



State of South Carolina Office of the Governor

NIKKI R. HALEY
GOVERNOR

1205 PENDLETON STREET
COLUMBIA 29201

June 29, 2016

The Honorable Costa M. Pleicones
Supreme Court of South Carolina
1231 Gervais Street
Columbia, South Carolina 29201

RE: *Abbeville County School District v. State of South Carolina*
Appellate Case No. 2007-065159

Dear Chief Justice Pleicones and Justices of the Court,

This letter is submitted in response to the Court's November 5, 2015, Order instructing Defendants in this case to provide a, "written summary to the Court detailing their efforts to implement a constitutionally compliant education system, including all proposed, pending, and enacted legislation."

Improving education performance for all students in South Carolina, particularly for students in rural and underperforming school districts, has been a primary goal for Governor Haley since early in her term. Under the current governance structure, the Governor has little authority over education in South Carolina. The single most important reform that can be made to give South Carolina's children a leadership team with common vision and goals and a more direct line of accountability is to give subsequent Governors the ability to appoint the Superintendent of Education. Over the course of her administration, the Governor has led the effort to restructure certain executive agencies to achieve a true Cabinet form of government, and accordingly, the Governor will continue to advocate for gubernatorial appointment of the Superintendent of Education for the duration of her term. Despite this current limitation, the Governor has a role to play in developing and budgeting for educational policy.

Beginning in 2013, Governor Haley led a series of meetings with members of the South Carolina's General Assembly, teachers, administrators, superintendents, business leaders, and stakeholders to identify and begin crafting solutions to challenges facing South Carolina K-12 public schools. As a direct result of feedback obtained during these meetings, the Governor introduced her K-12 Education Reform Initiative, which included four overarching recommendations: (1) adopt a fairer and simpler education funding formula; (2) promote student

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success by emphasizing reading; (3) invest in educational technology and connectivity; and (4) expand high-quality public school options for families. *See* attached Exhibit A, K-12 Education Reform Initiative (with details of each initiative). The Governor recommended funding in her FY 2015 Executive Budget for these initiatives, and all of these recommendations were substantively adopted by the General Assembly.

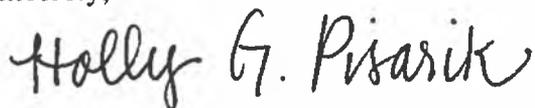
In her 2015-16 Education Reform Proposal, the Governor maintained the recommendations adopted within the FY 2014-15 General Appropriations Act and added a focus on closing the rural teacher performance gap: (1) maintain fair and simple funding; (2) continue to emphasize reading; (3) continue to prioritize education technology; (4) further expand high-quality public school choice; and (5) establish a teacher quality and recruitment initiative, specifically in rural and underserved districts. *See* attached Exhibit B, 2015-16 Education Reform Proposal (with details of each initiative). The Governor recommended funding in her FY 2016 Executive Budget for these proposals.

Most recently, the Governor's 2016 Education Agenda included a package of six recommendations: (1) reform the governance structure of the Department of Education; (2) fund the basics of education; (3) continue to recruit and retain effective teachers, specifically in rural and underserved school districts; (4) integrate technology into student life; (5) improve school facilities; and (6) reform South Carolina First Steps to School Readiness. *See* attached Exhibit C, 2016 Education Agenda (with details on each initiative). The Governor recommended funding in her FY 2017 Executive Budget to fund these initiatives.

Finally, since the beginning of her administration, the Governor has signed into law every bill passed by the General Assembly that she believes improves education for the school children of South Carolina, notably among which include (1) charter school reform and accountability; (2) Read to Succeed and 4K expansion; (3) the elimination of the exit exam requirement, giving hundreds of students access to diplomas needed for gainful employment; and (4) financial accountability. Further, the Governor has approved additional education funding each year in the annual Appropriations Act and an increased per pupil base cost from \$2,101 in FY 2014 to \$2,350 in FY 2017.

The Governor firmly believes that every child in South Carolina deserves a quality education and a pathway to a promising future—regardless of where he or she is born and raised. The Governor's commitment to making this a reality for all South Carolina students will remain a priority of her administration irrespective of the Court's ultimate determination of the necessity of its continued jurisdiction in this case.

Sincerely,



Holly G. Pisarik

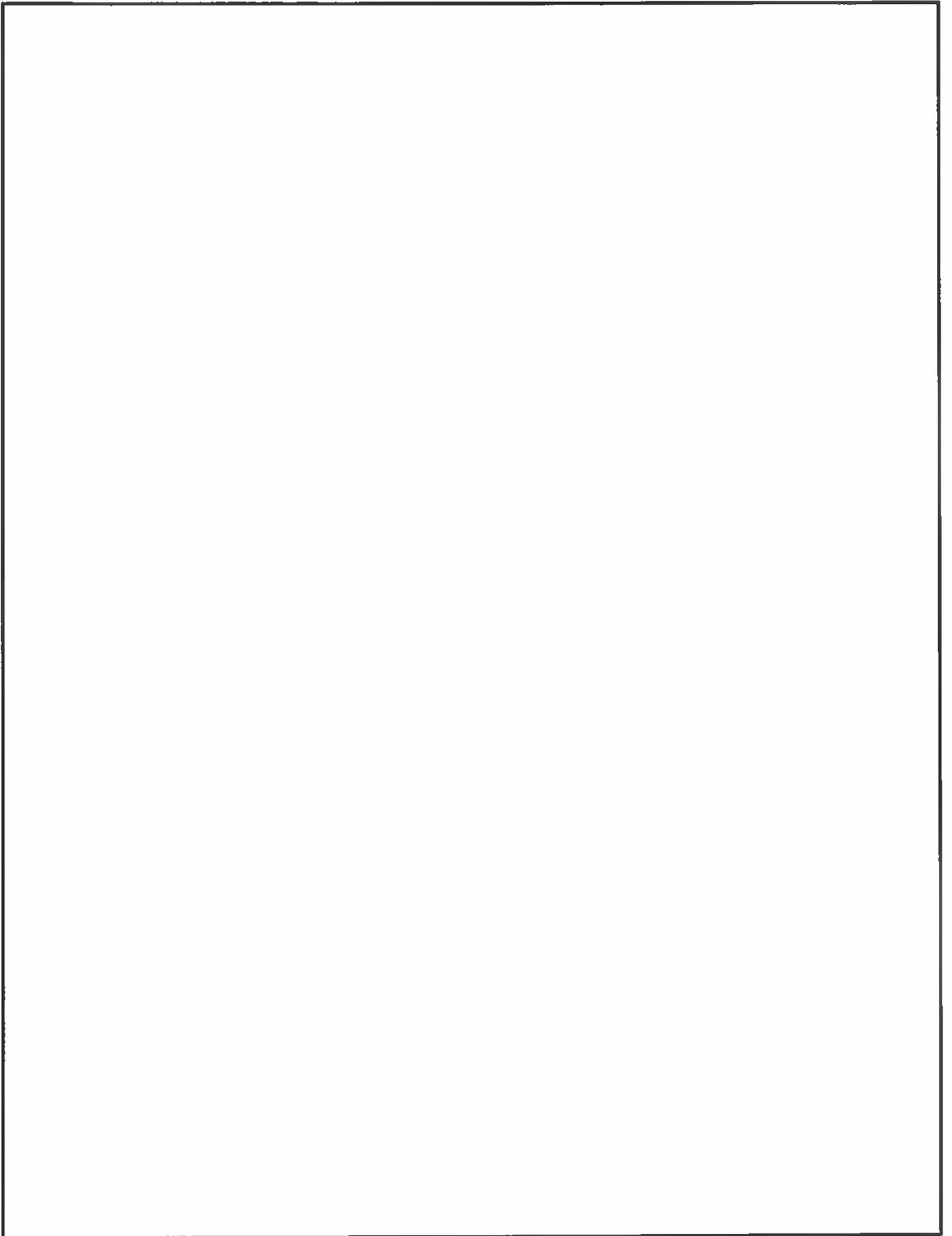
Chief Legal Counsel

On behalf of Governor Nikki R. Haley

K-12 Education Reform Initiative

Governor Nikki R. Haley

2014



OVERVIEW

Over the past several months, Governor Nikki R. Haley, members of South Carolina’s General Assembly, teachers, administrators, business leaders, and stakeholders worked together to identify the challenges facing our public schools and determine how to best overcome them. It’s time for South Carolina to take significant steps towards transforming our schools, ensuring they are preparing all of our children for college or careers.



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Adopting a Fairer and Simpler Education Funding Formula

Funding high-poverty districts, while eliminating several unnecessary weights and redundant programs, will improve equity and allow students to receive a more customized education.

The Challenge

The current K-12 funding formula is inequitable and outdated; it fails to target funding to the areas where it is truly needed.

- Poverty is not a factor in the Education Finance Act's (EFA) funding formula for schools, even though the relationship between poverty and student achievement has been thoroughly documented.¹
- South Carolina has the fastest-growing proportion of English Language Learners (ELLs) in the country, but unlike nearly every other state, does not account for this in its K-12 funding.^{2,3}
- Despite the fact that the annual per-student costs of educating elementary, middle, and high school students in South Carolina are only a few dollars apart from each other, the current model provides districts with 25% more per-student for high schoolers than it does for students in the 4th through 8th grades.⁴

The Response

Converting to the recommended funding model would eliminate the disparities in funding by grade level and direct additional resources for more students requiring individualized instruction, higher levels of low-English proficiency, and most importantly, for districts with children in poverty.

- School districts will receive 20% more funding for students included in the "poverty index" – those children eligible for free or reduced-price meals and/or Medicaid. Research shows that the cost of teaching low-income students with proven instructional models is roughly \$1,200 more per pupil.^{5,6}
- Base per-student funding for all K-12 grades will be equalized.
- A 20% supplement will also be provided for students with low-English proficiency who require individualized instructional plans that include family involvement.
- Additional add-on weights will apply to cover all children requiring a more individualized education plan, including the gifted and talented, those failing to show basic proficiency on standardized tests, and students aged 17 to 21 who are pursuing a diploma or GED through an adult education program that is not in a traditional school-based setting.
- Increasing the amount of money – and the proportion of all K-12 funding – that is distributed through the revised EFA funding formula will keep more dollars in the classroom.

The Challenge

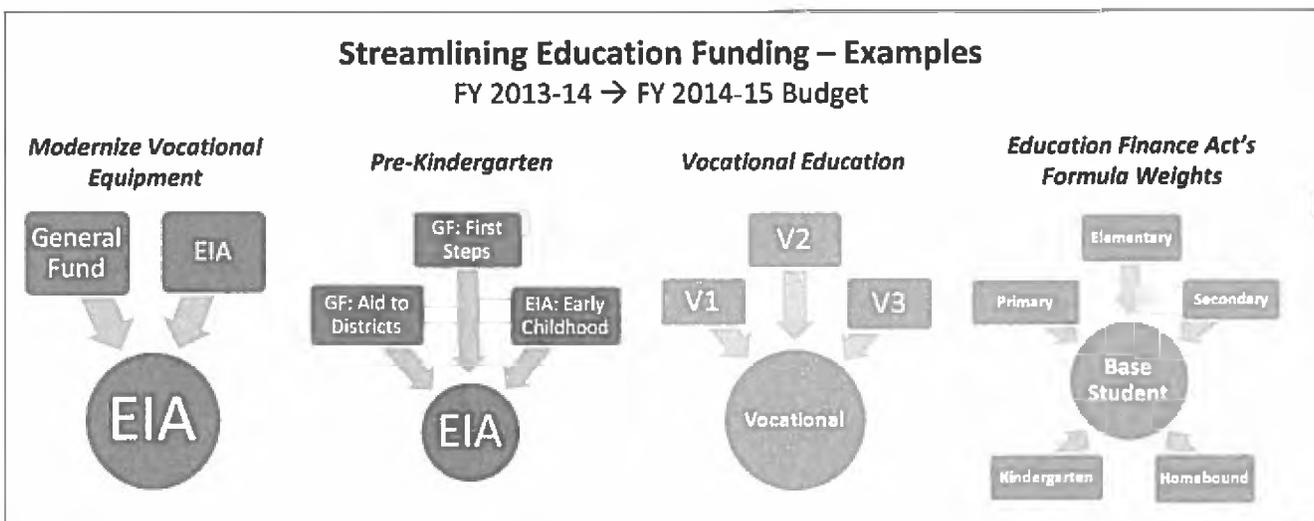
South Carolina's schools are funded through an incomprehensible mix of hundreds of programs and funding streams, each with their own compliance burdens and programmatic restrictions.

- State support for pre-kindergarten programs, student transportation services, instructional materials, the modernization of vocational equipment, and various other services is split between the General Fund, the Education Improvement Act (EIA), the Lottery Expenditure Account, and other sources.
- Each funding source must be separately accounted for at the state and district levels, increasing the administrative workload and making it harder for the public to piece together the true costs and benefits of each program or activity.

The Response

Gov. Haley's Executive Budget for Fiscal Year (FY) 2014-15 consolidates funding for several programs; the revised funding formula will also allow for some existing weights and EIA programs to be eliminated.

- Funding for all public and private pre-kindergarten programs (4K and First Steps) will be consolidated in the EIA.
- Support for the modernization of vocational equipment will be consolidated in the EIA.
- The existing "High Achieving Students" program in the EIA will be eliminated; the new weighting for gifted and talented students in the revised EFA formula will provide districts with a net increase of \$5.4 million for these services.
- The budget begins to consolidate funding for student transportation services in the General Fund by shifting a portion of the EIA's transportation funds there and by annualizing a portion of the current year's non-recurring funding for student transportation in the General Fund.
- Transitioning to the new funding model allows for five grade-specific weightings (including homebound students) for students to be collapsed into one. Similarly, three existing weightings for vocational education will be replaced with just one.



Promoting Student Success by Emphasizing Reading

Ensuring that students are proficient readers before advancing them beyond 3rd grade will improve their performance through middle and high school and reduce dropout rates.

The Challenge

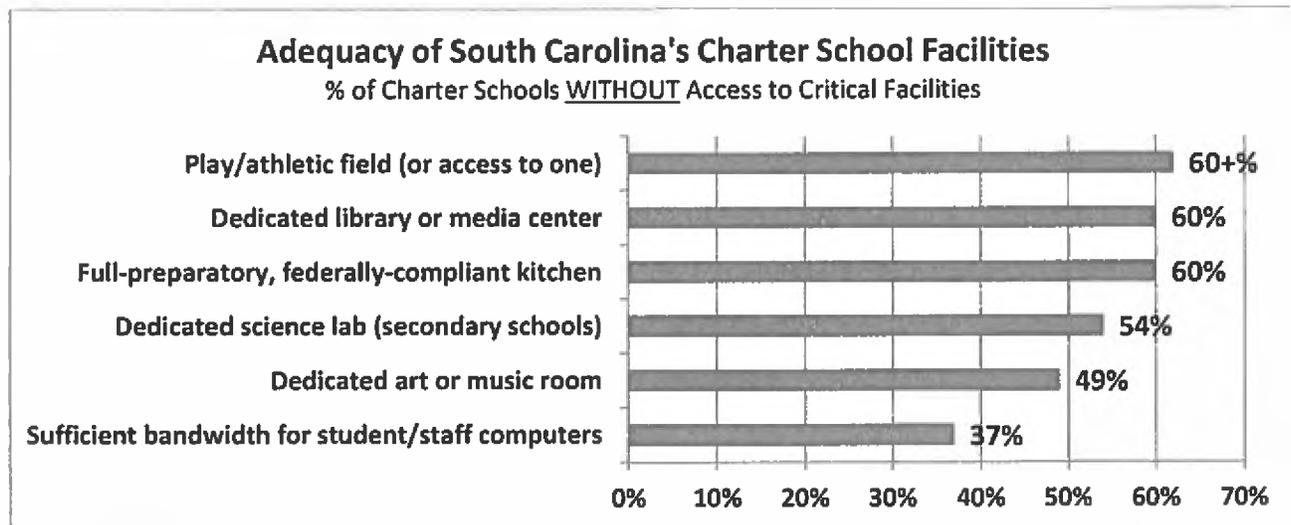
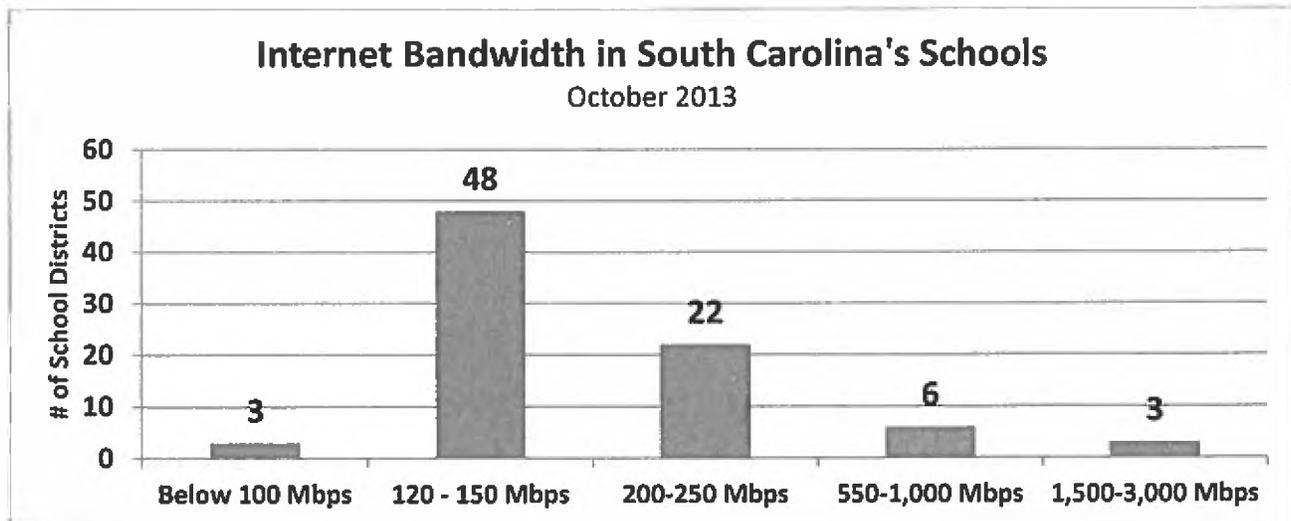
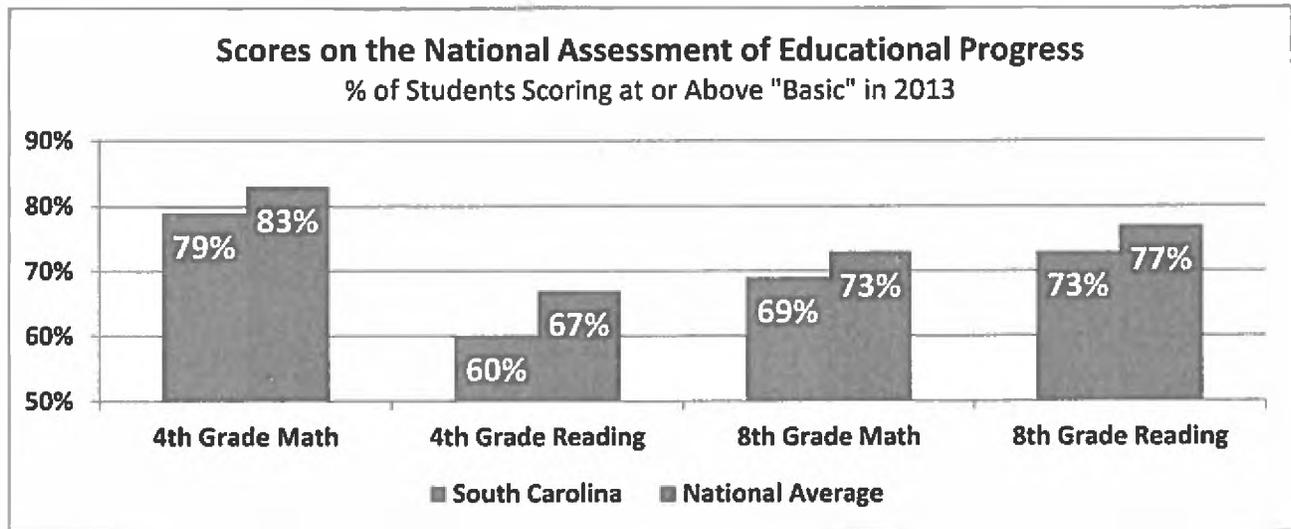
Too many of South Carolina's students are being promoted through the 3rd grade without having sufficiently developed their reading skills, setting them up for failure later in school and in life.

- South Carolina placed 42nd among the states for the percentage of 4th graders scoring at or above basic on the National Assessment of Educational Progress in 2013.⁷
- Children who are not reading proficiently by the end of 3rd grade are four times less likely to graduate from high school on time than students who meet the standard.⁸
- Reading levels in 3rd grade are a significant predictor of later performance in middle school and high school, even after accounting for demographic characteristics and school influences.⁹

The Response

Gov. Haley proposes to adopt a 3rd grade retention policy and dramatically increase the state's investment in early literacy programs including reading coaches, summer reading camps, and expanded reading-related professional development for teachers.

- The FY 2014-15 Executive Budget establishes a new \$29.5 million Reading Coach program that offers funding for a reading coach in every public elementary school in South Carolina. The 300 elementary schools in which 20% or more of students failed to meet the basic state standards in reading will receive a fully state-funded coach; the other 340 schools will be offered half-funding, if the school district agrees to match.
- The RAND Corporation's researchers found "that receiving a state-funded coach was associated with statistically significant improvements in average annual reading achievement gains" and that coaching likely had a greater impact in the lowest performing schools.¹⁰
- A recent four-year longitudinal study of a specific form of the reading coach model found "substantial effects" of improved student literacy for kindergartners through 2nd graders, and that these positive impacts were sustained through the intervening summers.¹¹
- Gov. Haley's budget for the upcoming year also quadruples the state's investment in summer reading camps, from \$1.5 million to \$6 million.
- Florida's 3rd grade reading policies – including summer camps and retention – were found to "increase reading proficiency quite substantially after only two years."¹²
- Gov. Haley's budget offers up to \$5 million in state funding for reading-related professional development for South Carolina's teachers in FY 2014-15.



Investing in Educational Technology and Connectivity

Modernizing technology in our schools and improving bandwidth will give students greater access to educational content and also critical computer skills their future employers will demand.

The Challenge

Access to high-speed internet connections, modern educational technology, and digital instructional materials such as electronic software and textbooks varies widely in our schools – simply put, many of our schools do not have the adequate technology to teach our children in the 21st Century.

- The K-12 Technology Initiative Committee has determined that it would cost \$97.2 million to address the current technological needs of our public schools.¹³
- Internet bandwidth in South Carolina ranges from three districts that are below 100 megabits/second (Mbps) to the top three districts, which fall between 1,500 and 3,000 Mbps.¹⁴
- Countless studies have shown that enhanced educational technology can have a positive impact on student achievement. For instance, 14 of the 19 studies reviewed by the U.S. Department of Education's Institute of Education Sciences showed that educational technology had "strong positive effects" on student achievement.¹⁵ Similar results have been obtained in math, science, and other fields.¹⁶
- One of the major findings of a 2007 review of digital equity in the K-12 setting was that "educators are receiving inadequate technology professional development."¹⁷ This view was echoed by a number of teachers who have joined the conversation in the past year.

The Response

Gov. Haley's FY 2014-15 budget calls for an unprecedented investment in K-12 technology and related teacher training as the first step in a multi-year commitment. While every district in South Carolina will benefit from this investment, funds will be allocated based on poverty indices to ensure that we are truly bridging the digital divide.

- The FY 2014-15 Executive Budget dedicates one-quarter of the Capital Reserve Fund (\$29.3 million) to improving bandwidth to school facilities, bolstering wireless connectivity within school walls, and launching or enhancing 1-to-1 technology initiatives. School districts will be allocated funds based upon their average daily membership and their poverty indices; *the poorest districts will receive twice as much per-student as the wealthiest.*
- The \$10.2 million already provided for technology within the EIA will also continue.
- The current year's budget contained \$4 million in one-time funding for digital instructional materials; the 2014-15 spending plan raises this to \$12 million.
- To ensure that these investments will be translated into improved student achievement, Gov. Haley is also proposing to use \$4 million in one-time funds for technology-related professional development – it makes no sense for us to provide the technology to our schools and not the training that allows our teachers to get the most out of that technology, and in turn, our kids.

Expanding High-Quality Public School Options for Families

Placing charter schools on a more level financial playing field will expand the range of educational models for parents to consider for their children.

The Challenge

Charter schools continue to receive less financial support than their traditional counterparts, especially with respect to facilities. Several charters are listed among the state's finest schools, but others are failing to meet expectations.

- Only 26% of charter school facilities and 65% of charter classrooms meet or exceed grade-level standards. Some 60% of charters are unable to obtain federal reimbursement for the free and reduced price meal program because they lack access to a full-preparatory kitchen.¹⁸
- School districts are restricting access to mothballed or underutilized facilities. Of the charter schools that are not currently sharing space, 46% do not believe that “the selection of schools that are given the opportunity to use available space for co-location is fair and transparent.”¹⁹
- South Carolina’s Department of Education reports that demand for its Virtual Schools Program is so great that more than 500 students per semester are now being turned away; this will likely be exacerbated by recent legislation that eliminated restrictions on the number of online credits students may count towards a high school diploma.

The Response

South Carolina’s families are voting with their feet – enrollment in charter schools, virtual education programs, and other alternative models is continuing to grow. Gov. Haley’s budget encourages this competition and takes important steps to fund charters more equitably.

- A 2013 Stanford University study reported that charter enrollment “has expanded among students in poverty, black students, and Hispanic students...these are precisely the students that, on average, find better outcomes in charter schools.”²⁰
- Charter schools continue to be immensely popular choices for South Carolina’s families; enrollment is projected to increase by nearly 27% from the current school year to the next.
- In addition to accommodating this enrollment growth, Gov. Haley’s budget for FY 2014-15 increases the per-student subsidies for students attending “brick and mortar” charter schools from \$3,250 to \$3,600 and for those attending virtual charters from \$1,700 to \$1,900.
- The Charter School Revolving Loan Facility Program will receive a \$4 million one-time allocation in order to provide charter schools with access to capital for the construction, purchase, renovation, or maintenance of facilities; the program was established in 2012 but never funded.
- Charters that receive the lowest performance rating three years in a row must be closed.
- The FY 2014-15 Executive Budget includes nearly \$750,000 to fund 10 additional teacher positions in the Virtual Schools Program.
- Changes to the operation of the Exceptional Needs Tax Credit program should increase contributions to nonprofit scholarship granting organizations – and ultimately, independent schools – by as much as \$2 million in the upcoming year, without impacting the General Fund.

CONCLUSION

Governor Haley has long said that the quality of education that a child in South Carolina receives is far too dependent on where he or she is born and raised. Over the past year, the governor, members of the General Assembly, teachers, administrators, parents, and many others with a stake in the future of our children met to discuss that challenge – and others facing our schools, and our kids.

One thing rang true throughout this conversation – the children of South Carolina have enormous potential – however, our current education system is not preparing all of them to fully realize it.

There are still the “have’s” and the “have-nots.” That has to change. And we can change it.

We have an opportunity to transform education in South Carolina. We can make sure our youngest students can read, ensure our high school students are on pathways to promising futures, provide families with the highest quality public school options, and give teachers and leaders the preparation, support, and resources to help our children succeed.

And we can make sure that all of those things are true for every single child in South Carolina – not just the ones who were lucky enough to be born in the right place at the right time.



TECHNOLOGY ALLOCATIONS

Total amount available for distribution in FY 2014-15: \$29,288,976

Poverty Index: Below 75 (\$35/ADM)		Poverty Index: 75 to 85 (\$50/ADM)		Poverty Index: 85 or Higher (\$70/ADM)	
• Aiken	\$ 832,418	• Abbeville	\$ 152,313	• Allendale	\$ 87,877
• Anderson 1	\$ 318,531	• Anderson 3	\$ 125,438	• Bamberg 2	\$ 53,708
• Anderson 2	\$ 128,374	• Bamberg 1	\$ 68,366	• Barnwell 19	\$ 53,899
• Anderson 4	\$ 98,504	• Barnwell 45	\$ 117,788	• Barnwell 29	\$ 63,913
• Anderson 5	\$ 428,364	• Cherokee	\$ 430,063	• Calhoun	\$ 113,011
• Beaufort	\$ 687,288	• Chester	\$ 264,045	• Clarendon 1	\$ 53,823
• Berkeley	\$ 1,047,430	• Chesterfield	\$ 362,788	• Clarendon 2	\$ 204,548
• Charleston	\$ 1,500,405	• Darlington	\$ 511,182	• Colleton	\$ 408,101
• Clarendon 3	\$ 41,391	• Dillon 3	\$ 77,738	• Dillon 4	\$ 286,411
• Dorchester 2	\$ 811,081	• Florence 2	\$ 58,881	• Dorchester 4	\$ 147,438
• Edgefield	\$ 117,184	• Florence 5	\$ 70,431	• Fairfield	\$ 193,020
• Florence 1	\$ 540,203	• Georgetown	\$ 468,255	• Felton Lab	\$ 7,853
• Greenville	\$ 2,512,393	• Greenwood 51	\$ 47,686	• Florence 3	\$ 249,951
• Greenwood 50	\$ 302,330	• Laurens 55	\$ 277,718	• Florence 4	\$ 51,682
• Greenwood 52	\$ 57,352	• Laurens 56	\$ 145,564	• Gov Sch Arts/Hum	\$ 15,470
• Horry	\$ 1,347,574	• Lexington 2	\$ 426,121	• Gov Sch Sci/Math	\$ 12,810
• Kershaw	\$ 356,706	• Lexington 3	\$ 93,984	• Hampton 1	\$ 166,907
• Lancaster	\$ 405,335	• Newberry	\$ 285,859	• Hampton 2	\$ 63,531
• Lexington 1	\$ 802,740	• Orangeburg 4	\$ 185,724	• Jasper	\$ 190,687
• Lexington 5	\$ 568,313	• Richland 1	\$ 1,142,470	• John de la Howe	\$ 1,750
• Oconee	\$ 365,479	• Saluda	\$ 105,492	• Juvenile Justice	\$ 46,803
• Pickens	\$ 563,731	• Spartanburg 7	\$ 341,090	• Lee	\$ 149,311
• Richland 2	\$ 905,322	• Sumter	\$ 813,726	• Lexington 4	\$ 219,735
• SC Public Charter	\$ 402,461	• Union	\$ 206,475	• Marion 10	\$ 344,952
• Spartanburg 1	\$ 169,255			• Marlboro	\$ 288,263
• Spartanburg 2	\$ 340,558			• McCormick	\$ 54,367
• Spartanburg 3	\$ 98,852			• Orangeburg 3	\$ 198,705
• Spartanburg 4	\$ 93,039			• Orangeburg 5	\$ 448,930
• Spartanburg 5	\$ 263,818			• Palmetto Unified	\$ 51,139
• Spartanburg 6	\$ 371,061			• Sch for Deaf/Blind	\$ 18,873
• York 1	\$ 171,703			• Wil Lou Gray	\$ 28,070
• York 2	\$ 227,055			• Williamsburg	\$ 309,386
• York 3	\$ 594,301				
• York 4	\$ 386,491				

Allocations are based upon a district's average daily membership (135-day ADM) in FY 2012-13, or for special schools not reporting this figure, the number of students reported in the *2013 Annual School Report Card* presented by the South Carolina Department of Education.

The "Poverty Index" is the percentage of students in a school district who qualify for free or reduced-price meals and/or are eligible for Medicaid.

Special schools are included in the highest "Poverty Index" category.

READING COACHES

Every elementary school in the following districts will receive a 100% state-funded reading coach:

- Allendale
- Bamberg 1
- Bamberg 2
- Barnwell 19
- Barnwell 29
- Barnwell 45
- Calhoun
- Chester
- Clarendon 1
- Clarendon 2
- Dillon 3
- Florence 2
- Florence 3
- Florence 4
- Hampton 2
- Jasper
- Lee
- Lexington 3
- Lexington 4
- Marion
- Marlboro
- McCormick
- Orangeburg 3
- Orangeburg 4
- Williamsburg

The following elementary schools will also receive a 100% state-funded reading coach:

Aiken

- Byrd Elementary
- Clearwater Elementary
- Cyril B. Busbee Elementary/
A. L. Corbett Middle Schools
- East Aiken School of the Arts
- Gloverville Elementary
- Greendale Elementary
- J. D. Lever Elementary School
- Jefferson Elementary School
- Lloyd Kennedy Charter School
- Midland Valley Preparatory
- Mossy Creek Elementary
- North Aiken Elementary
- Oakwood Windsor Elementary
- Redcliffe Elementary School
- Ridge Spring-Monetta Elementary/
Middle School

Anderson 3

- Flat Rock Elementary School
- Starr Elementary

Anderson 5

- Centerville Academy of 21st Century Learning
- Nevitt Forest Community School of Innovation
- New Prospect STEM Academy
- Varennes Academy of Communications and Technology

Beaufort

- Broad River Elementary
- Hilton Head Island Elementary School for the Creative Arts
- Joseph S. Shanklin Elementary School
- Mossy Oaks Elementary School
- St. Helena Elementary
- Whale Branch Elementary School

Berkeley

- Bonner Elementary School
- Cainhoy Elementary-Middle School
- Cross Elementary School
- J. K. Gourdin Elementary School
- Sedgefield Intermediate School
- St. Stephen Elementary

Charleston

- C. Corcoran Elementary School
- Angel Oak Elementary School
- Apple Charter School
- C. Blaney Elementary School
- Chicora School of Communications: An Elementary Magnet
- E. B. Ellington Elementary School
- Edith L. Frierson Elementary School
- Edmund A. Burns Elementary
- Hunley Park Elementary School
- James Simons Elementary School
- Julian Mitchell Math and Science Elementary School
- Ladson Elementary School
- Lambs Elementary School
- Malcolm C. Hursey Elementary School
- Mary Ford Elementary School
- Memminger School of Global Studies
- Minnie Hughes Elementary School
- Mt. Zion Elementary School
- North Charleston Elementary School
- Pepperhill Elementary School
- Pinehurst Elementary School
- Sanders-Clyde Elementary School
- St. James-Santee Elementary School
- W. B. Goodwin Elementary School

Cherokee

- Alma Elementary
- B. D. Lee Elementary School
- Blacksburg Elementary
- Draytonville Elementary
- Goucher Elementary School
- Grassy Pond Elementary
- Limestone-Central Elementary School
- Luther Vaughan Elementary School
- Mary Bramlett Elementary
- Northwest Elementary School

Chesterfield

- Cheraw Intermediate School
- McBee Elementary School
- Pageland Elementary School

Colleton

- Bells Elementary School
- Cottageville Elementary
- Forest Hills Elementary
- Hendersonville Elementary School
- Northside Elementary School

Darlington

- Brockington Elementary Magnet School
- Brunson-Dargan Elementary School
- Rosenwald Elementary/Middle School
- Spaulding Elementary School
- Thornwell School for the Arts
- West Hartsville Elementary School

Dillon 4

- Gordon Elementary School
- South Elementary School
- Stewart Heights Elementary

Dorchester 4

- Clay Hill Elementary

READING COACHES

The following elementary schools will also receive a 100% state-funded reading coach:

Edgefield

- Douglas Elementary School
- Johnston Elementary
- W. E. Parker Elementary School

Fairfield

- Fairfield Elementary School
- Geiger Elementary School
- McCrorey-Liston School of Technology

Florence 1

- Dewey-Carter Elementary
- Greenwood Elementary School
- North Vista Elementary
- Savannah Grove Elementary School
- Theodore Lester Elementary

Florence 5

- Johnsonville Middle School

Georgetown

- Andrews Elementary School
- Brown's Ferry Elementary School
- Maryville Elementary School
- McDonald Elementary
- Plantersville Elementary School
- Sampit Elementary

Greenville

- Alexander Elementary
- Armstrong Elementary School
- Berea Elementary School
- Cherrydale Elementary School
- Grove Elementary
- Heritage Elementary School
- Hollis Academy
- Lake Forest Elementary
- Legacy Charter School
- Monaview Elementary
- Robert E. Cashion Elementary
- Thomas E. Kerns Elementary
- Welcome Elementary School

Greenwood 50

- Eleanor S. Rice Elementary
- Mathews Elementary School
- Woodfields Elementary

Hampton 1

- Ben Hazel Primary
- Fennell Elementary School
- Hampton Elementary School
- Varnville Elementary School

Horry

- Academy of Hope Charter
- Homewood Elementary
- Myrtle Beach Elementary School
- Pee Dee Elementary

Kershaw

- Jackson School
- Midway Elementary School
- Pine Tree Hill Elementary School

Lancaster

- Brooklyn Springs Elementary
- Clinton Elementary School
- Discovery School of Lancaster County
- Erwin Elementary
- Kershaw Elementary

Laurens 55

- E.B. Morse Elementary School
- Ford Elementary
- Gray Court -Owings Elementary
- Laurens Elementary

Laurens 56

- Clinton Elementary School
- Joanna-Woodson Elementary School

Lexington 1

- Forts Pond Elementary School
- Pelion Elementary
- Red Bank Elementary School

Lexington 2

- BC Grammar School #1
- Claude A. Taylor Elementary School
- Congaree Elementary School
- Herbert A. Wood Elementary School
- Saluda River Academy for the Arts

Lexington 5

- Leaphart Elementary

Newberry

- Boundary Street Elementary
- Gallman Elementary
- Newberry Elementary School
- Whitmire Community Elementary

Oconee

- Blue Ridge Elementary
- James M. Brown Elementary School
- Westminster Elementary

Orangeburg 5

- Bethune-Bowman Elementary
- Brookdale Elementary
- Dover Elementary School
- Marshall Elementary
- Mellichamp Elementary School
- Rivelon Elementary School
- Sheridan Elementary School

Pickens

- Hagood Elementary School
- McKissick Elementary

Richland 1

- C. Moore Elementary
- J. Greenview Elementary
- Arden Elementary
- Bradley Elementary
- Burnside Elementary
- Burton-Pack Elementary
- Carolina School for Inquiry
- Carver-Lyon Elementary
- Edward E. Taylor Elementary
- Forest Heights Elementary
- H. B. Rhame Elementary
- Hopkins Elementary
- Horrell Hill
- Hyatt Park
- John P. Thomas Elementary
- Logan Elementary
- Mill Creek Elementary
- Pine Grove Elementary
- Watkins-Nance
- Webber School
- William S. Sandel

READING COACHES

The following elementary schools will also receive a 100% state-funded reading coach:

Richland 2

- E. L. Wright Middle School
- Forest Lake Elementary Technology Magnet School
- Joseph Keels Elementary
- Kelly Mill Middle School
- Killian Elementary
- L. W. Conder Arts Integrated Magnet School
- Lonnie B. Nelson Elementary
- Pontiac Elementary
- Summit Parkway Middle School
- Windsor Elementary

Saluda

- Saluda Elementary School

Spartanburg 2

- Chesnee Elementary School

Spartanburg 3

- Cannons Elementary School
- Cowpens Elementary School

Spartanburg 5

- Beech Springs Intermediate School
- River Ridge Elementary School

Spartanburg 6

- Arcadia Elementary School
- Jesse S. Bobo Elementary School
- Lone Oak Elementary School
- Roebuck Elementary School
- Woodland Heights Elementary

Spartanburg 7

- Cleveland Academy of Leadership
- E.P. Todd School
- Houston Elementary School
- Mary H. Wright Elementary
- W. Herbert Chapman Elementary School

Sumter

- Cherryvale Elementary School
- Crosswell Drive Elementary
- F. J. DeLaine Elementary
- High Hills Elementary School
- Kingsbury Elementary School
- Lemira Elementary School
- Manchester Elementary School
- Pocalla Springs Elementary School
- R.E. Davis Elementary
- Rafting Creek Elementary
- Wilder Elementary School
- Willow Drive Elementary School

Union

- Foster Park Elementary School
- Jonesville Elementary Middle School
- Lockhart School
- Monarch Elementary School

York 1

- Cotton Belt Elementary
- Harold C. Johnson Elementary School
- Hickory Grove/Sharon Elementary
- Jefferson Elementary School
- York Intermediate School

York 3

- Ebenezer Avenue Elementary
- Finley Road Elementary
- Lesslie Elementary
- Northside Elementary School of the Arts
- Oakdale Elementary School STEM Magnet
- Richmond Drive Elementary
- Rosewood Elementary
- York Road Elementary

READING COACHES

Every elementary school in the following districts will be eligible for a 50% state-funded reading coach:

- Abbeville
- Anderson 1
- Anderson 2
- Anderson 4
- Clarendon 3
- Dorchester 2
- Greenwood 51
- Greenwood 52
- Spartanburg 1
- Spartanburg 4
- York 2
- York 4

The following elementary schools will also be eligible for a 50% state-funded reading coach:

Aiken

- Aiken Elementary School
- Belvedere Elementary
- Chukker Creek Elementary
- Hammond Hill Elementary
- Millbrook Elementary
- North Augusta Elementary School
- Warrenville Elementary

Anderson 3

- Iva Elementary School

Anderson 5

- Calhoun Academy of the Arts
- Concord Elementary School
- McLees Academy of Leadership
- Midway Elementary School of Science and Engineering
- North Pointe Elementary
- Whitehall Elementary, A Global Communication School

Beaufort

- Beaufort Elementary
- Bluffton Elementary and Early Childhood Center
- Coosa Elementary
- Hilton Head Island Elementary
- Lady's Island Elementary School
- Michael C. Riley Elementary and Early Childhood Center
- Okatie Elementary School
- Port Royal Elementary School
- Pritchardville Elementary
- Red Cedar Elementary School
- Riverview Charter School

Berkeley

- Berkeley Intermediate School
- Boulder Bluff Elementary School
- Cane Bay Elementary School
- College Park Elementary School
- Daniel Island School
- Devon Forest Elementary School
- Hanahan Elementary School
- Howe Hall Arts Infused Magnet School (AIMS)
- Marrington Elementary School
- Sangaree Intermediate School
- Westview Elementary School
- Whitesville Elementary School

Charleston

- Ashley River Creative Arts Elementary
- Belle Hall Elementary School
- Buist Academy
- Charles Pinckney Elementary School
- Charleston Development Academy Public Charter School
- Charleston Progressive Academy
- Drayton Hall Elementary School
- East Cooper Montessori Charter School
- Harbor View Elementary School
- James B. Edwards Elementary School
- James Island Elementary School
- Jane Edwards Elementary School
- Jennie Moore Elementary School
- Mamie P. Whitesides Elementary School
- Matilda F. Dunston Elementary School
- Mt. Pleasant Academy
- Murray-LaSaine Elementary School

Charleston (cont.)

- Oakland Elementary School
- Orange Grove Elementary Charter School
- Springfield Elementary School
- St Andrew's School of Math and Science
- Stiles Point Elementary School
- Stono Park Elementary School
- Sullivan's Island Elementary School

Cherokee

- Corinth Elementary School

Chesterfield

- Edwards Elementary
- Jefferson Elementary
- Plainview Elementary School
- Ruby Elementary School

Colleton

- Edisto Beach Elementary

Darlington

- Carolina Elementary School
- North Hartsville Elementary School
- St. John's Elementary
- Washington Street Elementary

Dillon 4

- East Elementary
- Lake View Elementary School

Dorchester 4

- Harleyville Elementary
- Williams Memorial Elementary

READING COACHES

The following elementary schools will also be eligible for a 50% state-funded reading coach:

Edgefield

- Merriwether Elementary School

Fairfield

- Fairfield Magnet School of Math and Science
- Kelly Miller Elementary

Florence 1

- Briggs Elementary School
- Carver Elementary School
- Delmae Heights Elementary School
- Henry Timrod Elementary
- John W. Moore Intermediate School
- Lucy T. Davis Elementary School
- McLaurin Elementary School
- Palmetto Youth Academy
- Royall Elementary School
- Wallace Gregg Elementary

Florence 5

- Johnsonville Elementary School

Georgetown

- Coastal Montessori Charter School
- Kensington Elementary School
- Pleasant Hill Elementary School
- Waccamaw Elementary
- Waccamaw Intermediate School

Greenville

- J. Whittenberg Elementary School of Engineering
- Augusta Circle Elementary School
- Bell's Crossing
- Bethel Elementary
- Blythe Academy of Languages
- Brook Glenn Elementary
- Brushy Creek Elementary School
- Bryson Elementary
- Buena Vista Elementary School
- Chandler Creek Elementary School
- Crestview Elementary School
- Duncan Chapel Elementary
- East North Street Academy of Math and Science
- Ellen Woodside Elementary
- Fork Shoals School
- Fountain Inn Elementary

Greenville (cont.)

- Gateway Elementary School
- Greenbrier Elementary School
- Mauldin Elementary School
- Mitchell Road Elementary
- Monarch Elementary
- Mountain View Elementary
- Oakview Elementary
- Paris Elementary
- Pelham Road Elementary School
- Plain Elementary School
- Rudolph G. Gordon Elementary
- Sara Collins Elementary
- Simpsonville Elementary
- Skyland Elementary
- Slater-Marietta Elementary
- Sterling School
- Stone Academy
- Sue Cleveland Elementary
- Summit Drive Elementary School
- Taylors Elementary
- Tigerville Elementary School
- Westcliffe Elementary
- Woodland Elementary School

Greenwood 50

- Hodges Elementary
- Lakeview Elementary School
- Merrywood Elementary School
- Pinecrest Elementary School
- Springfield Elementary School

Hampton 1

- Brunson Elementary

Horry

- Aynor Elementary School
- Bridgewater Academy Charter
- Burgess Elementary School
- Carolina Forest Elementary School
- Conway Elementary
- Daisy Elementary
- Forestbrook Elementary School
- Green Sea Floyds Elementary School
- Kingston Elementary School
- Lakewood Elementary
- Loris Elementary School
- Midland Elementary
- Myrtle Beach Elementary School

Horry (cont.)

- North Myrtle Beach Elementary
- North Myrtle Beach Intermediate School
- Ocean Bay Elementary
- Palmetto Academy of Learning and Success
- Palmetto Bays Elementary School
- River Oaks Elementary School
- Seaside Elementary School
- Socastee Elementary
- South Conway Elementary
- St. James Elementary
- Waccamaw Elementary

Kershaw

- Baron DeKalb Elementary
- Bethune Elementary School
- Blaney Elementary School
- Camden Elementary School of the Creative Arts
- Doby's Mill Elementary School
- Lugoff Elementary
- Mt. Pisgah Elementary School
- Wateree Elementary School

Lancaster

- Buford Elementary
- Heath Springs Elementary School
- Indian Land Elementary School
- McDonald Green Elementary
- North Elementary School

Laurens 55

- Hickory Tavern Elementary School
- Waterloo Elementary School

Laurens 56

- Eastside Elementary School

READING COACHES

The following elementary schools will also be eligible for a 50% state-funded reading coach:

Lexington 1

- Carolina Springs Elementary School
- Gilbert Elementary School
- Lake Murray Elementary
- Lexington Elementary
- Meadow Glen Elementary
- Midway Elementary
- New Providence Elementary
- Oak Grove Elementary School
- Pleasant Hill Elementary School
- Rocky Creek Elementary School
- Saxe Gotha Elementary School
- White Knoll Elementary School

Lexington 2

- Pineview Elementary
- Springdale Elementary School

Lexington 5

- Ballentine Elementary
- Chapin Elementary
- Dutch Fork Elementary
- H. E. Corley Elementary
- Harbison West Elementary
- Irmo Elementary
- Lake Murray Elementary
- Nursery Road Elementary
- Oak Pointe Elementary
- River Springs Elementary
- Seven Oaks Elementary

Newberry

- Little Mountain Elementary
- Pomaria-Garmany Elementary School
- Prosperity-Rikard Elementary
- Reuben Elementary

Oconee

- Fair-Oak Elementary School
- Keowee Elementary School
- Northside Elementary
- Oakway Intermediate School
- Orchard Park Elementary School
- Ravenel Elementary
- Tamassee-Salem Elementary School
- Walhalla Elementary School

Orangeburg 5

- Whittaker Elementary School

Pickens

- A.R. Lewis Elementary
- Ambler Elementary School
- Central Elementary School
- Chastain Road Elementary School
- Clemson Elementary
- Crosswell Elementary School
- Dacusville Elementary
- East End Elementary School
- Forest Acres Elementary
- Holly Springs Elementary
- Liberty Elementary School
- Pickens Elementary
- Six Mile Elementary
- West End Elementary

Richland 1

- Brennen Elementary
- Brockman Elementary
- Caughman Road Elementary
- Gadsden Elementary
- Meadowfield Elementary
- Rosewood Elementary
- Satchel Ford Elementary
- South Kilbourne Elementary

Richland 2

- Bethel-Hanberry Elementary
- Bookman Road Elementary School
- Bridge Creek Elementary
- Catawba Trail Elementary School
- Lake Carolina Elementary
- Langford Elementary
- North Springs Elementary School
- Polo Road Elementary School
- Rice Creek Elementary
- Round Top Elementary
- Sandlapper Elementary

Saluda

- Hollywood Elementary School

Spartanburg 2

- Boiling Springs Elementary School
- Boiling Springs Intermediate School
- Carlisle-Foster's Grove Elementary
- Cooley Springs-Fingerville Elementary

Spartanburg 2 (cont.)

- James. H. Hendrix Elementary IB Sch.
- Mayo Elementary School
- Oakland Elementary School

Spartanburg 3

- Clifdale Elementary
- Pacolet Elementary School

Spartanburg 5

- Abner Creek Academy
- Berry Shoals Intermediate School
- Duncan Elementary School
- Lyman Elementary
- Reidville Elementary School
- Wellford Academy of Science & Tech

Spartanburg 6

- Anderson Mill Elementary
- Fairforest Elementary School
- Pauline-Glenn Springs Elementary
- West View Elementary School

Spartanburg 7

- Jesse Boyd Elementary
- Pine Street Elementary School

Sumter

- Alice Drive Elementary School
- Millwood Elementary School
- Shaw Heights Elementary

Union

- Buffalo Elementary School

York 1

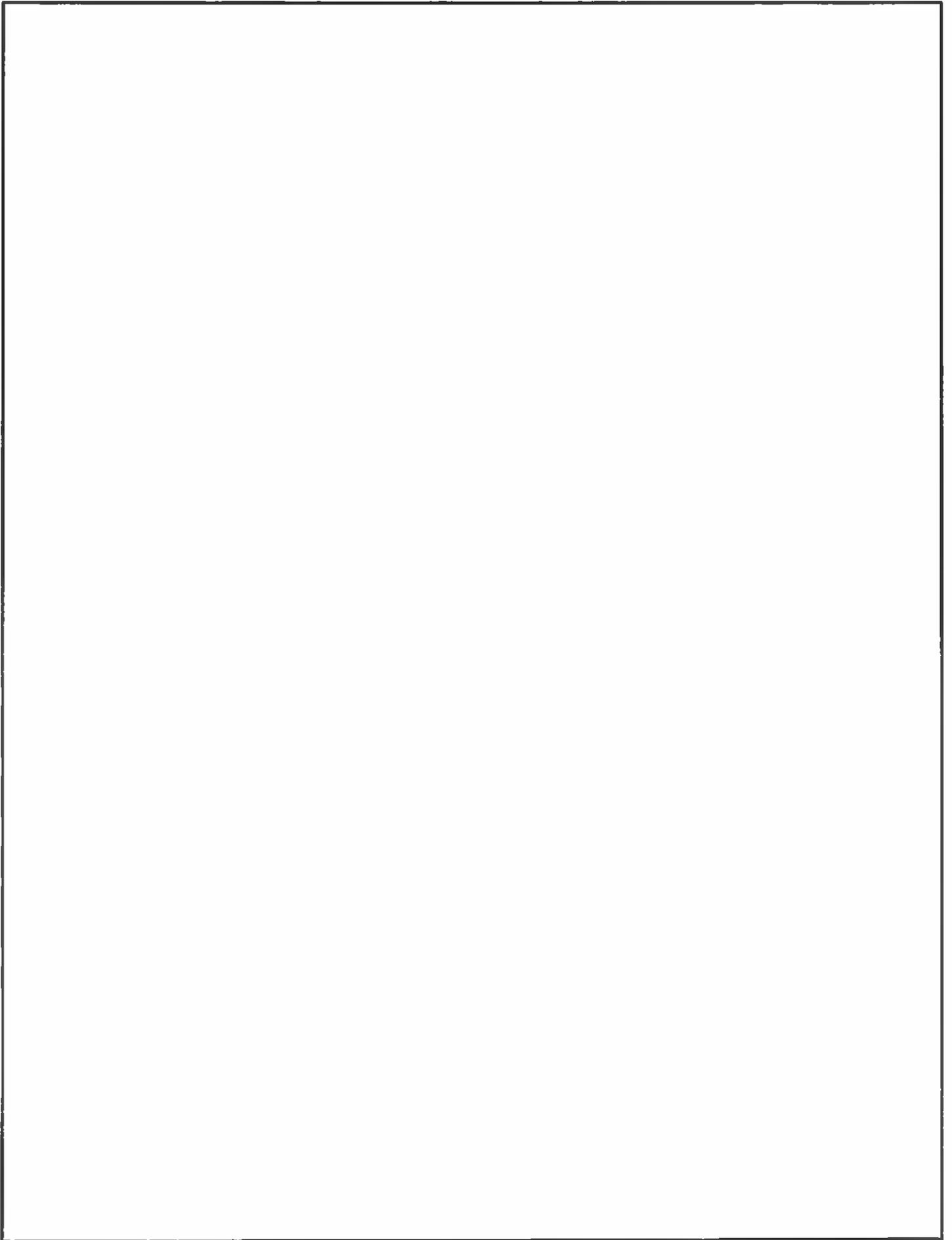
- Hunter Street Elementary

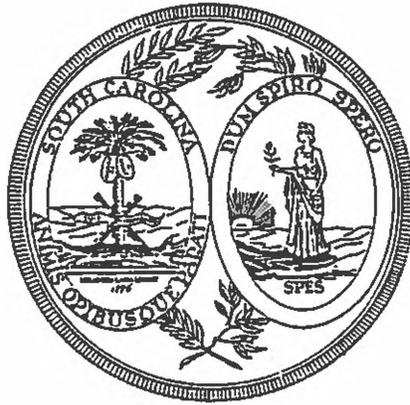
York 3

- Bellevue Elementary School
- Ebinport Elementary
- Independence Elementary
- India Hook Elementary
- Mount Holly Elementary School
- Mt Gallant Elementary
- Old Pointe Elementary School
- Sunset Park Center for Accel. Studies
- The Children's School at Sylvia Circle

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FY 2015-16 EDUCATION REFORM PROPOSAL

On January 8, 2014, Governor Haley unveiled a set of education reforms addressing many of the challenges and inequities faced by South Carolina's students. These broadly accepted reforms were almost all signed into law last year.

The initial reform is based on four pillars:

- Fair and simple funding
- Emphasis on reading
- Education technology
- High-quality public school choice

The FY 2015-16 proposal maintains this effective structure, but adds an additional emphasis on recruiting teachers to high-turnover rural districts.

Commonsense Reform for South Carolina's Children

Since the beginning of her administration, Governor Haley has advocated for the single most important education reform that can move South Carolina's education system forward: amending South Carolina's Constitution to allow the Governor to appoint the Superintendent of Education. Although the Haley administration will not have the opportunity to benefit from the stronger accountability this change to education governance would bring, it is nonetheless her highest education reform priority. This decision should be put to the people of South Carolina on the November 8, 2016 ballot.

Fair and Simple Education Funding

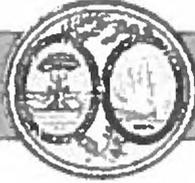
Although South Carolina's education system has become more fragmented and programmatic, most fund sources are ultimately distributed in a pattern similar to the EFA. The FY 2015-16 proposal will:

- Simplify funding to districts by eliminating two lottery funding streams to districts and instead distribute this funding through the EFA.
- Increase Base Student Cost from \$2,120 to \$2,200 with \$51 million additional General Funds.
- Address structural funding concerns for districts as additional funding streams are consolidated into the EFA with \$8.5 million in recurring General Funds for district and charter school transition payments.

Emphasizing Reading

With South Carolina just three short years away from full implementation of Read to Succeed, Governor Haley believes that South Carolina's students and educators deserve every tool we can provide to make implementation successful.

- \$6.4 million to double the state's reading coach investment in schools with greater than 30 students who score "not met" on the state's most recent reading assessments.
- Up to \$3.5 million in dedicated to funding reading professional development funding. First priority will be given to the training and certification of reading coaches.
- Just under \$1 million to support the state's Read to Succeed office that provides professional development, program coordination, and technical assistance to districts.
- Expanding summer reading camps with an additional \$3 million in recurring support.



FY 2015-16 EDUCATION REFORM PROPOSAL

Technology and Vocational Education

The FY 2014-15 Executive Budget proposed a three year commitment to enhancing educational technology infrastructure and computing access for students statewide. The FY 2015-16 Executive Budget maintains this commitment and also annualizes \$4 million for technology professional development. In addition, the proposal:

- Consolidates the purchase of digital and traditional instructional materials, as requested by the Department of Education.
- Supports development of advanced mathematics and engineering curriculum statewide through a partnership with the Governor's School for Science and Mathematics and Clemson University.
- Increasing support for equipment and instructional materials by \$2 million for career and technology centers statewide.

High-quality Public School Choice

The 2014 legislative session saw support and accountability for public school choice run hand-in-hand. Act 288, the Alternative Education Campus bill gave charter schools opportunity to take on our state's most challenging students without fear of reprisal, but also require them to meet high standards for educational outcomes. This year's education proposal continues to advance the use of charters by:

- Accommodating growth of the Public Charter School District with \$11.8 million in recurring Education Improvement Act (EIA) funding.
- Enhancing the Superintendent of Education's emergency powers under S.C. Code §59-18-1570, allowing the Superintendent to partner with charter operators and other education management professionals to manage the day-to-day operations of districts in a state of emergency.

Teacher Quality and Recruitment

One of the greatest challenges facing South Carolina's rural and underserved districts is a persistent inability to recruit and retain teachers. The FY 2015-16 education proposal addresses this issue by charging the Center for Educator Recruitment, Retention and Advancement with the responsibility of implementing a rural teacher recruitment initiative focused around five core incentives.

Homegrown Teacher Initiative. Offers high-school students who graduate from an eligible district up to four years of subsidized tuition at any public college or university in the state in exchange for teaching in their home district or another district. The eligible teacher must commit to two years for every year of subsidized education.

Enhanced Student Loan Repayment. Eligible teachers receive up to \$7,500 per year in direct student loan repayment in exchange for one year of teaching in an eligible district for up to 5 years.

Rural Educator Salary Supplement. Educators with less than five years' experience who have not yet secured employment or who choose to relocate from an ineligible district may receive a stipend, increasing their salary an equivalent of five years additional experience on their district salary schedule, up to the ten year experience pay scale. Educators are eligible to continue to receive this supplement until their tenth year of teaching experience.



FY 2015-16 EDUCATION REFORM PROPOSAL

Graduate Degrees for Career Educators. Educators with more than five, but less than ten years teaching experience may receive up to two full years of tuition in support of a graduate degree at any public college or university in the state in exchange for a two year teaching commitment for each year of graduate education subsidized.

Teaching Mentors. CERRA may fund the recruitment and training of teaching mentors with at least eight years classroom experience to provide mentorship, support, and training for newer teachers in eligible districts. During the first five years of service, mentors in eligible districts may also receive a salary stipend of \$5,000 to compensate for the extra time and effort that goes into mentoring colleagues.

District eligibility in the inaugural year will be limited to the 1 out of 4 districts in South Carolina that averages greater than 12% annual turnover, as indicated by the most recent five year evaluation of teacher supply and demand. The program will be funded with an initial \$1,500,000 allocation in the EIA. The Executive Budget proposes to sustain this program by closing the National Board Certification Incentive and progressively diverting funds from the National Board to rural teacher incentives as eligible National Board certificate holders cycle out of the stipend.



GOVERNOR HALEY'S 2016 EDUCATION AGENDA

Overview

Governor Haley will mark a third year of education reform proposals in 2016. This year's cooperative and bipartisan effort addresses some of the toughest issues facing education in South Carolina today – from basic governance and accountability, to safe schools, to transportation, to statewide access to technology. Governor Haley stands with local Superintendents, students, parents, educators, and members of the legislature, to announce another year of reform that moves South Carolina's schools forward.

The initiative spans six categories:

- Education Governance
- Funding the Basics of Education
- Recruiting and Retaining Effective Teachers
- Integrating Technology into Student Life
- Improving School facilities (attached)
- Reforming South Carolina First Steps to School Readiness (attached)

Education Governance

Over the past decade, statewide elections have resulted in often Governors and State Superintendents of Education who did not share a common vision for the direction of South Carolina's schools. Instead of moving the state forward, a lack of coordination and common effort left educational priorities at the state level without direction and leadership.

The single most important reform that can be made to give South Carolina's children a leadership team with common vision and goals, such as the team Governor Haley and Superintendent Spearman have formed since 2015, is to give every Governor the ability to appoint the Superintendent of Education. This change would require the approval of South Carolina's voters. Governor Haley's 2016 education agenda proposes to place this question on the general election ballot in 2016.

This simple reform would bring South Carolina in line with 38 other states that do not elect their Superintendent of Education, giving the Governor a more direct role in selecting education leaders as follows:

- November 2016: voters choose whether or not to change the State's constitution to allow the Governor to appointment of the Superintendent of Education.
- 2016-17 Legislative Session: the South Carolina General Assembly ratifies the constitutional amendment if approved by voters and passes legislation to define the qualifications of the future Superintendents of Education.
- November 2018: South Carolinians election the Superintendent of Education for the last time.
- January 2019+ : Any vacancy in the office of Superintendent is filled by gubernatorial appointment.



GOVERNOR HALEY'S 2016 EDUCATION AGENDA

Funding the Basics of Education

Governor Haley's 2016 education agenda focuses on the basics of education:

- Arriving to and from school safely and on time;
- Learning in a safe and clean environment;
- Receiving instruction from a qualified and engaged educator;
- Using materials that are current, and in good repair; and
- Empowering families to shape their child's education

To that end, many of the items funded in the FY 2016-17 Executive Budget address basic needs of students and schools, funding teachers, transportation, instructional materials, and furthering school choice.

Education Finance Act

- The Education Finance Act is the predominant form of state funding to local districts, and places a high standard for funding individual educators in classrooms.
- The FY 2016-17 Executive Budget proposes \$165,345,377 to increase base student cost to \$2,300 and include a dual enrollment add-on weight to the formula (0.15 WPU/\$345 per pupil).
- The budget also consolidates the Aid to Districts line with the Education Improvement Act (EIA), further simplifying education finding through the elimination of another programmatic budget line.

Transportation

- Conversations with rural superintendents indicated problems with recruiting and retaining school bus drivers at the current minimum salary of \$7.46/hour.
- The FY 2016-17 Executive Budget proposes \$19,200,000 to increase the minimum salary to \$10.96/hour.
- Governor Haley is also proposing \$3,500,000 to fund additional hazardous transportation routes around the state, to ensure that students are not walking to school in high-traffic areas and across dangerous crossings.

Instructional Materials

- The FY 2016-17 Executive Budget proposes \$27,077,151 in a mix of recurring and nonrecurring funding for digital and traditional instructional materials.

Innovation and School Choice

- School Year 2016-17 will welcome 7 new schools to the South Carolina Public Charter School District, now the 15th largest in the state.
- The FY 2016-17 Executive Budget includes \$11,547,128 in charter school supplements to accommodate district growth and maintain the per-pupil allocation at \$3,600 for brick-and-mortar and \$1,900 for virtual schools.
- Governor Haley's 2016 education agenda also provides \$1,178,760 for VirtualSC, adding 18 educators to an innovative program that supports public, private, and homeschool students.



GOVERNOR HALEY'S 2016 EDUCATION AGENDA

Recruiting and Retaining Effective Teachers

The Rural Teacher Recruiting Initiative is a collaboration between the Governor's Office, the Center For Recruitment, Retention & Advancement (CERRA), the Education Oversight Committee, the Department of Education, and local stakeholders. It began with a small launch in 2015, including \$1.5 million in funding and a mandate for program development. With the funding available in that year, CERRA's in-district activities are limited to technical assistance with local recruiting, some critical area salary supplements, and funding for graduate level coursework for a limited number of educators. Governor Haley's 2016 education agenda proposes \$13.5 million in additional funding to scale-up the program, addressing persistent recruitment and retention challenges in South Carolina's rural and underserved districts.

District eligibility for the 2016-17 Fiscal Year will remain consistent at 12% average turnover over the last five years. The initiatives will support:

- Tuition for college students who teach 2 years for every year of subsidized education;
- Enhanced student loan repayment for recent graduates who agree to the same commitment;
- Graduate coursework and degrees for career educators, including opportunities for teachers' aides seeking certification, educators seeking specialization and other mid-career development programs; and
- Teaching mentors with technical assistance and salary supplements for mentors.

Consistent with implementation year activities, CERRA will continue to support school districts with tools such as the National Teacher Database and Teacher Cadet programs and will also set aside funding to promote competitive salaries in critical need subject areas such as math and science.

Integrating Technology into Student Life

In 2014, Governor Haley committed to providing almost \$90 million in technology supports to districts over a three year period. These funds have been put to use, advancing 1:1 computing initiatives, improving broadband access on public campuses, and enhancing digital classroom learning. The FY 2016-17 Executive Budget funds the third year of this initiative, but also expands to underlying technology infrastructure and security for school districts.

While efforts to increase bandwidth to schools through the South Carolina K-12 Technology initiative and e-rate programs have been successful, some individual schools lack the internal IT infrastructure to support all of the students attempting to access technology inside the schools. The 2016 agenda addresses this in two ways. First, it recommends resources for the wiring and devices necessary to support school-wide internet access at peak levels. Second, it proposes that these devices be supported by network engineers in the Division of Technology Operations through the South Carolina Department of Administration for those districts lacking the internal IT support necessary to maintain the network.

Although most South Carolinians have access to the internet through a variety of devices, U.S. Census data indicate that in many of our communities 25% - 30% of people do not have access to high-speed internet at home. The 2016-17 initiative includes funding to support mobile high-speed internet access to 10,000 students in South Carolina at home. This is the first year in what will be a multi-year commitment to improving internet access statewide. This will allow districts to provide Wi-Fi hotspots to students as-needed so that the learning environment used in the classroom can be replicated in the home.



MOVING FIRST STEPS FORWARD

Overview

South Carolina First Steps to School Readiness was authorized in 1999 and implemented in 2000 to make accountable grants to local partnerships, focused on voluntary services to children aged 0-4. The initiative contained a sunset provision, automatically repealing the entire program in 2007 unless reauthorized.

Legislation passed in 2006 reauthorizing First Steps. The following year, a full-day 4-year-old kindergarten program targeting impoverished communities, the Child Development Education Pilot Program (CDEPP) was created as a partial response to early childhood components in the Abbeville lawsuit. CDEPP gave additional responsibilities to First Steps not originally considered in the 1999 legislation.

In 2010, Governor Sanford designated First Steps as the lead Babynet agency, relocating the program from Department of Health and Environmental Control to First Steps. Babynet is responsible for identifying, screening, and referring children with developmental delays or impairments to treatment prior to entry into traditional education institutions. The intent was to use First Steps' relationships with at-risk children and providers to improve identification, screening, and treatment referral.

Significant expansions of CDEPP in 2012, 2013 and 2014 culminated in 4-year-old kindergarten's codification into permanent law within the Read to Succeed Act of 2014. After a year of temporary reauthorization through the state budget, First Steps received a 2-year reauthorization in 2014. Recognizing the continued programmatic problems with the agency, the General Assembly used the 2014 reauthorization to establish a study committee to explore the agency's challenges, and added several legislative mandates focused on defining school readiness and creating usable measures to gauge individual child readiness.

First Steps' scope has significantly expanded since initial inception, beginning as a grants program to address social determinants of school success to a statewide organization with roles in early childhood health, learning, and education. Unfortunately, the agency has experienced many challenges that are currently driving a contentious multi-year conversation about reauthorization, as well as the direction of the agency and its programs.

Challenges

Originally a grant-making entity, First Steps has not effectively handled the increased scope and responsibility of its additional missions, never fully developed data collection and program evaluations systems, and has limited technical support capacity. While anecdotal evidence would indicate significant performance variance among local partnerships, the agency has only begun to develop a definition of school readiness, and the corresponding evaluations to measure it, after receive a direct legislative mandate to do so. This process is still incomplete as of January 2016, and a 2013 Legislative Audit Council report found that the "percentages of children at-risk for not being ready to succeed in school have not decreased since 2000."

Babynet has operated out of compliance every year since 2002 and is currently in year five of a "Needs Intervention" determination by the federal government. Noncompliance findings can be generally characterized as: (a) deficiencies with the timely identification and screening of children, (b) poor financial coordination with the Medicaid program, (c) inadequate oversight of providers, and (d) poor hand-off from early childhood to school-aged care.



MOVING FIRST STEPS FORWARD

Charting a new path for First Steps

Governor Haley's 2016-17 education agenda includes charting a new path for First Steps. This approach would preserve all programs currently in existence, but restructure overall governance to ensure adequate resources are available to provide fiscal and programmatic oversight. This path also uses the strengths of existing state programs to make early childhood education in South Carolina successful.

County Partnerships

Governor Haley proposes to moving grants management and oversight of local partnerships to the Children's Trust Fund of South Carolina – a quasi-governmental non-profit with a proven record as both a fiscal agent and proponent of children's issues. With new missions, the board's membership would change to reflect the Children's Trust's new missions into determinants of learning. The FY 2016-17 Executive Budget also proposes increased funding to county partnerships for programs, oversight, and technical assistance to facilitate the transition from a wholly public to a quasi-private entity.

Child Early Reading Development and Education Program

Private educators and therapists for South Carolina's most vulnerable children are essential to maintaining parental choice and quality in the 4K system. Recent financial data, however, indicates that 85% of children in statewide 4K programs are being served by public schools, with the State Department of Education. Governor Haley believes that a robust private provider network can and should be maintained within a consolidated 4K program managed under a Division of Early Learning at the State Department of Education.

This model will provide for consistent professional development and technical support for public and private providers and greater consistency in fiscal management of the 4K program. It would also elevate early learning to a position of prominence in the Department consistent with the size, scope, and impact of the 4K program.

In addition, the Early Childhood Advisory Committee (ECAC), currently consists of members of First Steps Board of Trustees, will be reconstituted and supported by the Department of Education's staff. With First Steps' regulatory and technical assistance functions under the Department of Education, the ECAC can return to a more appropriate advisory role for early learning programs.

Babynet

IDEA part C, known in South Carolina as Babynet, has two basic components that need to be addressed with separate expertise. One is health policy and financing, including the duties of fiscal agency for state and federal funds, financial coordination with other early childhood health payers such as Medicaid, and the management of a provider network. The other is the programmatic implementation of systems to identify children with learning delays or challenges, screening and referring them to treatment, and then effectively transitioning children from Babynet to providers that serve school-aged children.

Governor Haley proposes to forge a new partnership between the South Carolina Departments of Health and Human Services (SC DHHS) and Education, designating SC DHHS as the lead Babynet agency. This would result in an effective division of responsibilities between SC DHHS as a fiscal agent and the Department of Education as the programmatic lead.



REBUILDING SOUTH CAROLINA'S SCHOOLS

Overview

South Carolina's children deserve to have their basic educational needs met, to include attending school in a safe and clean building. Governor Haley's 2016-17 education initiative proposes to address this need by developing a business process to evaluate, design, and fund schools in those areas that can no longer provide for education infrastructure.

Challenges

South Carolina's many rural communities have seen both population and student attendance decline even as South Carolina becomes one of the fastest growing states in the nation. Declining populations and corresponding property tax base can drive the value of millage down to pennies on the dollar when compared to large and growing counties. Some school districts along the I-95 corridor may not be able to produce sufficient tax revenues to service a school facilities bond in the near future.

Revitalizing Rural and Underserved Schools

Governor Haley's plan starts with a business process to first evaluate the condition of our schools statewide. This plan follows a course of facilities evaluation, creating a set of objective criteria for revitalization projects, prioritizing them, and funding projects in districts based on need and ability to pay. In this state-local partnership, the state would provide most, if not all, funding for school renovation and building projects, while local districts would construct schools in accordance with strict design and feature standards while also agreeing to certain financial constraints to ensure state funds are supplementing, and not supplanting, local funds.

Governance of this process would be a five-person committee, chaired by the Governor or designee, who will serve along with the Superintendent of Education, Director of the Department of Administration, and Chairs of the respective House and Senate education committees. This committee will oversee the evaluation, design, and funding of school rebuilding and construction projects statewide.

The FY 2016-17 Executive Budget proposes \$2.5 million for the Department of Education, in consultation with the Division of General Services at the Department of Administration, to contract with a facilities management specialist to create an accurate and comprehensive view of the condition of South Carolina's public schools.

Concurrently, the Department will contract to develop a stringent set of building standards or "templates", that allow school districts to build age- and size- appropriate schools, but with a defined set of amenities and basic layout. Complying with these standards is a condition of receiving funds.

Finally, Governor Haley proposes to set aside 1% of the state's General Obligation debt capacity for exclusive use of K-12 schools. Bonds may be initiated in annual lots no larger than \$200,000,000 upon recommendation of a majority of the committee, with the project list and principal amount forwarded to the State Fiscal Accountability Authority for final approval and issuance by the Treasurer.

School districts that benefit from such funding will enter into agreements with the state detailing the obligation of the districts to comply with procurement and construction standards, millage and other financial limitations as a condition of receiving aid, and maintenance schedules to ensure new and refurbished buildings are kept in good repair.