



Dudley Flood Center for
Educational Equity and
Opportunity



Equity Education Issue Brief

Unequal Pay, Unequal Schools:
Structural Inequities in Teacher
Compensation Across North Carolina

Dudley Flood Center | Public School Forum of North Carolina
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North Carolina Teacher Compensation System

North Carolina’s teacher compensation system is not only outdated—it is structurally inequitable. Rooted in a statewide salary schedule established in 1989 through Senate Bill 366, the system has seen minimal modernization over more than three decades, despite growing disparities in district wealth, educator shortages, and student needs.¹ While recent policy proposals aim to raise salaries across the board, they fail to address the deeper structures that tie teacher pay to local fiscal capacity, delay livable wages until late in an educator’s career, and neglect to reward those serving in high-need, under-resourced schools.

Local Teacher Salary Supplements in Leandro Districts and Wake County (2024-2025)

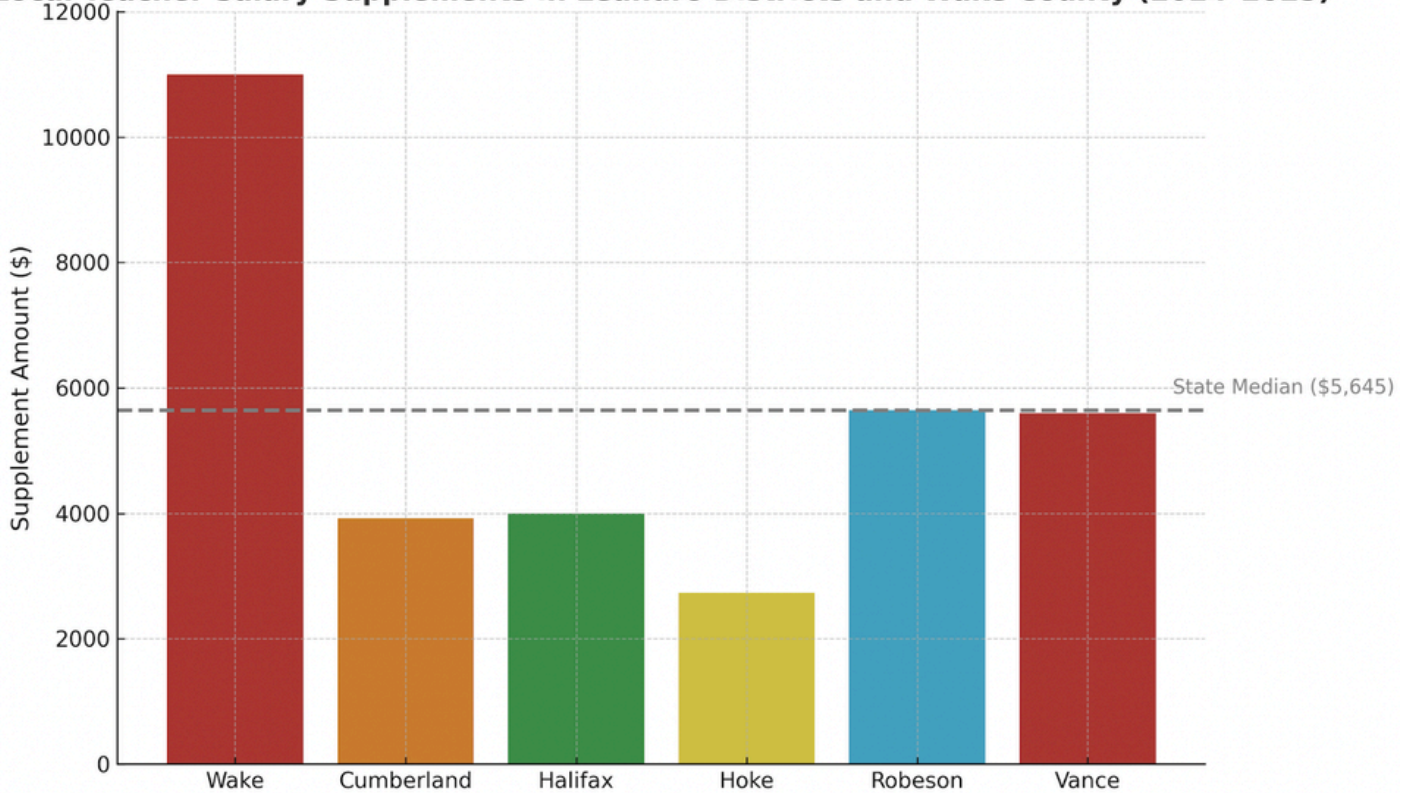


Figure 1. Local Teacher Salary Supplements in Leandro Districts and Wake County (2024–2025). Despite legal recognition of underfunding, Leandro districts fall well below the state median of \$5,645, while Wake County exceeds \$11,000—highlighting structural disparities tied to district wealth.

The most visible example of this inequity lies in local salary supplements, which districts fund using their own tax base. In 2024–2025, Wake County offered a supplement exceeding \$11,000 per teacher—the highest in the state. In contrast, Leandro-designated districts such as Hoke (\$2,733), Halifax (\$4,000), and Cumberland (\$3,923) remained significantly below the state median of \$5,645. Even Robeson and Vance, despite modest increases, hovered just around the median.² These gaps are not incidental; they reflect structural funding inequities where districts with the greatest student need are least able to offer competitive pay.

OVERVIEW

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These disparities persist even with the creation of the state’s supplemental pay program (PRC 071). Rather than directing funding based on educational need, the PRC 071 formula distributes state funds based on each district’s taxable property value, effective tax rate, and median household income.³ While this approach reflects local economic capacity, it fails to account for constitutional mandates tied to educational opportunity. As a result, Leandro districts continue to receive lower total compensation packages, weakening their ability to attract and retain experienced educators.

Further, the state’s base salary schedule begins at \$4,800 per month and takes over 25 years to reach its peak.⁴ This backloaded structure disproportionately affects early-career educators—particularly teachers of color—who are more likely to leave the profession within their first five years.⁵ The elimination of automatic salary increases for teachers with master’s degrees in 2013 and limited compensation for advanced credentials further disincentivize long-term commitment to the profession, especially in high-need schools where teacher stability is critical.

Despite new proposals—such as House Bill 192, Senate Bill 659, and the Governor’s FY 2025–2027 Budget—most plans treat all districts similarly despite vastly different local conditions.⁸ ⁹ ⁶ Without targeted, differentiated investment in the teachers serving North Carolina’s most under-resourced schools, these efforts risk reinforcing, rather than correcting, existing pay and staffing disparities. Ultimately, continued inaction jeopardizes not only educational equity—but also the state’s long-term economic health by underinvesting in the very workforce that shapes its future.



CURRENT STATE AND LOCAL INITIATIVES

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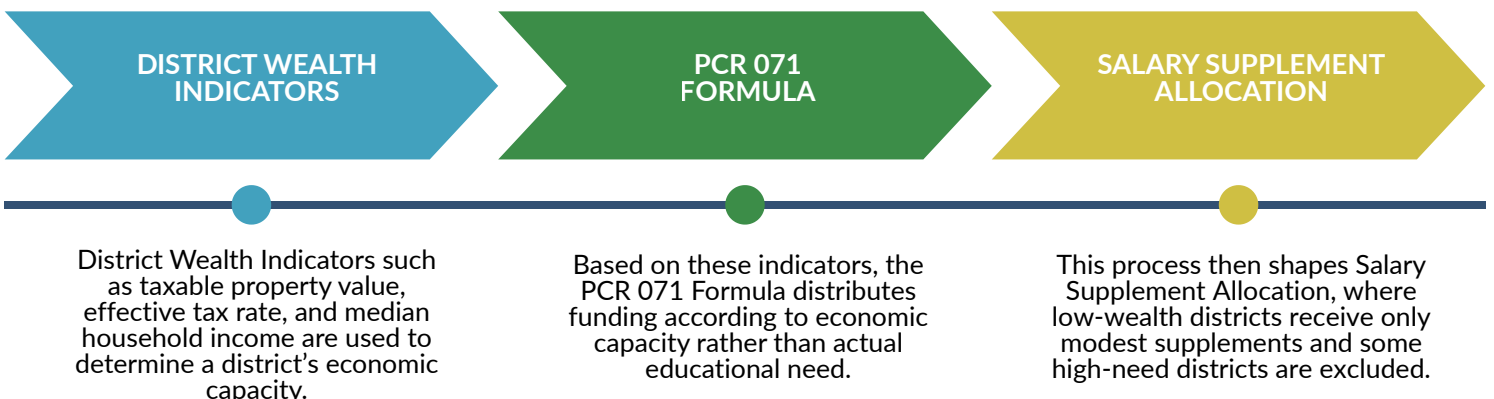
Governor's FY 2025–2027 Budget Proposal

The Governor's Executive Budget proposes a 10.6% average salary increase over two years, a \$300 classroom supply stipend for every educator, and the restoration of a 10% salary supplement for teachers holding master's degrees.⁶ While these investments offer meaningful across-the-board support, the proposal does not include targeted incentives for hard-to-staff schools or specific measures to address the ongoing disparities in local salary supplements that disproportionately affect under-resourced districts.



PRC 071 – State Salary Supplement for Low-Wealth Districts

Administered by the North Carolina Department of Public Instruction, PRC 071 provides recurring salary supplements to eligible districts based on local wealth indicators, including taxable property value, effective tax rate, and median household income.⁷ In FY 2023–2024, for example, Wayne County received approximately \$3.75 million in PRC 071 funds, resulting in an average per-teacher supplement of \$2,370. However, urban high-need districts such as Charlotte-Mecklenburg, Durham, Guilford, and Wake are explicitly excluded from eligibility, despite serving large populations of students from historically marginalized and economically disadvantaged backgrounds. Moreover, annual funding allocations under PRC 071 are not guaranteed, and the amounts received can vary significantly year to year—undermining districts' ability to plan for long-term staffing and pay stability.



PROMISING BUT LIMITED MODELS

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LOCAL INITIATIVES

Charlotte-Mecklenburg Advanced Roles Pilot

Charlotte-Mecklenburg Schools (CMS) has implemented a tiered system of teacher-leader roles, including Multi-Classroom Leaders and Expanded-Impact Teachers. These roles provide annual stipends ranging from \$2,250 to \$18,250, and have been associated with improved teacher retention and student learning outcomes.¹⁰ However, the program’s scalability remains uncertain—its sustainability depends on philanthropic support and time-limited public funds, raising concerns about equity for low-wealth districts that lack such external resources.

Opportunity Culture in Edgecombe County

Edgecombe County Public Schools has adopted Opportunity Culture district-wide, offering salary enhancements of \$6,000 to \$20,000 for teacher-leader roles focused on mentoring, coaching, and instructional leadership.¹¹ Unlike many initiatives, this model explicitly centers equity by targeting support toward rural, high-need schools. While early outcomes are promising, ongoing expansion depends on long-term state and federal investment to maintain success beyond initial grants and district-level innovation.

LEGISLATIVE PROPOSALS

Policy	Summary	Equity-Gap
House Bill 192	Revises base salary schedule; starting pay at \$4,800/month; protects veteran pay	Does not restore degree-based pay or address disparities in local supplement access; lacks incentives for high-need schools ⁸
Senate Bill 659	Incorporates longevity into base pay; reinstates advanced degree supplements	Maintains backloaded structure; peak earnings not reached until year 29; no bonus structures for staffing high-poverty areas ⁹
Governor’s Budget	Includes 10.6% average raise, \$300 stipends, and master’s pay restoration	Provides no targeted salary support for educators in hard-to-staff or high-poverty schools; does not address local supplement inequities ⁶

Despite positive intent, these policies are grounded in universalism rather than equity. They fail to differentiate by teaching context, school need, or historic underinvestment.

RECOMMENDATIONS FOR EQUITY-CENTERED REFORM

To create a more just and sustainable educator workforce, North Carolina should:

- Establish a statewide minimum local supplement for teachers in low-wealth counties, funded through progressive state appropriations.
- Tie salary enhancements to service in high-need schools, especially those with high concentrations of poverty or chronic staffing shortages.
- Require disaggregated public reporting of educator pay by race, district, and school need to ensure transparency and accountability.
- Scale proven models like Opportunity Culture and Advanced Roles with long-term state investment—not temporary or philanthropic funds—while being paired with competitive base salaries to ensure all educators are fairly compensated.
- Prioritize early-career compensation, offering competitive pay in the first five years to counter high attrition and strengthen the pipeline for teachers of color.

GET INVOLVED



Engage with policymakers to support legislation that advances differentiated, equity-focused compensation.



Advocate at the district level for supplement parity and targeted support for schools with the greatest need.



Join coalitions such as DRIVE to connect with statewide efforts focused on recruiting and retaining a diverse, well-compensated educator workforce.



Use public data to monitor supplement trends and inform strategic advocacy in your community.

3

WAYS TO GET INVOLVED

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Sources

- ¹ BEST NC. *Teacher Pay in North Carolina: 2025 Edition*. March 2025.
- ² North Carolina Department of Public Instruction (NC DPI). *Local Salary Supplement Data Tables, 2024–2025*.
- ³ NC DPI. *GUIDANCE FOR SUPPLEMENTAL FUNDS FOR TEACHER COMPENSATION (PRC 071)*. NC SL 2023-134 Section 7A.4. May 2024.
- ⁴ NC DPI. *State Teacher Salary Schedule, 2023–2024*.
- ⁵ Learning Policy Institute. *Teacher Turnover and Retention Trends*. 2022.
- ⁶ North Carolina Office of State Budget and Management. *FY 2025–2027 Governor’s Recommended Budget*. 2025.
- ⁷ NC DPI. *PRC 071 Allotment and Supplanting Compliance Guidance*. May 2024.
- ⁸ North Carolina General Assembly. *House Bill 192: Salary Adjustments and Budget Offsets*. 2025–2026 Session.
- ⁹ North Carolina General Assembly. *Senate Bill 659: Investing in North Carolina Act*. 2025–2026 Session.
- ¹⁰ Public Impact. *Opportunity Culture Implementation in Charlotte-Mecklenburg Schools*. 2023.
- ¹¹ Edgecombe County Public Schools. *Opportunity Culture: Results and Expansion Summary*. 2023.

