



NORTH CAROLINA
State Board of Education
Department of Public Instruction

Report to the North Carolina General Assembly

Principal Recruitment Supplement

SL 2019-247 Section 2.5

G.S.115C-285.1

Date Due: March 15, 2025
DPI Chronological Schedule, 2024-2025

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JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE REPORT REQUIREMENTS

SL2019-247 Section 2.5 *G.S.115C-285.1* establishes the Principal Recruitment Supplement Program. This program provides a qualifying principal, who accepts a position as a principal in a qualifying low performing school, an annual salary supplement of thirty thousand dollars (\$30,000). This supplement is paid on a monthly basis, as long as the principal is employed as the principal of that school, up to a maximum period of 36 months. (See Appendix A for full legislation.)

The legislation requires that the North Carolina Department of Public Instruction report no later than March 15, 2021, and every year thereafter to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the Program. The report must include, at a minimum, the following information:

- (1) the impact of the Program on school performance, including the performance of (i) schools receiving a principal under the Program and (ii) schools that lost a principal due to the Program;
- (2) the number of principals participating in the Program;
- (3) the identity of schools participating in the Program; and
- (4) the length and rate of retention of principals (i) within the Program and (ii) at specific schools within the Program.

NCDPI IMPLEMENTATION

The process for qualifying schools for the Principal Recruitment Supplement begins yearly in October after DPI's Office of Accountability and Testing certifies all accountability data. After the data is certified and approved by the State Board of Education, the Office of Accountability and Testing submits a list of the bottom 5% of schools to the Office of School Improvement for recruitment. Recruitment is done in three phases:

Phase I	Notice of Eligibility	The first 40 district superintendents of the bottom 5% of eligibility schools are notified of their eligibility. The district superintendent has to accept invitation to participate. If accepted, they advance to Phase II.
Phase II	Participation Acceptance	In Phase II, the district receives all eligible schools categorized by those that are priority, alternative, or already participating in supplemental program.
Phase III	Active Recruitment	In Phase III, the district superintendent/designee submits possible candidates to be vetted by the Office of Financial Business Services. Once a candidate qualifies, the district submits all information as identified in <i>G.S.115C-285.1</i> .

Additional efforts to recruit are made throughout the spring because the list of eligible schools outnumbers the 40 slots that are available for the program. As district superintendents decline participation, the remaining districts on the initial list are considered in an effort to distribute all available recruitment supplements. Recruitment is done on a rotating basis as long as supplements are available.

Table 1 illustrates implementation activity since the program began in 2020. Participation in 2024-2025 has declined, returning to the same level as when the program was first established.

TABLE 1: IMPLEMENTATION ACTIVITY

	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
# of schools participating ¹	13	14	18	20	13
# of qualifying schools	110	110	137	126	120
# of slots for program	40	40	40	40	40
# of schools declining	17	16	6	0	13

PRINCIPAL RECRUITMENT SUPPLEMENT PARTICIPATION

Table 2 shows the full list of schools actively participating in the Principal Recruitment Supplement Program and their performance data when entering the program. Participants are grouped by the year they entered the program. Because recipients are hired at different times of the year, financial data is used to track their employment.

TABLE 2: CUMULATIVE LIST PRINCIPAL RECRUITMENT SUPPLEMENT RECIPIENTS

Year Added	Status	District Name	School Name	State Board Region	Grade Span	Title I Served School	Percent EDS	School Performance Grade (SPG)	School Growth Status
2022-2023	Top 40	Nash County Public Schools	DS Johnson Elementary	North Central	03-05	Y	85.1	F	Not Met
2022-2023	Top 40	New Hanover County Schools	R Freeman Sch of Engineering	Southeast	PK-05	Y	88	F	Met
2023-2024	Top 40	Anson County Schools	Wadesboro Elementary	Southwest	04-05	Y	76.2	F	Not Met
2023-2024	Top 40	New Hanover County Schools	Forest Hill Elementary	Southeast	0K-05	Y	73.7	F	Not Met
2023-2024	Top 40	Halifax County Schools	Everetts Elementary STEM Academy	Northeast	PK-05	Y	76.1	F	Not Met
2023-2024	Top 40	CMS	Martin Luther King Jr Middle	Southwest	06-08	Y	51.4	F	Not Met
2023-2024	Top 40	CMS	University Park Creative Arts	Southwest	0K-05	Y	67.3	F	Not Met
2023-2024	Top 40	CMS	Druid Hills Academy	Southwest	PK-08	Y	64.6	F	Met
2023-2024	Top 40	Forsyth County Schools	Forest Park Elementary	Piedmont-Triad	PK-05	Y	74.9	F	Not Met
2023-2024	Top 40	Forsyth County Schools	Hall-Woodward Elementary	Piedmont-Triad	PK-05	Y	69.1	F	Not Met
2024-2025	ALT	CMS	J.M. Alexander Middle	Southwest	06-08	Y	54.5	F	Not Met
2024-2025	ALT	Vance County Schools	E.O. Young Jr. Elementary	North Central	PK-05	Y	82.8	F	Met
2024-2025	ALT	Gaston County Schools	W. P. Grier Middle	Southwest	06-08	Y	73.8	F	Not Met

¹ Cumulative number over life of program

COHORT I: 2020-2021 PARTICIPANTS

The principals in Cohort I of the Principal Recruitment Supplement have reached their maximum participation time of 36 months receiving the bonus as outlined in the legislation. Out of the 14 recipients listed, only two principals remain employed after the expiration of their recruitment supplement.

Table 3 shows the end of the supplement period for most of Cohort I (2022-2023) and the accountability results for the following year (2023-2024). The 2018–19 test data is provided as a reference; it is intended for context, not for evaluation. Fifty percent of the schools participating in the Principal Recruitment Supplement Program exceeded growth in 2022-2023, which based on the North Carolina Accountability model removes their designation as a low performing school. Forty-three percent of these schools have increased and maintained a change in letter grade, school growth status, or school growth score based on the 2023-2024 accountability data.

One important caveat to the data is that the two high-performing principals that have remained at their schools after receiving the recruitment supplement are continuing to show increases in school growth status and score (highlighted below).

TABLE 3: 2020-2021 PRINCIPAL RECRUITMENT SUPPLEMENT RECIPIENTS

			BASELINE 2018-2019		2021-2022		2022-2023		2023-2024	
Status	District Name	School Name	School Performance Grade (SPG)	School Growth Status/Score	School Performance Grade (SPG)	School Growth Status/Score	School Performance Grade (SPG)	School Growth Status/Score	School Performance Grade (SPG)	School Growth Status/Score
Top 40	Wayne County Schools	Dillard Middle	F	Met/70.1	F	Met/81	F	Met/79.7	F	Met/70.2
Top 40	Wilson County Schools	B O Barnes Elementary	F	Not Met/56.2	D	Exceeded/89.9	D	Met/84.7	D	Not Met/66.3
Top 40	Wake County Schools	Bugg Elementary	F	Not Met/62.5	D	Exceeded/87.5	D	Met/80.7	D	Met/82.5
Top 40	Forsyth County Schools	Ibrahim Elementary	F	Not Met/64.7	D	Exceeded/88.6	D	Exceeded/91.9	F	Not Met/55.8
Top 40	Forsyth County Schools	Ashley Academy	F	Met/79.8	F	Met/83.4	D	Exceeded/88.4	F	Not Met/60.8
Top 40	Forsyth County Schools	Easton Elementary	F	Met/72.5	F	Exceeded/86.3	F	Exceeded/87.5	F	Not Met/64.3
Top 40	Forsyth County Schools	Petree Elementary	F	Met/74.3	F	Exceeded/86.8	F	Exceeded/87.2	F	Met/78.3
Top 40	Forsyth County Schools	Kimberley Park Elementary	F	Met/77.8	F	Met/73.8	D	Exceeded/86.1	D	Met/76.0
Alternate	Charlotte-Mecklenburg Schools	Allenbrook Elementary	F	Not Met/58	C	Exceeded/100	B	Exceeded/96.4	C	Met/84.3
Alternate	Iredell-Statesville Schools	N B Mills Elementary	F	Not Met/61.1	F	Not Met/58.1	F	Not Met/59.1	F	Met/73.0

Alternate	Edgecombe County Public School	Stocks Elementary	F	Met/70.1	F	Not Met/67.9	D	Exceeded/88.6	D	Exceeded/88.2
Alternate	Forsyth County Schools	Old Town Elementary	F	Not Met/58.5	D	Exceeded/93.2	D	Met/84.0	F	Not Met/60.3
Alternate	Forsyth County Schools	Winston-Salem Preparatory Academy	F	Not Met/69.2	F	Met/73.8	F	Not Met/58.9	F	Met/72.3
Alternate	Vance County Schools	E M Rollins Elementary	D	Not Met/60	F	Met/75.5	D	Met/72.5	D	Exceeded/89.9

COHORT II: 2021-2022 PARTICIPANTS

Two principals were added in March 2022 (baseline). Neither of these principals are currently participating in the Principal Recruitment Program. The school in Nash County was closed and relocated to Edgecombe County as a part of the two-district demerger. Nash County Schools retained the employee in another capacity. Iredell-Statesville Schools also retained the employee in a different capacity. Table 4 shows that 50% of the schools that participated in the Principal Recruitment Supplement Program improved their school performance grade by one letter grade and exceeded growth, which based on the North Carolina Accountability model removes their designation as a low performing school.

TABLE 4: 2021-2022 PRINCIPAL RECRUITMENT SUPPLEMENT RECIPIENTS

			BASELINE 2021-2022		2022-2023		2023-2024	
Status	District Name	School Name	School Performance Grade (SPG)	School Growth Status/Score	School Performance Grade (SPG)	School Growth Status/Score	School Performance Grade (SPG)	School Growth Status/Score
Top 40	Nash County Schools	J W Parker Middle	F	Not Met/59.8	D	Exceeded/89.2	D	Exceeded/95.3
Top 40	Iredell-Statesville Schools	Third Creek Middle	F	Not Met/50.7	F	Not Met/59.7	F	Not Met/54.0

COHORT III: 2022-2023 PARTICIPANTS

Two principals were added during the middle of the 2022-2023 year (baseline). Only one of the principals is currently participating in the Principal Recruitment Supplement program. The school in Nash County was closed and relocated to Edgecombe County as a part of the two-district demerger. Nash County Schools retained the principal at a school that does not qualify according to the guidelines of the program. Table 5 shows baseline data and an increase in the school growth score for the school actively participating from New Hanover County Schools.

TABLE 5: 2022-2023 PRINCIPAL RECRUITMENT SUPPLEMENT RECIPIENTS

			BASELINE 2022-2023		2023-2024	
Status	District Name	School Name	School Performance Grade (SPG)	School Growth Status/Score	School Performance Grade (SPG)	School Growth Status/Score
Top 40	Nash County Schools	DS Johnson Elementary	F	Not Met/66.5	F	Not Met/62.8
Top 40	New Hanover County Schools	R Freeman School of Engineering	F	Met/70.8	F	Met/76.5

COHORT IV: 2023-2024 PARTICIPANTS

The eight principals of Cohort IV were added to the program during the summer of 2023. The 2023-2024 provides the first full year of data for Cohort IV. Table 6 shows 88% of these schools have improved their school growth score with 38% of them exceeding growth, which based on the North Carolina Accountability model removes their designation as a low performing school. Fifty percent of these schools have improved their school performance grade by one letter grade with one school improving their letter grade by two letter grades.

TABLE 6: 2023-2024 PRINCIPAL RECRUITMENT SUPPLEMENT RECIPIENTS

			BASELINE 2022-2023		2023-2024	
Status	District Name	School Name	School Performance Grade (SPG)	School Growth Status/Score	School Performance Grade (SPG)	School Growth Status/Score
Top 40	Anson County Schools	Wadesboro Elementary	F	Met/73.5	F	Met/82.1
Top 40	New Hanover County Schools	Forest Hill Elementary	D	Met/81.4	D	Met/78.1
Top 40	Halifax County Schools	Everetts Elementary STEM Academy	F	Met/78.3	D	Exceeded/87.4
Top 40	CMS	Martin Luther King Jr Middle	F	Not Met/64.9	F	Met/74.7
Top 40	CMS	University Park Creative Arts	F	Met/80.9	C	Exceeded/93.4
Top 40	CMS	Druid Hills Academy	F	Met/76.7	D	Exceeded/93.9
Top 40	Forsyth County Schools	Forest Park Elementary	F	Not Met/67.0	D	Met/80.1
Top 40	Forsyth County Schools	Hall-Woodward Elementary	F	Met/75.8	D	Met/78.2

RECRUITMENT EFFORTS

Interest in this program continues to grow. From March of 2024 to present, eleven principals were vetted through the Department's Office of School Business Services. Table 6 shows the results:

TABLE 6: PRINCIPAL RECRUITMENT SUPPLEMENT PROGRAM VETTING

1/11 (9%)	Did not qualify for principal recruitment supplement
3/11 (27%)	Qualified for principal recruitment supplement and placed at qualifying school
7/11 (64%)	Qualified for principal recruitment supplement but not placed at qualified school (did not receive bonus)
0/11 (0%)	Not enough information to qualify due to out-of-state employment
0/11 (0%)	Awaiting results from Office of School Business Services

Out of the 11 principals vetted since March 2024, ten (91%) qualified for the Principal Recruitment Supplement. This number is an increase from 88% of principals vetted qualifying during the 2023-2024 reporting period.

BARRIERS TO THE PROGRAM

Many districts who have been offered eligibility in the program have noted the following as barriers to the program:

- Lack of flexibility in school selection is reported by eligible districts as a barrier. An eligible school, according to the legislation is defined as --**A low-performing school, as defined in G.S. 115C-105.37, that received 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.** While there were 736 low performing schools according to the 2023-2024 accountability data only 120 of them were eligible for the Principal Recruitment Supplement. Some districts were frustrated by this lack of flexibility when choosing an eligible school.
- The inequity in principal salary scales developed in a district when some schools are eligible for the bonus while others are not.

RECOMMENDATIONS

The following recommendations are proposed to maximize the program's impact:

- 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.
- 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.
- 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.
- Hold principals harmless from negative consequences of moving to a school under this program.
- Increase the number of years a principal can stay at an eligible school from 3 years to 4-5 years.

APPENDIX A

LEGISLATION GOVERNING PRINCIPAL RECRUITMENT SUPPLEMENT PROGRAM

Session Law 2019-247 Section 2.5

§ 115C-285.1. Principal recruitment supplement.

(a) Definitions. – The following definitions shall apply in this section:

(1) Eligible employer. – The governing board of a local school administrative unit with an eligible school.

(2) Eligible school. – A low-performing school, as defined in G.S. 115C-105.37, that received 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.

(3) Qualifying principal. – A principal who is paid on the Exceeded Growth column of the Principal Salary Schedule.

(4) Qualifying school. – An eligible school selected by the Department to participate in the Program.

(b) Program; Purpose. – The Department of Public Instruction shall establish the Principal Recruitment Supplement Program (Program). To the extent funds are made available the purpose of the Program shall be to provide significant, time-limited salary supplements to qualifying principals who accept employment as principals of qualifying schools.

(c) Salary Supplement. – A qualifying principal who accepts a position as a principal in a qualifying school shall receive an annual salary supplement of thirty thousand dollars (\$30,000), paid on a monthly basis, as long as the principal is employed as the principal of that school, up to a maximum period of 36 months, subject to the following:

(1) A qualifying principal who contracts with an eligible employer to receive the salary supplement shall not be excluded in future years from contracting with the same eligible employer or a different eligible employer for another salary supplement, subject to the requirements of this section.

(2) A qualifying principal who accepts employment as a principal at a qualifying school shall continue to receive the salary supplement during performance of the contract, up to 36 months, even if one or more of the following occur:

a. The principal is no longer a qualifying principal.

b. The school is no longer an eligible school.

(3) Notwithstanding G.S. 135-1(7a), salary supplements provided pursuant to this section are not compensation under Article 1 of Chapter 135 of the General Statutes, the Teachers' and State Employees' Retirement System.

(d) Time Line. – To the extent funds are made available for the Program, the following timeline shall apply:

(1) No later than **December 1, 2019**, and October 1 of each year thereafter, the Department shall notify an eligible employer with one or more eligible schools that the eligible employer may be selected to participate in the Program.

(2) No later than **January 15, 2020**, and November 1 of each year thereafter, each eligible employer that seeks to participate in the Program shall notify the Department of its intent.

(3) No later than **January 31, 2020**, and November 15 of each year thereafter, the Department shall notify any eligible employer with a qualifying school that the school qualifies for the Program, up to a statewide total of 40 schools. In making its selections, the Department shall prioritize eligible schools with the lowest overall school performance scores.

(4) No later than **May 1, 2020**, and annually thereafter, each eligible employer with a qualifying school shall do all of the following:

a. Execute all applicable contracts with qualifying principals.

b. Notify the Department of the (i) identity of principals and schools in the unit that will participate in the Program, (ii) length of the contract period between the eligible employer and each qualifying principal, and (iii) length of time the qualifying principal will receive the salary supplement.

(5) No later than **August 1, 2020**, and annually thereafter, all qualifying principals identified pursuant to sub-subdivision (4) b. of this subsection shall begin employment as a principal at the applicable qualifying school.

(e) Additional Funds. – In the event an eligible employer is unable to award funds for the salary supplement because of resignation, dismissal, reduction in force, death, retirement, or failure to execute a contract with a qualifying principal, the Department shall award the funds, as soon as is practicable, to another eligible employer identified in subdivision (a)(2) of this section.

(f) Supplement Not Supplant. – Salary supplements provided to qualifying principals pursuant to this section shall be used to supplement and not supplant State and non-State funds already provided for principal compensation.

(g) Report. – No later than March 15, 2021, and every year thereafter in which funds are expended under the Program, the Department shall report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the Program, including, at a minimum, the following information:

(1) The impact of the Program on school performance, including the performance of (i) schools receiving a principal under the Program and (ii) schools that lost a principal due to the Program.

(2) The number of principals participating in the Program.

(3) The identity of schools participating in the Program.

(4) The length and rate of retention of principals (i) within the Program and (ii) at specific schools within the Program."