



IMPROVE THE NEW PAY PLAN FOR PRINCIPALS

Suggested Talking Points

- **Increase base pay for principals to enhance recruitment and competitiveness in the Southeast and nation and minimize need for hold-harmless provisions.**
 - Unfortunately, the new pay plan did not eliminate numerous situations where principals are earning less than teachers and/or assistant principals with comparable experience. This dilemma, which has required significant numbers of principals to be paid on a teacher or assistant principal schedule, is a disincentive for potential leaders to aspire to be principals.
 - The performance bonus concept is a strength of the new pay plan, but the base pay is currently too low to adequately compensate a principal who has recently been asked to lead a struggling school or whose school has trouble meeting growth due to an isolated, unavoidable teacher issue.
 - Average 2017-2018 salary for principals has moved from just under \$64,000 per year to roughly \$72,000 per year. In comparing the 2016-2017 data for the 12 states throughout the Southeast, annual principal salaries range from \$90,280 for Florida and \$68,960 for West Virginia. An average annual salary of approximately \$72,000 would still rank North Carolina near the bottom even with the assumption that none of the Southeastern states increased their averages for principal pay (Sonaku, 2017).
- **Extend the “hold harmless” provisions to ensure that pay does not dip below 2016-2017 total state compensation for any principal or assistant principal in future years.**
 - If this provision is not extended, North Carolina is at risk of losing some of the most proven individuals leading our schools. In 2016-2017, principal salaries ranged from \$52,656 to \$111,984, plus longevity. With the new salary scale implemented in 2017-2018, principal salary ranges will be from \$61,751 to \$88,921.
- **Add additional school-size tiers when determining principal base pay beyond the cap of 1300 students to compensate for the additional complexities of larger school sizes.**
 - In a DPI analysis sample*, 77 schools have over 1,600 ADM and 31 of those are over 2,000 ADM. An elementary or middle school with 1,300 students is in the same base pay classification as a high school with 3,000 students.

- **Add recognition of experience to principal base salary to promote principal retention by recognizing the value that principal experience and stability bring to schools.**

- Incentivizing principals in compensation for experience has a strong researched-based rationale. For example, in one meta-analysis (Clark, Martorell, & Rockoff, 2009), researchers looked at 20 years of data on hundreds of principals to analyze which qualities of principals seem to be most closely linked to good outcomes for their students. The study asserted, “The researchers' clearest finding is one that you might expect: Principals get better at their jobs with every year of experience, and particularly so in the first few years on the job.”
- Rewards for longevity combined with rewards for performance promote principal retention. Principal turnover has been empirically shown to be significantly detrimental for student achievement. “High principal turnover can lead to higher teacher turnover and negatively impact student achievement, an acute problem at lower-achieving and high-poverty schools” (A Policy Maker’s Guide to Improving School Leadership, 2016). Studies show that student scores tend to decrease the year immediately following a principal's departure. Stability of school leadership is important because studies have clearly shown that it takes about five years for a principal to significantly improve a school's poor performance. (“Churn: The High Cost of Principal Turnover,” 2014)

- **Add a grandfather clause to allow current principals holding advanced degrees, or those in pursuit of advanced degrees as of 7/1/17, to continue to receive advanced-degree supplements.**

- In 2014, when Master’s pay was eliminated for teachers, the NC General Assembly allowed Master’s pay to continue for teachers who were currently receiving it or who were formally enrolled in a Master’s program. Principals should be similarly grandfathered. In a DPI sample analysis of 2,130 of the 2,450 principals in 2017*, 263 received doctoral supplements, 274 received advanced-degree supplements, and 144 received benefits from NBPTS certification.

- **Allow principals who lack traditional growth scores to be paid at “exceed Growth” levels if they demonstrate that performance.**

- For example, principals serving in alternative schools should not be penalized financially for serving in these challenging settings simply because their performance level is based on different metrics than the traditional growth system.

- **Adjust the principal bonus plan to reward those principals whose schools not only meet growth in the first year and exceed growth in the second year, but whose schools exceed growth in both the 1st and 2nd year at that school.**

- The bonus plan is designed to reward principals for helping students succeed and jump-starting improvements at the schools that need the most help. Unfortunately, the bonus plan does not reward principals whose schools have shown too much student growth by falling into the exceeds-growth category versus the met growth category. For example, “Charlotte-Mecklenburg Schools had 44 schools hit the top growth mark this year which put their principals in the pool for bonuses – \$5,000 for schools that scored a C or higher in 2016 and \$10,000 for the seven that had a D. But 37 of the 44 schools – and five of the seven with a low grade – were disqualified because they exceeded growth two years in a row” (Helms, 2017.).

References

- Sonaku: Principal Salaries, 2017
<https://www.sokanu.com/careers/principal/salary/>
- School Principals and School Performance: Damon Clark, Paco Martorell, & Jonah Rockoff, 2009
https://www0.gsb.columbia.edu/faculty/jrockoff/cmr_principals_calder_WP38.pdf
- A Policy Maker’s Guide to Improving School Leadership, Center on Reinventing Public Education & Thomas B. Fordham Institute, 2016 <http://schoolleadershippolicytoolkit.com/retention-compensation/>
- Churn: The High Cost of Principal Turnover, School Leaders Network, 2014
http://connectleadsucceed.org/sites/default/files/principal_turnover_cost.pdf#page=1&zoom=auto,-15,792
- *DPI Analysis: School Building Administrator Salary: Alexis Shauss, 2018(based on a sample analysis of 2,130 of the 2,450 principals in 2017) <https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=10399&AID=111306>
- “NC schools find too much student success bars principals from big new bonuses” by Ann Doss Helms, 2017
<http://www.charlotteobserver.com/news/local/education/article175617641.html>