% or b. an amount necessary to increase the minimum hourly compensation rate of the employee to \$13 per hour..."
 - So greater of either or, but
 - If it takes 1.5% to raise the rate to the \$13 minimum, then you still have to provide the extra 1% over that to achieve the 2.5% minimum increase.
 - Likewise, if it takes 4% to achieve the \$13 minimum hourly rate then that's what is necessary.
 - If the rate is already at \$13 per hour or greater, the rate would need to be increased by 2.5%.

8. *In September, our board granted salary increases which gave all noncertified staff 1/3 of any missed steps from local funding. If the increase equated to 2.5% or higher minimum at that time, are we required to grant an additional 2.5% on top of that increase and make that amount retroactive? Or are we only required to add the 2.5% to what their beginning salary was?*

You would need to consult your Board attorney related to how your local board of education enacted the salary increase and language used at that time to ensure you have met the requirements of the legislation.

The new rates under Section 39.17 go into effect July 1, 2021 to be implemented starting January 1, 2022.

9. *Regarding the \$13/hour, can we get a breakdown of how to calculate teacher assistant hourly payroll for districts that have the TA workweek at 37.5 hours? I only ask because I know there is a lot of variances between districts and the way they calculate?*

The PSU must ensure all noncertified employees, including teacher/instructional assistant earn a minimum of \$13 per hour. This would not vary based on the standard hours in the workweek. The subsequent definition and determination on how that might equate to the local salary schedule for your teacher/instructional assistants is a local decision.

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PERSONAL LEAVE Questions:

10. When does the revision for personal leave costs and the \$50 deduction go into effect?

Section 7.67, related to the revisions for personal leave costs for teachers goes into effect the date the bill was ratified which is November 18, 2021. It is not to be applied retroactively to July 1, 2021.

11. What are the new absence reason codes to be used with the update to the Personal Leave provision in the budget bill?

Section 7.67 updated the Personal Leave costs for Teachers. This provision goes into effect the date the bill was ratified which is November 18, 2021. There will be 2 new absence reason codes and will work with your vendors to communicate this information. NCDPI will update the Employee Benefits manual and we plan to take those updates to the SBE in January.

Absence Reason Code 06 = Personal Leave w/ Deduction ends November 18, 2021

Absence Reason Code 02 = Personal Leave – Approved (No Deduction)

Absence Reason Code X9 = Personal Leave – No Reason

Note: we put “X” to allow the district to establish a table or variable rates, etc. that may be needed. DPI will mask for our salary audit system.

12. What is the deduction for the full cost of a substitute under the updated provisions in Section 7.67?

The **full cost of “hiring” the substitute** is determined by the LEA. This could be a variable cost for each PSU.

13. What is/are valid reason(s) related to this provision update in Section 7.67?

The provision would allow sufficient flexibility in how they phrased “a reason” so that individual LEA may create their own policies and procedures related to how they will implement this provision. Similarly to how a PSU may define and “full cost of hiring the substitute”. That is not meant to be defined by NCDPI or the SBE.

14. Do we have to refund the teachers who were deducted the \$50 prior to this budget bill?

No, the provision went into effect on November 18, 2021. If you did deduct the \$50 for an approved personal leave day after that date then you should refund the teacher the \$50 deduction, however, prior to that date there is no refund required.

15. Aren't there other \$50 deductions built into the system for sick leave, etc.? Do those deduction still apply?

Yes, all other deductions remain in force. Section 7.67 only adjusted the rules related to the specific deduction for a substitute teacher when a teacher takes a personal leave day.

Absence Code 03 for Extended Sick Leave and Absence Code 05 for Absence with Deduction both still carry the \$50 deduction requirement.

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16. When will our systems be updated for this change?

We are communicating with your vendors and they will be in touch with you to provide that information. It appears there is flexibility in how the LEAs can begin to use the updated absence codes and should be able to implement reason 02 immediately.

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OTHER QUESTIONS:

17. Do you have information related to the new low-wealth supplements?

We will need to take Section 7A.12 related to the “Supplemental Funds for Teacher Compensation” to the SBE to approve the allotment policy and will provide subsequent guidance after that is prepared. We do not expect to be able to take that to the SBE prior to January 2022.

Please be aware that the draft funding provided to PSUs is not the final allocation as it was not adjusted for the funding required for the charter schools and other IPSs that are eligible for these funds. Please keep in mind also that this is a fixed budget and depending on many factors could alter the funding PSUs receive on an annual basis.

The policy is being presented to the SBE at the January meeting and we will have planning allotment information at that time.

18. Do you have information related to the new signing bonus funds for small county and low-wealth districts?

We will need to take Section 7A.5 related to the “Small County and Low-Wealth Signing Bonus” to the SBE to approve the allotment policy and will provide subsequent guidance after that is prepared. We do not expect to be able to take that to the SBE prior to January 2022.

Keep in mind that legislation and policy will require a local funding match.

19. Were the funds to cover the legislative salary increases included in our initial allotments?

Yes, the funding received in the SPSF from the legislature to cover the legislative salary and benefit increase was applied to all the PRCs impacted and is included in your initial allotments.

20. Next question?

Next answer.