

ARP – ESSER III – PRINCIPAL RETENTION SUPPLEMENTS (PRC 206)

PROGRAM REPORT CODE: 206
UNIFORM CHART OF ACCOUNTS CODE: 3-XXXX-206-XXX
STATUTORY REFERENCE: N/A
CFDA #: 84.425U

TYPE: Dollars

TERM: Funds are available through December 31, 2023

PURPOSE: To provide retention supplements to experienced principals to ensure continuity in school operations during transition back to use of current student growth scores for principal salary determination during fiscal years 2023 and 2024.

ELIGIBILITY: LEAs

FORMULA: Individual retention supplements will be calculated on a per principal basis for each qualifying principal supervising a school at the start of the 2022-2023 school year.

The amount of individual principal retention supplements will be based on the difference between the monthly salary amount based on growth placement on the Principal Salary Schedule of a qualifying principal as of December 31, 2022 and the monthly salary amount that the principal would be paid based on growth placement on the Principal Salary Schedule as of January 1, 2023 in accordance with SL 2022-74 Section 7A.4, before any adjustments for average daily membership as of January 1, 2023. That amount shall be multiplied by 12 to determine an annual supplement amount for each qualifying principal.

The total grant per LEA is the sum of the annual supplement amounts plus benefits for the qualifying principals within their districts employed as of January 1, 2023.

SPECIAL PROVISIONS:

- 1) A qualifying principal is a principal whose salary as of December 31, 2022 is projected to decrease due to the use of school year 2021-2022 student growth data for determining

placement on the Principal Salary Schedule after January 1, 2023 in accordance with SL 2022-74 Section 7A.4.(c)(2).

- a. A qualifying principal must be employed by their district as a principal as of January 1, 2023.
- 2) A qualifying principal may have been assigned to different schools or been employed by different LEAs or an independent public school during the school years 2016-2017 to 2021-22, so long as the eligibility criteria in Special Provision 1 has been met.
- 3) No funding may be used to provide supplements for changes in principal salary due to changes in the average daily membership of the school that a principal is assigned for supervision.
- 4) Supplements provided are to be considered compensation and are subject to retirement.
- 5) Each qualifying principal is entitled to receive their full individual retention supplement amount as calculated by the Department, unless:
 - a. A principal receiving a supplement leaves service before the requirements of receiving the full supplement amount has been met;
 - b. A principal receiving a supplement transitions to a non-principal role within the same LEA; or
 - c. A principal receiving a supplement transfers to another LEA to serve as a principal or in another capacity.
- 6) If a qualifying principal forfeits any portion of their individual supplements under the circumstances identified in Special Provision 5, the LEA may not utilize the funds to provide supplements to other principals, but must instead return those funds to the Department.
- 7) A qualifying principal shall not be required to repay any supplement funds already received at the time of any transition in service that would result in forfeiting the remainder of their supplement.
- 8) An LEA that employs a qualifying principal has discretion in determining the timing and frequency of the payment of any retention supplement amounts allotted for that principal, provided that the LEA ensures that a qualifying principal receives their full individual supplement amount by December 31, 2023. However, a minimum of half the total individual supplement shall be paid out to each qualifying principal before July 1, 2023 unless the principal leaves services or transitions to a different non-principal role or different LEA before that date.