

FY 2026-27 Principal Legislated Salary FAQ

Starting January 1, 2026, all principals will be paid a monthly amount according to the Base pay schedule. Their placement on this schedule will be based on the ADM of the school which they supervise.

2027 Principal Salary – Annual Base Schedule

ADM Range	Schedule / Pay Level	Annual Salary
Up to 200	B0	\$80,126
201 to 400	B1	\$84,131
401 to 700	B2	\$88,137
701 to 1,000	B3	\$92,145
1,001 to 1,600	B4	\$96,151
Over 1,600	B5	\$100,156

Principals in the “met growth” or “exceed growth category” will receive a lump sum salary payment in January 2027. No later than January 31, 2027, LEAs will pay a lump sum salary payment to qualifying Principals. The lump sum salary payment shall be for an amount equal to half the difference between the annual amount the principal receives on the 2027 Principal Annual Salary Schedule (above) and the total annual amount the Principal qualifies to receive on the following supplemental salary schedule:

Principal Annual Salary Supplement

ADM Range	Annual Salary Schedule – Met Growth	Annual Salary Schedule – Exceeded Growth
Up to 200	\$88,137	\$96,151
201 to 400	\$92,544	\$100,958
401 to 700	\$96,952	\$105,766
701 to 1,000	\$101,358	\$110,574
1,001 to 1,600	\$105,766	\$115,381
Over 1,600	\$110,172	\$120,188

The supplement amounts for each type of lump sum salary payment are shown below.

Supplemental Amounts of the Lump Sum Salary Payment – Met Growth

ADM Range	Schedule / Pay Level	Annual Salary - Base	Annual Supplemental Schedule - Met	50% Difference Base – Met Growth
Up to 200	B0	\$80,126	\$88,137	\$4,005.50
201 to 400	B1	\$84,131	\$92,544	\$4,206.50
401 to 700	B2	\$88,137	\$96,952	\$4,407.50
701 to 1,000	B3	\$92,145	\$101,358	\$4,606.50
1,001 to 1,600	B4	\$96,151	\$105,766	\$4,807.50
Over 1,600	B5	\$100,156	\$110,172	\$5,008.00

Supplemental Amounts of the Lump Sum Salary Payment – Exceeded Growth

ADM Range	Schedule / Pay Level	Annual Salary - Base	Annual Supplemental Schedule - Exceeded	50% Difference Base – Exceeded Growth
Up to 200	B0	\$80,126	\$96,151	\$8,012.50
201 to 400	B1	\$84,131	\$100,958	\$8,413.50
401 to 700	B2	\$88,137	\$105,766	\$8,814.50
701 to 1,000	B3	\$92,145	\$110,574	\$9,214.50
1,001 to 1,600	B4	\$96,151	\$115,381	\$9,615.50
Over 1,600	B5	\$100,156	\$120,188	\$10,016.00

We will continue to update this document as additional questions are received to our [School Financial Reporting](#) inbox. See the technical corrections outlined in [SL2026-42 \(House Bill 56\)](#) Section 7A.7.(a2) for more information.

General Questions

1. Which employees are eligible for the principal lump sum salary payment?

All principals that have supervised a school that has achieved “growth” or “exceeded growth” on EVAAS measures for 2 out of the last 3 years are eligible for the payment. If the principal is part-time or paid from multiple fund sources, the payment shall be prorated or prorated between the fund sources.

2. How should a principal who supervises 2 or more schools receive the lump sum salary payment?

The principal’s supplement should be prorated between the two schools based on each school’s ADM and growth status.

3. Which PRC does the lump sum salary payment come out of?

The lump sum salary payment for State-funded principals is paid out of PRC 005, object code 119. There will be no allotment of these funds, as PRC 005 is a guaranteed PRC, but the lump sum salary payment will be part of the salary audit process in LicSal.

4. Is the principal lump sum salary payment subject to retirement?

Yes, the lump sum payment is a part of the Principal's compensation for retirement purposes and is subject to retirement.

5. Is the Principal Lump Sum Salary payment subject to taxes?

Yes, the lump sum salary payment is subject to taxes.

6. Is the principal lump sum salary payment part of the principal's salary for calculating payout of annual leave?

Yes, the payment is part of the principal's salary. For purposes of calculating annual leave from January – June 2027, the following formula should be used:

Daily Rate of Pay for payout = base monthly salary/21.75 + (January lump sum salary payment/6)/21.75

7. When is the principal required to be employed to receive the lump sum salary payment?

The principal must be employed on January 1st, 2027 to be eligible for the lump sum salary payment.

8. What happens if the principal leaves after receiving the lump sum salary payment?

All principals employed as of January 1, 2027 who meet the requisite growth requirements are entitled to the full lump sum salary payment. A principal does not need to repay any portion of the payment if they are no longer employed after the January 1 date.

9. If an assistant principal, teacher or instructional support staff member, who has never previously been employed as a principal, transitions to a principal position on Jan 1, are they eligible for the principal lump sum salary payment?

No. A new principal that did not supervise a school in the last three years would not have growth scores to receive the lump sum salary payment and would be paid at the base level.

10. If an employee who was employed as an assistant principal transitions to a principal position on Jan 1, and they were a principal for the two prior years, are they eligible for the principal lump sum salary payment?

Yes. An individual is eligible for the lump sum salary payment if they are employed as a principal on January 1, and they have been principal for two of the three last years.

11. Now that the principal is being paid at the base level, should they be held harmless to the assistant principal salary schedule?

G.S. 115C-285 requires that an assistant principal who becomes a principal shall make at least as much as they would make as an assistant principal. However, please note that the lump sum salary payment for principals in January is part of the principal's salary. So if that amount, prorated monthly, would cause the principal's salary to be more than the assistant principal schedule, the hold harmless provision would not apply.

12. When is the principal lump sum salary payment required to be paid?

The principal lump sum salary payment shall be paid by January 31, 2027.

13. Are MSA interns eligible to receive the principal lump sum salary payment?

No, MSA interns are not principals and are not permanent employees.

14. If a principal has as effective retirement date of January 1st, do they receive the lump sum salary payment?

No, the principal must be employed on January 1.

15. Does a principal on leave without pay, sick leave, short term disability, suspended with pay receive the principal lump sum salary payment?

Generally, if the principal is in pay status on January 1, the principal is eligible to receive the lump sum salary payment. If the Principal is on leave without pay or short-term disability, they are eligible to receive the lump sum salary payment if they return to pay status without a break in service by June 30, 2027.

Principal Salary Lump Sum Salary Examples

Example 1:

A principal has supervised the same school with 150 students for the last three years. In FY 2023-24, the school met growth. In FY 2024-25, the school also met growth. In FY 2025-26, the school did not meet growth. This principal would be classified as having "met" growth for salary purposes. And would be paid a lump sum payment as follows:

$(\text{MET GROWTH Annual Supplement Salary} - \text{B0 Annual Salary}) * 50\%$

ADM Range: Up to 200

$$(\$88,137 - \$80,126) * 50\%$$

$$(\$8,011) * 50\% = \$4,005.50$$

Example 2:

A principal supervised students in one district in FY 2023-24, and the school exceeded growth. In FY 2024-25, the principal moved to their current LEA, and the school they supervised met growth. In FY 2025-26, the school exceeded growth at a school with 1,023 students. This principal would be classified as having “exceeded” growth for salary purposes, as they supervised a school that exceeded growth for 2 out of the last 3 years. The lump sum payment would be as follows:

$$(\text{EXCEED GROWTH Annual Supplement Salary} - \text{B4 Annual Salary}) * 50\%$$

ADM Range: 1,001 – 1,600

$$(\$115,381 - \$96,151) * 50\%$$

$$(\$19,230) * 50\% = \$9,615$$