

Annual Report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division

Principal Recruitment Supplement Program Report

General Statute # SL 2019-247 Section 2.5 G.S.115C-285.1

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Desired Outcomes

Program Participation and Compliance

The report clearly identifies participating principals and schools and demonstrates implementation consistent with statutory eligibility, selection, and reporting requirements.

Statutory alignment: § 115C-285.1(g)(2), (g)(3)

Principal Retention and Tenure

The report documents the length and rate of principal retention within the Program and at participating schools, highlighting leadership stability in low-performing schools.

Statutory alignment: § 115C-285.1(g)(4)

School Performance Context and Impact

The report provides context on school performance trends for schools receiving principals through the Program and for schools that lost principals as a result of the Program.

Statutory alignment: § 115C-285.1(g)(1)



Purpose of Session Law 2019-247 (§115C-285.1)

The purpose of Session Law 2019-247, Section 2.5 (§ 115C-285.1), is to **attract, recruit, and retain highly effective principals to the State's lowest-performing schools** by offering a **significant, time-limited salary supplement**.

Principal Recruitment Supplement Program

When was the program established?



2019

Which principals qualify?



A principal who is paid on the Exceeded Growth column of the Principal Salary Schedule.

Which Schools are Eligible?



Low-performing schools, as defined in G.S. 115C-105.37, receiving an overall school performance score that placed it in the **bottom five percent (5%)** of all schools in the State in the prior school year.

What is the salary supplement amount?



\$30,000/year, paid monthly, as long as the principal is employed as the principal of that school, up to a maximum period of 36 months

How many supplements are available annually?



40

How many supplements are currently in use?



20 (50%)

What is the number of principal cohorts to date?



6

What is the timeline for execution of the program?



October 1st – August 1st

Program Implementation: 2020-2026

	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
# cumulative year to year participation	13	14	18	20	13	20
# of qualifying schools	110	110	137	126	120	124
# of supplements available	40	40	40	40	40	40
# of schools declining	17	16	6	0	13	22

1

Phase I

- **Eligibility Notification:** The first 40 schools with eligible bottom 5% schools are notified and invited to participate.
- **District Acceptance (Phase I):** District superintendents accept or decline participation. Accepted districts advance to Phase II.

2

Phase II

- **School Identification (Phase II)**
- DPI provides participating districts a list of eligible schools categorized as **priority**, **alternative**, or **currently participating**.

3

Phase III

- **Candidate Submission (Phase III):** Districts submit proposed principal candidates for vetting by the Office of Financial and Business Services
- **Final Approval:** Once a candidate is deemed eligible, districts submit required documentation in accordance with G.S. 115C-285.1

Recruitment Efforts

Implementation Results & Strategies

Recruitment is increased in the spring to include:

- brainstorming sessions with districts
- intra-district recruitment
- increased communications

Phase I Notice of Eligibility

- All **47** eligible districts (**124 schools**) were contacted.

Phase II Participation Acceptance

- **5** districts declined (**22 schools**)

Phase III Participation Acceptance

Since March 2025, **27** principals have been submitted and vetted through Financial Business Services

- **52%** did not qualify
- **30%** were successfully placed at a qualifying school
- **18%** qualified but were not placed by district

Program Progress

Charlotte-Mecklenburg Schools accounts for approximately **32%** of participating schools and **Winston Salem/Forsyth County Schools** accounts for approximately **26%**, the highest representation among districts.

Cohorts I–II (2020–22)

16 principals completed the full 36-month participation period; Upon completion approximately **50%** of participating schools exited low-performing status.

Post-Participation Sustainability:

One Cohort I principal remains at the school, which has sustained gains achieved during program participation.

Cohort IV (2023–24)

8 principals currently serving; **50%** of schools exceeded growth, removing the low-performing designation.

Cohort V (2024–25)

3 principals currently serving; **67%** of schools exceeded growth, removing the low-performing designation.

Cohort VI (2025–26)

8 principals began service in Fall 2025.

District-Identified Barriers to Program Participation

1

Limited School Eligibility

Statutory criteria restrict eligibility to the **bottom 5%** of schools, resulting in 124 eligible schools statewide compared to 628 traditionally, low-performing schools.

2

Compensation Inequities

Districts report perceived inequities when principals at similarly situated schools do not qualify for supplemental pay.

No New Recommendations for SY 2025–26

Continuing SY 2024–25 Board-Approved Recommendations

- 1 Direct DPI to conduct a study of this program alongside all statutory requirements for low-performing districts and schools to ensure the timelines, needs, and work of public-school units align optimally.
- 2 Remove the restriction of subsection (c)(3) in this statute so that principal supplemental pay counts toward the pension formula for purposes of the Teachers' and State Employees' Retirement System.
- 3 Expand the definition of a qualifying school to include all low performing schools as defined in G.S. 115C-105.37. This will allow:
 - Local superintendents the flexibility to consider all low-performing schools within their district instead of one or two schools in the district that fall into the lowest 5% of schools.
 - The program to serve as a compliment to State statute §115C-105.39 which directs local superintendents to evaluate the current principal's performance when a school is designated as low performing. By all schools designated as low performing being eligible, the supplement could serve as a recruitment tool for superintendents deciding to recommend to the local school board the transfer, dismissal, or demotion of a current principal.
- 4 Hold principals harmless from negative consequences of moving to a school under this program.
- 5 Increase the number of years a principal can stay at an eligible school from 3 years to 4-5 years.

Questions?

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