

2022-23 Principal Bonus

Frequently Asked Questions

Please see budget information posted on the NCDPI Financial and Business Services Division website at www.ncpublicschools.org/fbs/budget/. This document will be updated as additional questions are received. Bonuses in this document pertain to legislation in SL 2022-74, HB103, Section 7A.5

<https://www.ncleg.gov/Sessions/2021/Bills/House/PDF/H103v5.pdf>

Additional questions may be submitted School Business at salary@dpi.nc.gov.

Section A: Determination of the Bonuses

1) What bonuses may a principal qualify for?

Principals may qualify for the following bonuses:

- a) Top 50% Bonus – All schools with an EVAAS growth score in 2021-22

2) For a school that has an EVAAS score in the top 50%, what are the eligibility requirements for a principal?

An eligible principal is the principal who supervised the school for the majority of the 2021-22 school year. The majority of the school year is determined to be 6 or more months as certified by the days paid at the school.

The principal is NOT eligible if he/she is no longer employed as a principal in a public school unit as of October 1, 2022.

3) The principal worked exactly 6 months in 2 different schools. Which school is determined to be “the majority of the school year” for the purpose of the bonus?

If the principal worked exactly 6 months of the year in one school and 6 months of the year in another, the principal is awarded the higher bonus of the 2 schools he/she supervised.

4) The principal supervised more than 1 school for the majority of the school year. How should the bonus be determined?

The principal receives a prorata share of the bonus for each school.

For example, a principal supervised 2 schools for 12 months- 50% in school A which earned a bonus of \$5,000 and in school B which earned a bonus of \$1,000.

This principal is eligible to receive total bonus of \$3,000.

Calculation: 50% of \$5,000 = \$2,500
 50% of \$1,000 = \$500
 Total Bonus = \$2,500 + \$500 = \$3,000

5) How is Top 50% Bonus determined?

Source data: Top 50% bonus is based on NC DPI Accountability report “ School Performance Grades” and field “School Growth Index”.

<https://www.dpi.nc.gov/2021-22-school-performance-grades>

All public schools (including charters, Lab schools and regional schools) that received an EVAAS growth index in the school year were ranked by their index from highest to lowest. Schools with no growth index were excluded from the ranking. Per the legislation, the amount of the bonus is tiered to 5 categories, based on statewide performance placement:

Top 5% performing schools = \$ 15,000 Bonus

Top 10% performing schools = \$ 10,000 Bonus

Top 15% performing schools = \$ 5,000 Bonus

Top 20% performing schools = \$ 2,500 Bonus

Top 50% performing schools = \$ 1,000 Bonus

6) Where can I find information on qualified schools and the principals eligible for the bonus?

LEAs - the list of principals with their schools who were eligible for the bonuses is posted on LicSal.

Charter Schools and Lab schools – notification will go out to each school related to the bonus.

Finance Staff in the LEAs and schools need to verify the qualification based on their months employed in the schools and the current year status of the individual.

Section B: Qualification of the Principal

1) Is the principal eligible if he/she terminates employment before 10/1/2022?

No. The principal does not qualify for the bonus.

2) We have a principal who earned a bonus, but this year was promoted within the same district and is no longer a principal. Can they be paid the bonus?

No. This principal is not eligible because they are not employed as a principal as of October 1, 2022.

3) If Principal leaves one LEA and goes to another LEA where he or she is no longer employed as a Principal, does this employee qualify for the bonus?

No. This employee is not employed as a principal.

4) If principal leaves one LEA and goes to another LEA where he/she is employed as a principal, does this employee qualify for the bonus (as long as all other criteria are met)?

Yes, the principal is employed as of October 1, 2022, and is therefore eligible for the bonus.

- 5) *If a principal who otherwise qualified for the bonus retires before October 1, 2022, should that person get paid the bonus?*

No, the principal is not eligible for the bonus.

- 6) *Principal 1 supervised North Elementary full time from July 1 till December 31 and then was promoted to Central Office. Principal 2 supervised North Elementary the following 6 months (from January 1 till June 30). Who gets the bonus if the school qualifies?*

If the school meets the growth criteria Principal 1 does not meet the eligibility as they were not employed as a principal as of Oct 1. Principal 2 should be in your Lic-Sal Bonus Report.

- 7) *We have a principal paid out of local funds. Can he receive the state bonus?*

Yes, the principal is eligible for the bonus if all other conditions are met.

- 8) *We have contracted principal not paid through our payroll. This principal was serving school for majority of the year and school is in top50%. Can this principal receive the state bonus?*

Yes, contracted principals are eligible for the bonus as long as all other conditions are met. This is - for most part - a Charter School situation. Please note you must use contracted object code 311 for payment – refer to Section C, Q3 in this document for full account code string.

Section C: Funding and Accounting for the Bonus

- 1) *Which PRC will the funds be allotted?*

The funds will be allotted in PRC048 (including charters, Lab, and regional schools).

- 2) *If I have a principal who earned a bonus in a school in another LEA last year, how will I receive the funds?*

The allotment for the bonus will be distributed to the LEA where the principal is currently employed as of 2 pay period FY2023, and therefore the LEA should have sufficient funds.

If the Principal leaves the LEA and still qualifies for the bonus (see above), the LEA which received the allotment for this principal is responsible to pay the bonus to him/her.

- 3) *How do we code the bonus?*

The bonus is NOT subject to retirement TSERS

- Coding for the bonus (for principals employed by LEA/Charter):
1-5410-048-180
1-5410-048-211
- Coding for the bonus (for contracted principals –generally applies to some Charter Schools):
1-5410-048-311

- 4) *If the principal is not eligible to receive the bonus, may the LEA/charter school use the funds of another purpose or pay a bonus to another individual?*

No, the legislation is clear that the funds are restricted and shall only be used for the principal who supervised the school for the majority of the school year. If the principal is not eligible to receive the bonus due to current year employment, LEAs and schools do NOT have flexibility to use the funds for any other purpose and doing so will lead to a requirement to repay the funds.

5) *We have 2 principals (co-principals) supervising the same school at the same time. Who receives the bonus – can both receive the bonus – can the principal split the bonus?*

Only one State funded bonus may be paid per school per majority of the year rule. In a situation like this, the LEA/Charter School must determine who will receive the State bonus. The bonus cannot be split between principals, but the LEA or Charter can match the bonus amount and pay the other co-principal using local funds.