The Principal Fellows Program was established by the North Carolina General Assembly in 1993 to provide financial assistance in the form of a forgivable loan to qualified individuals with teaching or relevant experience who are committed to working full-time as principals or assistant principals in North Carolina public schools.

A PFP graduate who secures a full-time qualified position as a principal or assistant principal in a North Carolina public school may apply to repay the loan through loan forgiveness. A borrower is required to work four (4) years or 48 months within six (6) years of graduation from the PFP program to satisfy the loan obligation, excluding periods of approved deferment. The NCSEAA will forgive one-fourth (1/4) of the principal, plus accrued interest, for each year of full-time employment in a qualified position. All worksites must be approved by the NCSEAA.

A Fellow who does not complete the PFP program must repay the loan in cash, which includes a 10.0% interest rate beginning ninety days from withdrawal from the program. Cash payments are due ninety (90) days after withdrawal from the program. For additional instructions on cash repayment click on the Cash Repayment link.

How to apply for loan forgiveness.

To qualify for loan forgiveness, you must first graduate from a school administrator program supported by the loan, obtain a school administrator certification from the North Carolina Department of Public Instruction, and secure a qualified position as a principal or assistant principal in a public school in North Carolina. To apply for loan forgiveness you must follow the steps outlined below. You are responsible for submitting the appropriate forms to the NCSEAA on time.

1. Submit verification of graduation to the NCSEAA. You may submit a copy of your diploma, a transcript, or a letter from the school registrar confirming your degree.

2. Notify the NCSEAA of your intent to repay through loan forgiveness within 90 days of graduation. You should notify the NCSEAA even though you may not have secured a qualifying position. You may complete this process during the exit interview at graduation on the Student Portal or through Repayment Services at (919) 549-8614, ext 4654 or (800) 700-1775, ext 4654.

3. Obtain a school administrator certification from the North Carolina Department of Public Instruction.

4. Secure a full-time qualified position in North Carolina.
5. Complete a Loan Forgiveness Application and return it to the NCSEAA for approval.

What is a qualified position? Am I required to work in a designated shortage area in North Carolina?

The purpose of the Principal Fellows Program is to increase the number of qualified school administrators available to the public schools in the State of North Carolina. Therefore, you must work full-time as a principal or assistant principal in a North Carolina Public School in order to qualify for loan forgiveness. Some central office positions may also qualify for loan forgiveness; however, you must first work as a principal or assistant principal and meet additional Principal Fellows Program requirements. See the Principal Fellows Program Rules and Regulations, section .0703, for additional information on loan forgiveness requirements. All worksites must be approved by the NCSEAA.

What forms do I submit to the NCSEAA?

Once you are licensed by the North Carolina Department of Public Instruction and obtain employment in a qualifying position, you must submit a Loan Forgiveness Application to the NCSEAA for approval.

How long must I work to fulfill my loan obligation?

You must work four years as a full-time school administrator in order to fulfill your Principal Fellows Program obligation. For each year of qualifying employment, one-fourth (1/4) of the principal balance, plus any accrued interest, will be forgiven. You must complete your loan forgiveness obligation within six (6) years of graduation from the Principal Fellows Program, excluding periods of approved deferment.

I did not complete the PFP program; however, I finished my MSA degree and I am working as a principal or assistant principal in a North Carolina Public School. Does my employment qualify for loan forgiveness?

No. You must complete the Principal Fellows Program in order to qualify for loan forgiveness.

What if I change my worksite?

If there is a worksite change before you complete the loan forgiveness repayment of your loan, you must seek approval from the NCSEAA prior to the change to ensure the new site qualifies for loan forgiveness. Should you have a break in employment prior to completing your obligation, you should notify the NCSEAA immediately of the status change.

What if I have a break in employment?

If you have a break in employment prior to the completion of your obligation to the State of North Carolina, you may be eligible to postpone or defer cash payments. To apply for deferment, you must submit a Postponement Form to the NCSEAA for approval. Eligible deferments include: personal illness, Family Medical Leave, and unemployment if you are licensed and unable to secure a qualified position in North Carolina.
What happens if I cannot fulfill my loan forgiveness obligation?

You made a commitment to repay this loan when you signed the promissory note accepting financial assistance from the NCSEAA. If you cannot repay the loan through loan forgiveness, then you must repay it in cash within twelve (12) years of graduation or ten (10) years of withdrawal from the PFP program. For additional instructions on cash repayment, click on the Cash Repayment link.

Whom should I contact if I have additional questions concerning loan forgiveness?

Additional information is available in the Principal Fellows Program Rules and Regulations or you may contact Repayment Services staff at Contact Us between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday.

PFP REPAYMENT HOME