

FY 2026-27 Principal Bonus FAQ

Please see budget information posted on the [NCDPI Financial and Business Services Division website](#). This document will be updated as additional questions are received. Bonuses in this document pertain to the continuation budget from legislation in [SL 2026-41 \(SB257\) Section 7A.8](#).

Please contact your Regional Accountability Coordinator for questions concerning EVAAS Index Score. Additional questions may be submitted to School Business at salary@dpi.nc.gov.

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 2025-26

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 2025-26 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, 2026.

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 they supervised.

4. How is Top 50% bonus determined?

Source data: Top 50% bonus is based on NC DPI Accountability report provided by the Accountability and Testing section.

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:

Index Range: 5.98 - 16.01 - Top 5% performing schools = \$ 15,000 Bonus

Index Range: 4.45 - 5.97 - Top 10% performing schools = \$ 10,000 Bonus

Index Range: 3.56 - 4.44 - Top 15% performing schools = \$ 5,000 Bonus

Index Range: 2.90 - 3.55 - Top 20% performing schools = \$ 2,500 Bonus

Index Range: 0.07 - 2.89 - Top 50% performing schools = \$ 1,000 Bonus

5. 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 PSUs and schools need to verify the qualification based on their months employed in the schools and the current year status of the individual.

B. Qualification of the Principal

6. Is the principal eligible if he/she terminates employment before 10/1/2026?

No. The principal does not qualify for the bonus.

7. 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, 2026.

8. If a principal leaves one PSU and goes to another PSU where they are no longer employed as a principal, does this employee qualify for the bonus?

No. This employee is not employed as a principal.

9. If principal leaves one PSU and goes to another PSU where they are 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, 2026, and is therefore eligible for the bonus.

10. If a principal leaves one PSU and goes to another PSU where they are employed as a principal, does the PSU from where the principal left need to notify DPI to transfer funds to the PSU where the principal is currently employed?

Yes, the PSU would need to notify DPI to transfer funds to the PSU where the principal currently resides at allotments@dpi.nc.gov.

11. If a principal who otherwise qualified for the bonus retires before October 1, 2026, should that person get paid the bonus?

No, the principal is not eligible for the bonus.

12. 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 LicSal Bonus Report.

13. 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.

14. We do not have a designated principal at our Charter School but we qualified for the bonus, do we still get the bonus?

Yes, assuming the other criteria have been met, the Charter Schools Board can designate the person who has been acting as the school administrator to receive the bonus.

C. Funding and Accounting for the Bonus

15. In which PRC will the funds be allotted?

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

16. If I have a principal who earned a bonus in a school in another PSU last year, how will I receive the funds?

The allotment for the bonus will be distributed to the PSU where the principal is currently employed as of 3 pay period FY2027, and therefore the PSU should have sufficient funds.

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

17. How do we code the bonus?

The bonus is NOT subject to retirement TSERS. Coding for the bonus (for principals employed by PSU):

1-54100-0048-01800

1-54100-0048-02110

18. If the principal is not eligible to receive the bonus, may the PSU 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, PSUs 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.

19. 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 PSU must determine who will receive the State bonus. The bonus cannot be split between principals, but the PSU can match the bonus amount and pay the other co-principal using local funds.