

2014 Legislative Summary

Investments in Education Accountability and Improvement

The following issues are the focus of the public education budget for Fiscal Year 2014-15: (1) amending the Education Finance Act with the EOC's funding model; (2) improving student reading proficiency; and (3) addressing technology needs.

Education Finance Act (EFA) – The EFA is funded with a base student cost of \$2,120. The EFA now includes the following new weights as proposed by the EOC. Students may receive multiple weights for personalized instruction:

K-12 pupils or base students including homebound students at 1.00

Additional weights for personalized instruction:

Gifted and Talented	.15
Academic Assistance	.15
Limited English Proficiency	.20
Pupils in Poverty	.20

Reading – The legislature funded Summer Reading Camps at \$6.0 million and reading coaches at \$29.5 million.

Technology – In addition to the base EIA funding of \$10.2 million for technology, the General Assembly appropriated \$29.3 million in lottery funds for districts for technology upgrades to be allocated based on the poverty index and number of students in the district. In addition, \$4.0 million was appropriated for professional development for teachers.

South Carolina Public Charter School District (SCPCSD) – The legislature appropriated \$56.3 million, an increase of \$13.8 million for students in the SCPCSD. In addition to existing state funds, pupils enrolled in virtual charter schools sponsored by the SCPCSD will receive \$1,900 per weighted pupil unit up from \$1,700 this school year and \$3,600 per weighted pupil unit for students enrolled in brick and mortar charter schools, up from \$3,250 this school year.

Teacher Salaries – The statewide minimum salary schedule used in Fiscal Year 2013-14 will continue to be used in Fiscal Year 2014-15. Teachers eligible for a step increase will receive a step increase.

Instructional Materials – The General Assembly appropriated a total of \$29.5 million for instructional materials, plus unexpended EIA funds at the end of the current fiscal year and an additional \$15.0 million for digital instructional materials, which is three times the funding in the prior fiscal year.

Lottery and unclaimed prize revenues – Funding for Reading, Math, Science and Social Studies Program is \$27.9 million for grades K-5 and \$2.0 million for grades 6-8.

Early Childhood Education – The General Assembly appropriated \$80.2 million for early childhood education for four-year-olds: (1) \$15.5 million in EIA funds for half-day programs; and (2) \$64.7 million for the Child Early Reading Development and Education Program, formally, CDEPP, a \$20 million increase. In school year 2014-15. At-risk four-year-olds residing in school districts with a poverty index of 70% percent or more are eligible to be served in full-day programs in public or private settings. "At-Risk" is defined as students eligible for the free or reduced-price federal lunch program and/or Medicaid. With the expansion, the number of school districts eligible to participate in the program increased from 51 to 61 with 75% of all school districts eligible to participate in the program. It is estimated that 43 percent of all at-risk four-year-olds are projected to be served in Head Start or the full-day program. The instructional reimbursement rate is \$4,218 per child.

**Child Early Reading Development and Education Program
At-Risk Four-Year-Olds Residing in following Districts Eligible to Participate**

	Original Trial & Plaintiff Districts	2013-14 Expansion Districts 75% or Greater	2014-15 Additional Eligible Districts 70% or Greater
1	Abbeville	Anderson 3	Aiken
2	Allendale	Calhoun	Edgefield
3	Bamberg 1	Cherokee	Greenwood 50
4	Bamberg 2	Chester	Greenwood 52
5	Barnwell 19	Colleton	Horry
6	Barnwell 29	Darlington	Oconee
7	Barnwell 45	Dorchester 4	Spartanburg 3
8	Berkeley	Fairfield	Spartanburg 4
9	Chesterfield	Georgetown	Spartanburg 6
10	Clarendon 1	Greenwood 51	York 1
11	Clarendon 2	Lexington 2	
12	Clarendon 3	Lexington 3	
13	Dillon 3	Newberry	
14	Dillon 4	Richland 1	
15	Florence 1	Spartanburg 7	
16	Florence 2	Sumter	
17	Florence 3	Union	
18	Florence 4		
19	Florence 5		
20	Hampton 1		
21	Hampton 2		
22	Jasper		
23	Laurens 55		
24	Laurens 56		
25	Lee		
26	Lexington 4		
27	Marion		
28	Marlboro		
29	McCormick		
30	Orangeburg 3		
31	Orangeburg 4		
32	Orangeburg 5		
33	Saluda		
34	Williamsburg		

Note: Districts that are shaded have opted not to participate. Anderson 3 and Lexington 2 will participate in 2014-15 but not Barnwell 45 or Union.

At-Risk Four-Year-olds Served in 2013-14 and Estimated to be Served in 2014-15

	2013-14 Original Trial & Plaintiff Districts	2013-14 Expansion Districts 75% or Greater	2014-15 Eligible Districts 70% or Greater	TOTAL
Public Schools	4,550	2,335	2,485	9,370
Private Centers (estimate)	727	524	1,338	2,589
TOTAL:	5,277	2,859	3,823	11,959

Note: Figures above represent actual counts for SCDE for 2013-14. To date, OFS has not updated counts since January 2014. The estimates for 2014-15 assume 35% of students will be served in private centers.

EDUCATION ACCOUNTABILITY ACT APPROPRIATIONS SINCE FY11*

EAA ITEM	FY11	FY12	FY13	FY14	FY15
Technical Assistance	57,430,445	6,000,000	5,250,000	6,000,000	8,800,000
External Review Teams					
Assessment	<i>21,665,119</i>	21,665,119	24,761,400	24,761,400	27,261,400
Formative Assessment	3,096,281	3,096,281			
Professional Development	6,515,911	6,515,911	5,515,911	5,515,911	5,515,911
Palmetto Gold and Silver Awards **	2,230,061	2,230,061			
Report Card Printing & Development	722,385	722,385			
Data Collection	1,217,947				
Unique Student Identifier	987,203				
Power Schools/Data Collection		5,000,000	5,000,000	7,500,000	7,500,000
Education Oversight Committee	1,016,289	1,193,242	1,193,242	1,293,242	1,643,242
EOC Public Relations	168,438				
SCDE Personal Service	1,236,436	1,236,436	1,236,436	1,236,436	1,643,242
SCDE Other Operating	1,174,752	1,174,752	1,174,752	1,174,752	1,174,752
Students at Risk of School Failure ***	136,163,204	136,163,204	136,163,204	136,163,204	79,551,723
TOTAL EAA:	\$233,624,471	\$184,997,391	\$180,294,945	\$183,644,945	\$133,090,270
OTHER SUPPORTING PROGRAMS:					
EOC Family involvement	33,781				
K-5 Reading, Math, Science & Social Studies	47,614,527	29,491,798	29,491,798	27,891,798	27,891,798
6-8 Reading, Math, Science and Social Studies	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
High School Reading	729,340	729,340			
Young Adult Education (30% of Adult Education)	4,072,121	4,072,121	4,072,121	4,072,121	4,072,121
Reading	6,542,052	6,542,052	6,542,052	6,542,052	6,542,052
Summer Reading Camps				1,500,000	6,000,000
Aid to Districts		68,250,835	37,736,600	37,736,600	37,736,600
Reading Coaches					29,483,100
TOTAL OTHER:	\$60,991,821	\$111,086,146	\$79,842,571	\$79,742,571	\$113,725,671
GRAND TOTAL:	\$294,616,292	\$296,083,537	\$260,137,516	\$263,387,516	\$246,815,941

* Includes all recurring and nonrecurring General Fund, EIA, and lottery revenues but excludes federal funds for testing. Line items in italics denote the suspension of the entire program or a portion of the program for other purposes (writing assessment suspended in grades 3, 4, 6 and 7; suspension of report card printing; etc.). All line item appropriations for the EOC were consolidated, and appropriations for data collection and unique student identifier were consolidated into PowerSchool.

** For FY11 and FY12, the funds appropriated for the program were either suspended or reallocated. *** For FY15, \$59.6 million was reduced from the Students at Risk of School Failure appropriation because a poverty index was added to the EFA.

Other Legislation Impacting Public Education and Accountability

Bills or Resolutions Enacted:

Act 149 (R.158, H.3410) – EEDA Regional Education Centers

The act moves the powers and duties of the EEDA Coordinating Council to the Department of Commerce which will provide oversight and support to the 12 regional education centers in the state.

Act 155 (R.170, H.3919) – Elimination of HSAP

Beginning with the graduating class of 2015, students are no longer required to meet the exit examination requirements to earn a high school diploma. Instead, of taking the High School Assessment Program, students in grade 11 must take WorkKeys and a college and career readiness assessment in school year 2014-15. The law requires that the assessments must assist students, parents, teachers, and guidance counselors in developing individual graduation plans, in promoting South Carolina's Work Ready Communities, and in meeting federal and state accountability requirements. The act further allows individuals who are no longer enrolled in a public school band who previously failed to receive a high school diploma for failing to meet the exit exam requirements to petition local school board for high school diploma. The petitions must be submitted by December 31, 2015.

Act 200 (R.252, H.3893) – Standards, Assessment and Accountability

The law amends the EAA accordingly by addressing standards, assessments and accountability.

Standards

The Common Core State Standards (CCSS) in English language arts (ELA) and Math will be implemented in school year 2014-15. There will be a cyclical review of Common Core on or before January 1, 2015 for purpose of adopting SC college and career readiness state standards in 2015-2016.

Assessments

The law removes SC from the Smarter Balanced Assessment Consortium and Smarter Balanced Assessment and prevents SC from administering Smarter Balanced Assessment. The law amends the administration of PASS in science and social studies so that all students in grades 4 through 8 will be assessed beginning 2014-15. Students in grade 3 will only be assessed in ELA and math beginning 2014-15.

The law establishes a process for moving forward with state assessment in ELA and math for all students in grades 3 through 8 and for students in grades 9 and 10, if funds are available:

- o 2014-15 Paper and pencil format
- o 2015-16 Paper and pencil or computer
- o 2016-17 Computer for all students

The Executive Director of the Budget and Control Board will handle procurement of both tests. The procurements must be completed by September 30, 2014 for all assessments including the college and career readiness assessment. Neither the EOC nor State Board of Education will approve the assessment. Instead, a special panel composed of the following persons or their designee to provide input:

- o Barry Bolen, chairman of the State Board of Education
- o Dr. Danny Merck, Vice Chair of the EOC
- o Pamela Lackey, chair of Board of Directors for the SC Chamber of Commerce
- o Dr. Richard Sutton, Executive Director of SC Commission on Higher Education
- o Dr. Jimmie Williams, Executive Director of the SC Technical College System
- o Scott English, Chief Operating Officer for SC Department of Education.

Accountability

New assessments will be implemented in 2014-15 and 2015-16, cannot be used to determine state report card ratings. Instead, the report cards issued for 2014-15 and 2015-16 will report on results only.

The EOC will also recommend one system for state and federal accountability by fall of 2016.

H.3905 (R.315) – Signed by the Governor, this legislation requires schools beginning in 2015-16 to provide instruction in cursive writing by the end of 5th grade and to require memorization of multiplication tables by the end of 5th grade.

S.516 (R.313) - Read to Succeed – Signed by the Governor, the legislation is a comprehensive, systemic approach to improving reading proficiency of students through early identification and intervention and improved teaching of reading.

- Establish Read to Succeed Office in Department of Education
- Read to Succeed Office to develop State Reading Plan by February 1, 2015
- District Reading Plans
 - 2014-15 Districts to use plan developed by EOC and piloted in districts 2013-14
 - 2015-16 Districts to submit district reading plans based on State Reading Plan
- Early intervention and assessments
 - 2014-15 students in 4K and 5K be administered a readiness assessment by the 45th day of school year that focuses on language and literacy development
 - 2016-17 assessment must assess child's early language and literacy development, mathematical thinking, physical well-being, and social-emotional development
 - Codifies CDEPP which will now be the Child Early Reading Development and Education Program
 - At any point prior to 3rd grade, child who is substantially not demonstrating proficiency in reading should be provided intensive in-class and supplemental reading intervention immediately upon determination
- Retention – In 2017-18 students may be retained in 3rd grade if score comparable to Not Met 1 on the PASS unless exempted for good cause as defined as having:
 - limited English proficiency and less than 2 years of instruction in English as a Second Language;
 - disabilities whose IEP indicates use of alternative interventions;
 - demonstrated third-grade reading proficiency on alternative assessment or portfolio;
 - successfully participated in summer reading camp; and
 - having already been retained
- Summer Reading camps provided for students who are at risk of being retained in 3rd grade and other struggling readers. Camps must be at least six weeks in duration, four days per week and four hours per day or equivalent hours
- Improving Teaching of Reading
 - Pre-Service – Teachers entering early childhood or elementary level in 2016-17 must complete 12 credit hours in literacy with teachers entering middle or secondary level to complete 6 credit hours in literacy which may include practicum.
 - In-Service – Existing teachers in early childhood or elementary required to take six credit hours every five years or the equivalent professional development hours toward literacy add-on endorsement. Existing teachers in middle or secondary levels required to take one course or three hours of the equivalent professional development
- Engaging parents and community partners in improving reading

S.1194 (R.184) – The joint resolution allows any school district not to operate a summer reading program in the summer of 2014 and instead partner with the Department of Education's Summer Reading Loss Prevention Project. School districts provide books students who would have otherwise been identified to be served in the program. The students must be allowed to select eight books based on their reading ability level and interest and a reading log to be completed by the student.

H.4061 – The Conference Report was adopted on June 5, 2014. According to the report, prior to September 1, 2015, the State Board of Education must select or develop instructional units in sexual abuse and assault awareness and prevention for each age level beginning with four-year-olds through grade 12. With the 2016-17 school year, at least one time, between grades 9 and 12 each student must receive instruction in CPR which must include, hands-only CPR and the use of an automated external defibrillator. Districts may request waivers for this requirement for students who were absent on the day of instruction or whose disability makes them unable to undertake the instruction.

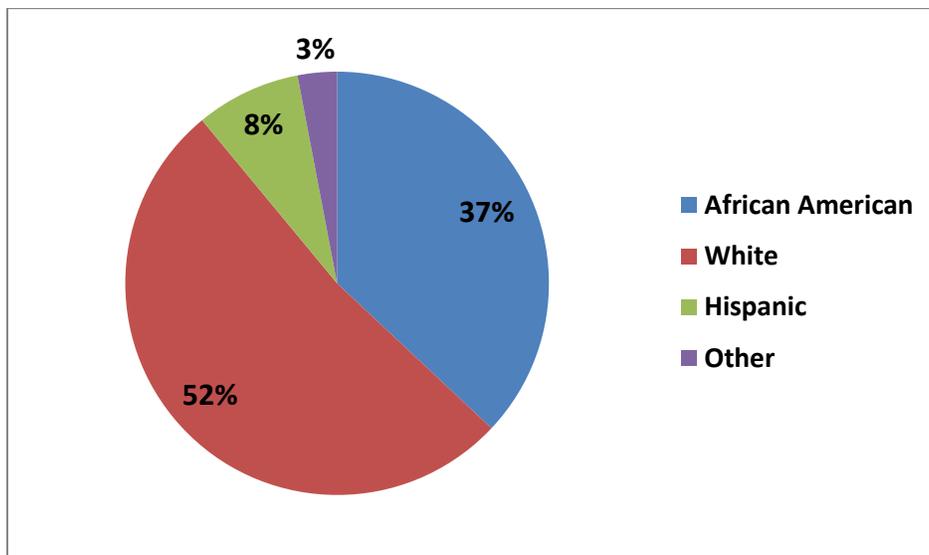
H.4840 (R.308) – The GED, the only test currently available to earn a high school equivalence diploma, will only be offered in a computer-based format in the future. To guarantee that individuals who lack access to computers or the technology to take the GED, the legislature passed the "High School Equivalency Diploma Accessibility Act." The Act requires the State Board of Education to select one or more tests or test batteries that an eligible candidate may complete to receive a high school equivalence diploma. At least one test must be available in

paper and pencil and be available to all eligible candidates in both paper and pencil and computer formats. The Governor signed the bill.

H.3853 (R.318) – Signed by the Governor, the legislation establishes “Alternative Education Campus” as a condition for becoming a charter school. The AEC may serve a student population with: (1) severe limitations that preclude appropriate administration of the assessments administered pursuant to federal and state requirements; (2) fifty percent or more of students having Individualized Education Programs (IEPs) in accordance with federal regulations; or (3) eighty-five percent or more of enrolled students meeting the definition of a ‘high-risk’ student including students who are adjudicated juvenile delinquents; dropouts, homeless, abused, etc. The bill further allows charter schools that receive the lowest rate in the federal accountability system for three consecutive years to be permanently closed.

Key Facts About K-12 Public Education

In school year 2013-14, there were **742,325** students enrolled in **82** school districts and approximately 1,250 schools.



In FY2011-12 total expenditures for public schools was \$8.4 billion from all revenue sources (state, local and federal). Of this amount, \$6.6 billion was for ongoing operations and \$1.8 billion for debt service and capital projects, which equates to **\$11,513** per pupil:

Debt Service, Capital Projects	\$ 2,503
Ongoing Operations	<u>\$ 9,010</u>
Total:	\$11,513

Per pupil expenditures for ongoing operations accounted for the following:

Instruction	\$5,099
Instructional Support	\$1,217
Operations	\$1,932
Leadership	<u>\$ 762</u>
Total:	\$9,010

EOC WORK IN PROGRESS
Copies of previous work can be obtained from www.eoc.sc.gov

Standards and Accountability:

Cyclical Review of the State Accountability System April 2014
Pursuant to Section 59-18-910, the EOC, in collaboration with the State Board of Education, issued results of the cyclical review of the state accountability system.

Family Friendly Standards August 2014
The EOC in collaboration with the South Carolina Department of Education will update SC Family Friendly Standards in science. The two agencies last year launched a user friendly website for parents that contain state standards and helpful information for parents and families. The website is: <http://scfriendlystandards.org/>.

Cyclical Review of the ELA and Math Standards July 2014 through February 2015
Per Act 200 EOC will begin a cyclical review of the Common Core State Standards in ELA and mathematics by first surveying educators, parents, business and community leaders.

Release of 2014 State District and School Report Cards November 2014
EOC will publish summary documents related to the release of the 2014 school and district report cards.

Evaluation:

Online Education June 2014
The EOC issued a report documenting student achievement on state assessments for students enrolled in virtual or online education and documenting parent, teacher and student satisfaction with online learning opportunities.

Summer Reading Camps Summer 2014
Twenty school districts will participate in an *EOC pilot of summer reading camps*. Dr. Rainey Knight will work with the districts and visit each of the camps. Participating districts have agreed to provide information about student growth as well as information about the structure of their camps, curriculum used, personnel, etc.

Annual Review of EIA-Funded Programs and Initiatives Fall 2014
EOC will make recommendations for Fiscal Year 2015-16 to Governor and General Assembly.

Child Development Education Pilot Program January 2015
The EOC will conduct an annual evaluation of the Child Development Education Pilot Program.

Annual Evaluation of SC Teacher Loan Program and Parent Survey June 2015
The EOC will report on the progress, challenges, and impact of the SC Teacher Loan Program on recruiting teachers into the teaching profession and the results of the annual parent survey.

TransformSC June 2015
The EOC, in collaboration with the Riley Institute at Furman University, will evaluate three innovative education models being implemented and will provide research support for all TransformSC schools.

Public Reporting and Engagement:

Public Awareness Campaign June 2015
The EOC will implement a public awareness and engagement plan focused on the EOC PK -20 Reading Initiative recommendations.

Where Are We Now Report February 2015
In September 2009, the EOC adopted a 2020 Vision Statement for South Carolina. Annually, the EOC documents progress of the state toward obtaining the Vision.

Often, policymakers are asked about teacher salary and EFA funding. Below are some charts providing a historical perspective:

Actual Average Teacher Salary

Year	South Carolina	Southeastern	Difference
FY05	\$42,189	\$41,464	\$725
FY06	\$43,011	\$42,863	\$148
FY07	\$44,336	\$44,544	(\$208)
FY08	\$45,758	\$46,393	(\$635)
FY09	\$47,421	\$47,445	(\$24)
FY10	\$47,508	\$47,553	(\$45)
FY11	\$47,050	\$47,506	(\$456)
FY12	\$47,428	\$47,846	(\$418)
FY13	\$48,375	\$47,970	\$405
FY14		\$48,471	
FY15		\$48,892	

Southeast includes Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Tennessee, Virginia, and West Virginia.

Salaries in blue are estimates.

Education Finance Act Expenditures and Base Student Cost (BSC)

Fiscal Year	Expenditures Or Appropriations	BSC Per Appropriation Act	Projected BSC
2004-05	\$1,078,998,156	\$1,852	\$2,234
2005-06	\$1,367,973,500	\$2,290	\$2,290
2006-07	\$1,426,544,209	\$2,367	\$2,367
2007-08	\$1,506,691,472	\$2,476	\$2,476
2008-09	\$1,339,202,159	\$2,578	\$2,578
2009-10 *	\$1,088,894,001	\$2,334	\$2,687
2010-11 *	\$1,004,394,001	\$1,930	\$2,720
2011-12 **	\$1,165,812,946	\$1,880	\$2,790
2012-13	\$1,262,729,814	\$2,012	\$2,790
2013-14 ***	\$1,335,811,295	\$2,101	\$2,771
2014-15 ***	\$1,470,506,649	\$2,120	\$2,742

*Base Student Cost includes federal funds authorized through the American Recovery and Reinvestment Act (ARRA) of 2009. Without ARRA funding, base student cost is \$2,034 in FY2009-10 and \$1,630 in 2010-11.

**Base Student Cost includes \$56,174,107 in non-recurring funds. Total funding without non-recurring funds is \$1,788.

*** Per appropriations act

Summary of 2013 Annual District and School Ratings

Districts: Since overall student performance on state assessments improved in 2012-13, results for school district ratings improved from 2012 to 2013:

Two (2) districts were rated At Risk in 2013 as compared to 8 in 2012 and 21 in 2009. The number of districts rated Excellent or Good increased from 42 in 2012 to 50 in 2013. Twenty-one (21) districts improved their Absolute rating while 6 declined.

ABSOLUTE Ratings for School Districts

(Accountability Rating)	2013	2012	2011	2010	2009
Excellent	30 (36.6%)	27 (32.1%)	11 (12.8%)	6 (7.0%)	1 (1.2%)
Good	20 (24.4%)	15 (17.9%)	22 (25.6%)	12 (14.0%)	0
Average	24 (29.3%)	30 (35.7%)	35 (40.7%)	48 (55.8%)	24 (28.2%)
Below Average	6 (7.3%)	4 (4.8%)	9 (10.5%)	14 (16.3%)	39 (45.9%)
At Risk	2 (2.4%)	8 (9.5%)	9 (10.5%)	6 (7.0%)	21 (24.7%)
Number of Districts	82	84	86	86	85

Note: The SC Public Charter School District started receiving ratings in 2010.

Schools: Approximately 240 school report cards (21%) improved their absolute ratings while 65 or 6% declined in their Absolute rating.

“Consistently Excellent” – 268 school report cards had an absolute rating of Excellent for the past three years.

“Consistently Improving” – 19 school report cards improved the absolute rating from 2011 to 2012 and from 2012 to 2013

“Persistently Underperforming” – 25 school report cards had an absolute rating of At-Risk all three years.

ABSOLUTE Ratings for Schools, 2013

Accountability Rating	Schools (% of All Schools)		Students (% Enrolled in Schools by Rating)	Average Poverty Index
Excellent	397	33%	40%	57%
Good	233	19%	19%	73%
Average	422	35%	32%	85%
Below Average	97	8%	6%	94%
At-Risk	46	4%	3%	93%

This table does not include ratings for career and technology centers.

Graduation Rates

South Carolina On-Time Graduation Rate

2013	2012	2011	2010	2009
77.5%	74.9%	73.6%	72.1%	73.7%

Sources

2013 District Fact File. SC Department of Education. Accessed on May 12, 2014.
<<http://ed.sc.gov/data/report-cards/2013/index.cfm>>.

Historical Analyses, Office of State Budget, Last Updated December 31, 2013.
<http://www.budget.sc.gov/webfiles/OSB/historical/FY_2012-13_Historical_Analyses_%2812-31-13%29.pdf>.

In\$ite Data for Fiscal Year 2011-12. SC Department of Education. Accessed on May 12, 2014
<<http://ed.sc.gov/agency/cfo/finance/Insite.cfm>>.

Public School Student Headcount. 2013-14, 135th Day. SC Department of Education.
Accessed on June 16, 2014.
<http://ed.sc.gov/data/studentcounts/Student_Headcounts/ActiveStudentHeadcounts.cfm>.

South Carolina Budget and Control Board. Division of Research and Statistics. Annual Estimates of the EFA, Base Student Cost and Teacher Salary Information to the General Assembly.