

SUBCHAPTER 400. SALARIES AND BENEFITS

1C SBCCC 400.1 DEFINITIONS

The following definitions apply to this subchapter:

- (a) “Base Salary” – A fixed amount or a rate of compensation paid to an employee for work performed, excluding benefits and any other payments or allowances, such as longevity and bonuses.
- (b) “Bonus Pay” – A lump sum payment provided to employees, excluding longevity pay. Compensation provided to an employee for work in addition to the employee’s normal duties is not considered “bonus” pay.
- (c) “Longevity Pay” – A lump sum payment provided to recognize long-term State service, as provided by 1C SBCCC 400.8.

History Note: Authority G.S. 115D-5;

Eff. [October 1, 2018](#)

1C SBCCC 400.2 COLLEGE PRESIDENT SALARIES

- (a) Upon hire and each fiscal year thereafter, the college board of trustees shall set the college president’s salary, consistent with the parameters set forth in this rule.
- (b) The college board of trustees shall pay the college president a base salary from State funds consistent with the following provisions:
 - (1) The State Board shall adopt State salary grades for college presidents that are based on institutional size. The System President shall determine annually the proper salary grade for the president of each college based on its institutional size. Institutional size is defined as the sum of:
 - (A) The higher of the number of curriculum budget FTE as defined 1G SBCCC 100.1(4) for the prior reporting year or the average of the number of curriculum budget FTE for the prior two reporting years;
 - (B) The higher of the number of continuing education budget FTE as defined by 1G SBCCC 100.1(4) for the prior reporting year or the average of the number of continuing education budget FTE for the prior two reporting years; and

- (C) The higher of the number of curriculum and continuing education non-budget annual FTE for the prior reporting year or the average of the number of curriculum and continuing education non-budget annual FTE for the prior two reporting years.
- (2) For each salary grade, the State Board shall adopt a salary that all presidents assigned to that grade shall be paid from State funds, except as provided by provision (b)(3). The State Board shall adjust the prescribed salary for each grade annually consistent with legislative action.
- (3) If the salary paid from State funds to a college president in FY 2012-13 exceeds the salary adopted by the State Board for that college's salary grade, the State Board shall allocate from State funds an amount that equals his or her FY 2012-13 salary supported from State funds adjusted for any subsequent legislative salary adjustment enacted into law by the General Assembly until such time that the president separates from that college.
- (c) Boards of trustees shall pay an acting or interim president from State funds an amount equal to the salary prescribed by the State Board for that college's salary grade.
- (d) Boards of trustees shall not provide bonus pay to the college president using State funds unless authorized by the General Assembly.
- (e) Boards of trustees may supplement the base salary paid from State funds for permanent, acting, or interim college presidents, using non-State funds, if not prohibited by the non-State fund source. The supplement may be in the form of supplemental base salary or bonus pay.

History Note: Authority G.S. 115D-5;

Eff. [October 1, 2018](#)

1C SBCCC 400.3 College Employee Rates of Pay

- (a) The State Board shall adopt a minimum and maximum base salary amount of State funds which may be paid to any individual working in a college. The State Board shall also adopt minimum salaries for curriculum faculty based on educational level.

- (b) The college president shall establish the rate of pay for college employees consistent with the college's local human resources policy required by 1C SBCCC 200.94, the parameters established by the State Board in subsection (a) of this rule, and any applicable legislation enacted by the General Assembly.
- (c) Salary increases shall be granted consistent with local policy and the requirements set forth by the General Assembly.
- (d) Colleges shall not provide bonus pay to college employees using State funds unless authorized by the General Assembly.
- (e) Colleges may supplement the base salary paid from State funds for college employees using non-State funds, if not prohibited by the non-State fund source. The supplement may be in the form of supplemental base salary or bonus pay.

History Note: Authority G.S. 115D-5;

Eff. [October 1, 2018](#)

Amended Eff. [June 1, 2019](#).

1C SBCCC 400.4 REPORTING OF COLLEGE EMPLOYEE SALARIES

Colleges shall certify and report annually to the System Office information about college employee pay as of the prescribed reporting date and in the format prescribed by the System Office.

History Note: Authority G.S. 115D-5;

Eff. [October 1, 2018](#)

1C SBCCC 400.5 CONTRACT BUY OUTS

- (a) Boards of trustees shall not use state funds to buy out contracts, unless required by a court of competent jurisdiction. The parties entering into a contract are responsible for implementing the contract. Therefore, should it become necessary to terminate employment prior to the expiration of a contract and if it is necessary to buy out the contract, such payment shall not be paid from state funds.

- (b) For an employee who is separated from the college for unsatisfactory job performance, a college may provide up to two weeks' pay from the same funding source as the employee's base salary in lieu of notice. Such pay in lieu of notice is applicable only to dismissals or non-renewals for unsatisfactory job performance.
- (c) An individual in a state-funded position whose employment is terminated prior to the expiration of a contract may not be re-employed by the college to offset the lost wages which the employee would have received under the contract. Colleges shall make all efforts to prevent terminations which require buying out contracts.
- (d) If an individual whose employment contract has been terminated enters into another employment agreement with the college, such employment shall be for a salary commensurate with the services being performed. Such employment shall not be to provide the employee the same level of compensation he or she would have received under the former contract.

History Note: Authority G.S. 115D-5;

Eff. [October 1, 2018](#)

1C SBCCC 400.6 EDUCATIONAL LEAVE WITH PAY

- (a) The term "educational leave" means the release from duties or time normally required of a full-time employee in carrying out the full load of responsibilities assigned to further his education.
- (b) Each local board of trustees shall adopt an educational leave policy for employees. State funds may be used to pay employee salaries while they are on educational leave if the following criteria are incorporated in the local board of trustees' policy:
 - (1) The employee is employed full-time on a 9-, 10-, 11-, or 12-month basis.
 - (2) The employee shall be under contract to the college for the next fiscal year.
 - (3) Educational leave shall not exceed one semester per fiscal year.
 - (4) An employee who fails to honor the contract stipulated in Subparagraph (b)(2) of this Rule shall be required to repay the amount expended for the educational leave. If the employee fulfills a portion of the contract before failing to honor the contract, repayment shall be based on a pro-rata portion (e.g., if an employee works 4

months of a 12-month contract, a repayment of 66.7 percent of the educational leave would be required).

History Note: Authority G.S. 115D-5;

Eff. [October 1, 2018](#)

1C SBCCC 400.7 MILITARY LEAVE

- (a) The rules concerning military leave, codified in Title 25 of the North Carolina Administrative Code, Subchapter 1E, Section .0800 are hereby incorporated by reference including any subsequent amendments and editions of these rules to apply to community college system employees.

History Note: Authority G.S. 115D-5;

Eff. [October 1, 2018](#)

1C SBCCC 400.8 LONGEVITY PAY PLAN FOR COLLEGE PERSONNEL

- (a) Employees of institutions in the community college system assigned to permanent fulltime or permanent -part-time- positions shall receive longevity pay if the employees meet the requirements of total qualifying service set forth in this Rule.
- (b) Total service for the longevity pay plan is based on a month-for-month- computation of permanent fulltime and permanent -part-time- (20 hours or more, but less than full-time) employment with:
- (1) An institution in the community college system or a school administrative unit regardless of the source of salary and including state, local or other paid employment.
 - (A) Employment for a school year is equivalent to one full calendar year (credit for a partial year is given on a month-for-month- basis).
 - (B) In no event will an employee earn more than a year of total service credit in a 12-month period.
 - (C) If an employee is in pay status (working, exhausting vacation or sick leave, or when on workers' compensation leave or is on authorized military leave) for

one-half or more of the regularly scheduled workdays in a month, credit shall be given for the entire month.

- (2) Departments, agencies, and institutions of the State of North Carolina, (e.g., Department of Administration, Department of Revenue, University of North Carolina, Department of Community Colleges, Department of Public Instruction).
 - (3) Other governmental units which are now agencies of the State of North Carolina (e.g., county highway maintenance forces, War Manpower Commission, judicial system).
 - (4) County agricultural extension service.
 - (5) Local mental health, public health, social services or civil preparedness agencies in North Carolina, if such employment is subject to the Office of State Human Resources Act.
 - (6) Authorized military leave.
 - (A) Credit for military leave is granted only for persons who were employees of the State of North Carolina or other agencies listed in Paragraph (b) of this Rule who were granted leave without pay:
 - (i) for a period of involuntary service plus 90 days or for a period of voluntary enlistment for up to four years, plus 90 days, so long as they returned to employment in a covered agency within the 90 days; or
 - (ii) for a period of active duty for service, alerts, or required annual training while in the National Guard or in a military reserve program.
 - (B) Employees who enlist for more than four years or who re-enlist shall not be eligible for military leave.
 - (C) Employees hospitalized for a service connected- disability or injury shall be granted additional leave without pay for the period of hospitalization plus 90 days or for 12 months, whichever is shorter. The hospitalization must commence before reinstatement into qualifying service for the provisions of this part to apply.
- (c) Total service for the longevity pay plan does not include:
- (1) Temporary service, that is, service by an employee who works in a temporary position, or who is working temporarily in the absence of a permanent employee

on leave of absence, except that temporary service of employees of the General Assembly will be counted and the full legislative terms of the members. Service of legislative interns and pages will not be counted.

- (2) Periods of out-of-state employment with other states, schools, colleges or universities.
 - (3) Periods of employment with agencies of the federal government.
 - (4) Periods of military service other than those categories described in Subparagraph (b)(6) of this Rule.
 - (5) Periods of employment for employers other than the State of North Carolina even though credit in the North Carolina retirement system has been purchased for such employment.
- (d) An employee assigned to a permanent fulltime or permanent part-time- position is eligible for longevity pay only after the date the employee has completed ten years of total service with a community college, a school administrative unit or an agency.
- (e) Annual longevity pay amounts are based on the length of total service to agencies, community colleges, and school administrative units as designated in Paragraph (b) of this Rule and a percentage of the employee's annual rate of pay on the date of eligibility.
- (1) Longevity pay amounts are computed by multiplying the employee's annual base or contract salary rate as of the eligibility date by the appropriate percentage, rounded to the nearest dollar, in accordance with the following table:

Years of Total State Service	Longevity Pay Rate
10 but less than 15 years	1.50%
15 but less than 20 years	2.25%
20 but less than 25 years	3.25%
25 or more years	4.50%

- (2) Longevity pay is not considered a part of annual base or contract salary or is it to be represented in personnel and payroll records as a part of annual base or

contract salary. (Salary increases effective on the same date as the longevity eligibility date shall be incorporated in the base salary before computing longevity).

- (f) The payment of longevity pay to eligible employees is automatic. Payment shall be made in a lump sum, subject to all statutory deductions, during the monthly pay period in which the employee has satisfied all eligibility requirements.
- (1) Eligible employees on worker's compensation leave shall receive longevity payment in the same manner as if they were working.
 - (2) If an employee retires, resigns, dies, or is otherwise separated on or after the date of becoming eligible for a longevity payment, the full payment shall be made to the employee or to the estate of the employee in case of death.
 - (3) If, on the effective date of this policy, an employee has completed the qualifying length of service but is between eligibility dates, longevity payment will be made on the next longevity anniversary date.
 - (4) If the employee has worked part but not all of one year since qualifying for longevity payment, the employee shall receive a pro-rata- payment in the event of:
 - (A) Separation from the institution;
 - (B) Change in employment status to temporary part-time, or to a position not covered in this policy.
 - (5) If an employee separates from a community college and receives a partial longevity payment and is employed by another community college, school administrative unit, or state agency, the balance of the longevity payment shall be made upon completion of additional service totaling 12 months for an employee having a 12-month period of employment, or upon completion of a lesser term for an eligible employee on less than a 12-month period of employment. The balance due is computed on the annual or contract salary being paid at the completion of the requirement.
 - (6) If an eligible employee at the time of separation has a fraction of a year toward the next higher percentage rate, payment shall be based on the higher rate; however, the basic eligibility for longevity requirement must have been satisfied before this provision can apply.

- (7) Leave without pay in excess of one-half the work days in a month (with the exception of authorized military leave and worker's compensation leave) will delay the longevity anniversary date on a month-for-month basis.
- (g) Boards of trustees shall pay longevity pay from the same source of funds and in the same pro-rata- amounts from which the employee's regular annual salary is paid (e.g. state, federal, local funds). If boards of trustees want to provide longevity payments in excess of the amounts provided for by subsection (e)(1), such payments may not be supported with state funds as defined by 1H SBCCC100.1.
- (h) The president of each community college shall:
- (1) Determine the quantity of qualifying service and the longevity anniversary date for each eligible employee.
 - (2) Furnish to the State Board, in format prescribed by the System Office, data necessary for a determination of the cost of the longevity pay plan from state funds.
- (i) The President of the Community College System shall determine the total cost of the longevity pay plan from data submitted by each community college. If funds are not adequate to pay longevity rates established under this Rule, the President of the Community College System shall submit a budget revision to the State Budget Officer requesting additional funds from other available sources within State Aid.

History Note: Authority G.S. 115D-5;

Eff. [October 1, 2018](#)

1C SBCCC 400.9 EMPLOYEE MERITORIOUS SERVICE AWARDS

Colleges are authorized to establish employee meritorious service award programs. To express appreciation to their valued employees, colleges may adopt a policy of recognizing continued dedicated service through a program of service awards. The program shall provide:

- (a) Management a tool to recognize ongoing employee dedication and a means to reinforce, acknowledge and retain employee commitment at critical milestones.

- (b) Recognition of employees' service in increments of five years through retirement. A college may define "service" as total service, as defined in 1C SBCCC 400.8(b), or college service.
- (c) Service awards to employees reaching each five-year milestone. Employee service awards may be purchased through the State of North Carolina Service Awards: Excellence in Service Program or the college may purchase awards of comparable value.
- (d) The purchasing of awards is dependent upon availability of funds to finance the program. Boards of trustees may use State (see 1H SBCCC 200.8) or non-State funds, if authorized by the non-State fund source, to purchase the awards.

History Note: Authority G.S. 115D-5;

Eff. [October 1, 2018](#)

1C SBCCC 400.10 PAYROLL DEDUCTIONS

Colleges are authorized to establish voluntary payroll deduction plans for the following:

- (a) Premiums for any type of group insurance established and authorized by the laws of the state;
- (b) Amounts authorized by members of the State Employee's Credit Union and local teacher's credit union to be deposited with such organizations;
- (c) Loans made to employees by credit unions;
- (d) Charitable organizations as defined in Section 501(c) (3) of the Internal Revenue Code approved by the local board of trustees, subject to rules and regulations adopted by the director of budget;
- (e) Dues for domiciled employees' associations, as provided in G.S. 143B-426.40A(g);
- (f) Contributions to deferred compensation plans authorized by G.S. 143B-426.24;
- (g) Contributions to the Parental Savings Trust Fund established by G.S. 116-209.25; and
- (h) Amounts due to the college, such as parking fees, and fees for childcare services.

The college's finance officer is also authorized to enter into annual contracts, with employees of the college, which authorize the reduction of salaries to provide for the purchase of annuity or retirement income contracts provided that such action has been

approved by the board of trustees and otherwise conforms to the provisions of G.S. 115D-25.

History Note: Authority G.S. 115D-5;

Eff. [October 1, 2018](#)

1C SBCCC 400.11 LEAVE PAYOUTS

Colleges may pay full-time employees for a maximum of 240 hours of unused annual leave (prorated for part-time employees) plus any unused special leave authorized by the General Assembly that has a cash value and does not expire.

History Note: Authority G.S. 115D-5;

Eff. [October 1, 2018](#)

Amended Eff. [September 01, 2019](#).

1C SBCCC 400.94 ESTABLISHING PAY RATES

REPEALED by the State Board of Community Colleges, eff. October 1, 2018.

History Note: Authority G.S. 115D-5; 115D-54; S.L. 2005-276;

Eff. February 1, 1976;

*Amended Eff. March 1, 2007; December 1, 2004; September 1, 1993;
December 1, 1989; July 1, 1984; August 1, 1981.*

Repeal Eff. [October 1, 2018](#)

1C SBCCC 400.95 CONTRACT BUY OUTS

REPEALED by the State Board of Community Colleges, eff. October 1, 2018.

History Note: Authority G.S. 115D-5; 115D-20;

Eff. December 1, 1995.

Repeal Eff. [October 1, 2018](#)

1C SBCCC 400.96 EDUCATIONAL LEAVE WITH PAY

REPEALED by the State Board of Community Colleges, eff. October 1, 2018.

History Note: Authority G.S. 115D-5; 115D-20; 115D-31; S.L. 1995, c. 625;

Eff. February 1, 1976;

Amended Eff. September 1, 1993; August 17, 1981; January 6, 1978;

Temporary Amendment Eff. June 1, 1997;

Amended Eff. July 1, 1998.

Repeal Eff. [October 1, 2018](#)

1C SBCCC 400.97 MILITARY LEAVE

REPEALED by the State Board of Community Colleges, eff. October 1, 2018.

History Note: Authority G.S. 115D-5; 127A-116; 150B-21.6;

Eff. February 1, 1976;

Amended Eff. March 1, 1997; September 1, 1993; August 17, 1981.

Repeal Eff. [October 1, 2018](#)

1C SBCCC 400.98 LONGEVITY PAY PLAN FOR COLLEGE PERSONNEL

REPEALED by the State Board of Community Colleges, eff. October 1, 2018.

History Note: Legislative Objection Lodged Eff. October 10, 1980;

Legislative Objection Removed Eff. November 20, 1980;

Filed as an Emergency Amendment Eff. July 7, 1980 for a period of 120 days to expire on

November 5, 1980;

Authority G.S. 115D-5; S.L. 1979, ch. 1137, s. 21;

Eff. September 15, 1977;

Emergency Amendment Expired Eff. November 5, 1980;

Amended Eff. June 1, 1991; August 1, 1983; July 1, 1981; November 6, 1980.

Repeal Eff. [October 1, 2018](#)

1C SBCCC 400.99 PAYROLL DEDUCTIONS

REPEALED by the State Board of Community Colleges, eff. October 1, 2018.

History Note: Authority G.S. 115D-5; 115D-22; 115D-25; 143-3.3; 143-304;

Eff. February 1, 1976;

Amended Eff. August 1, 1983; August 17, 1981; January 6, 1978.

Repeal Eff. [October 1, 2018](#)