

Proviso Recommendations of the Education Oversight Committee Fiscal Year 2009-10

Amend provisos 1.48. and 1A.26.regarding National Board Certification

1.48. and 1A.26. (SDE: National Board Certification Incentive) Public school classroom teachers or classroom teachers who work with classroom teachers who are certified by the State Board of Education and who have been certified by the National Board for Professional Teaching Standards shall be paid a \$7,500 salary supplement in the year of achieving certification. Teachers employed at the special schools shall be eligible for this \$7,500 salary supplement. The special schools include the Governor's School for Science and Math, Governor's School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Felton Lab, Department of Juvenile Justice and Palmetto Unified School District 1. The \$7,500 salary supplement shall be added to the annual pay of the teacher for the length of the national certificate. However, the \$7,500 supplement shall be adjusted on a pro rata basis for the teacher's FTE and paid to the teacher in accordance with the district's payroll procedure. The Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) shall develop guidelines and administer the programs whereby teachers who are United States citizens or permanent resident aliens, and who are applying to the National Board for Professional Teaching Standards for certification may receive a loan equal to the amount of the application fee. One-half of the loan principal amount and interest shall be forgiven when the required portfolio is submitted to the national board. Teachers attaining certification within three years of receiving the loan will have the full loan principal amount and interest forgiven. Teachers who previously submitted a portfolio to the National Board for Professional Teaching Standards for certification under previous appropriation acts, shall receive reimbursement of their certification fee as prescribed under the provisions of the previous appropriation act. Of the funds appropriated in Part IA, Section 1, XIII.A. for National Board Certification, the State Department of Education shall transfer to the Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) the funds necessary for the administration of the loan program. In addition, teachers who are certified by the National Board for Professional Teaching Standards shall enter a recertification cycle for their South Carolina certificate consistent with the recertification cycle for national board certification. National board certified teachers moving to this State who hold a valid standard certificate from their sending state are exempted from initial certification requirements and are eligible for a professional teaching certificate and continuing contract status. Their recertification cycle will be consistent with national board certification.

Provided, further, that in calculating the compensation for teacher specialists, the State Department of Education shall include state and local compensation as defined in Section 59-18-1530 to include local supplements except local supplements for National Board certification. Teacher specialists remain eligible for state supplement for National Board certification.

Teachers who begin the application process after July 1, 2007 and who teach in schools which have an absolute rating of below average or unsatisfactory at the time the teacher applies to the National Board for certification, but who fail to obtain certification,

nonetheless shall be eligible for full forgiveness of the loan as follows: upon submission of all required materials for certification, one-half of the loan principal amount and interest shall be forgiven; forgiveness of the remainder of the loan will be at the rate of 33% for each year of full time teaching in the same school regardless of whether that school exceeds an absolute rating of below average or unsatisfactory during the forgiveness period, or for each year of full time teaching in another school that has an absolute rating of below average or ~~unsatisfactory~~ at risk.

Effective July 1, 2009 the state will not award loans to any teacher seeking National Board certification and will not pay a \$7,500 salary supplement to any teacher receiving National Board certification unless the teacher had received National Board certification prior to July 1, 2009 or had completed application for National Board certification prior to July 1, 2009 and subsequently received National Board certification. No state funds shall be paid to any teacher beyond the first ten years of receiving National Board certification. The South Carolina Department of Education must present a plan to transition the state from the NBPTS supplement to investments in teacher assignment and/or performance compensation to the Senate Education Committee, the Senate Finance Committee, the House Education and Public Works Committee, the House Ways and Means Committee, the State Board of Education and the Education Oversight Committee no later than October 1, 2009.

Explanation: To conform to Act 282 and to discontinue salary supplement and loan program for National Board certified teachers after all current obligations are met

Delete Proviso 1.69. (as requested by SCDE)

1.69. (SDE: Formative Reading Assessment) School districts may utilize their state, local, and federal funding for other formative reading assessments that have been approved for use by a Department of Education program in lieu of using the State Board approved developmental appropriate formative reading assessment for grades one and two. By August 1, 2008, districts shall be required to inform the Department of Education what assessment for grades one and two will be used.

Explanation: Proviso codified in Act 282

Delete Proviso 1.74.

1.74. (SDE: Technical Assistance) Schools which receive individual report cards and share a school identification number (SIDN) and would receive less technical assistance funding in Fiscal Year 2009 than in Fiscal Year 2008 shall receive technical assistance funding as if they were two separate schools, except these schools may not receive more in total than they received in FY 2008.

Explanation: The proviso skewed the allocation of technical assistance funds in 2008-09 to eight schools that receive multiple report cards. These schools were allocated technical assistance funds equal to \$895 per pupil as compared to statewide average of \$278 per pupil to all other underperforming schools.

Amend Proviso 1A.17.

A.17 (SDE-EIA: XI.C.2.-Teacher Salaries/SE Average) The projected Southeastern average teacher salary shall be the average of the average teachers salaries of the southeastern states as projected by the Division of Budget and Analyses. For the current school year the Southeastern average teacher salary is projected to be ~~\$47,004~~ \$48,261. It is the intent of the General Assembly to exceed the Southeastern average teacher salary as projected by \$300; however, the statewide minimum teacher salary schedule used in Fiscal Year 2008-09 will continue to be used in Fiscal Year 2009-10. The General Assembly remains desirous of raising the average teacher salary in South Carolina through incremental increases over the next few years so as to make such equivalent to the national average teacher salary. Funds appropriated in Part IA, Section 1, XI.C.2. for Teacher Salaries must be used to increase salaries of those teachers eligible pursuant to Section 59-20-50 (b), to include classroom teachers, librarians, guidance counselors, psychologists, social workers, occupational and physical therapists, school nurses, orientation/mobility instructors, and audiologists in the school districts of the state.

Explanation: To reflect the revised Southeastern average teacher salary as the goal yet freezes the schedule because of revenue restructuring.

Amend Proviso 1A.21.

1A.21. (SDE-EIA: XI.E.2.-Evaluation/EIA Programs) Of the funds appropriated in Part IA, Section 1, XI.E.2. for EIA Implementation, Other Operating Expenses, ~~\$349,124~~ \$163,064 may only be used by the State Department of Education to support its contracted program evaluations and the conduct of the State Board of Education's annual assessment of EIA-funded education reforms and the related report, pursuant to Section 59-6-12. Of the remaining funds appropriated in Part IA, Section 1, XI.E.2. for EIA Implementation, Other Operating Expenses shall be used to support the continuation of program and policy evaluations and studies and to support the state's participation in the Middle Grades Project, at no less than ~~\$100,000~~ \$75,000. Provided further, for the current fiscal year, ~~\$100,000~~ \$75,000 shall be provided to the South Carolina Educational

Policy Center for collaborative projects with the Department of Education and the Education Oversight Committee to provide research based information and consultation services on technical issues related to establishing a more thorough accountability system for public schools, school districts, and the K-12 education system. These entities are encouraged to pursue grants and contracts to supplement state appropriations.

Explanation: To reflect 25% reduction as recommended by the EOC and revised line item appropriation. There is a total of \$313,064 recommended for Other Operating.

Amend Proviso 1A.22.

1A.22. (SDE-EIA: XI.F.2-CHE/Teacher Recruitment) Of the funds appropriated in Part IA, Section 1, XI.F.2. for the Teacher Recruitment Program, the S.C. Commission on Higher Education shall distribute a total of ~~\$5,404,014~~ \$4,421,171 to the Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) for a state teacher recruitment program, of which ~~\$4,200,000~~ at least \$3,360,000 must be used for the Teaching Fellows Program specifically to provide scholarships for future teachers of which \$100,000 may be expended on the Teacher Cadet Program and of which \$166,302 must be used for specific programs to recruit minority teachers, and shall distribute ~~\$467,000~~ \$392,000 to S.C. State University to be used only for the operation of a minority teacher recruitment program and therefore shall not be used for the operation of their established general education programs. Working with districts with an absolute rating of ~~unsatisfactory~~ At-Risk or Below Average, CERRA will provide shared initiatives to recruit and retain teachers to schools in these districts. CERRA will report annually by October 1 to the Education Oversight Committee and the Department of Education on the success of the recruitment and retention efforts in these schools. The S.C. Commission on Higher Education shall ensure that all funds are used to promote teacher recruitment on a statewide basis, shall ensure the continued coordination of efforts among the three teacher recruitment projects, shall review the use of funds and shall have prior program and budget approval. The S.C. State University program, in consultation with the Commission on Higher Education, shall extend beyond the geographic area it currently serves. Annually, the Commission on Higher Education shall evaluate the effectiveness of each of the teacher recruitment projects and shall report its findings and its program and budget recommendations to the House and Senate Education Committees, the State Board of Education and the Education Oversight Committee by October 1 annually, in a format agreed upon by the Education Oversight Committee and the Department of Education.

Explanation: To conform to Act 282 and to reflect mid-year EIA reductions as absorbed by CERRA.

Delete Proviso 1A.35.

1A.35. (SDE-EIA: XI-Accreditation System) The State Board of Education and Department of Education, in developing the criteria for the new accreditation system mandated by Section 59-18-710, shall consider including as an area the functioning of school improvement councils and other school decision-making groups and their participation in the school planning process in accordance with state requirements.

Explanation: To conform to Act 282

Amend Proviso 1A.39.

1A.39. (SDE-EIA: Technical Assistance) In order to best meet the needs of low-performing schools, funds appropriated for technical assistance to schools with an absolute rating of below average or ~~unsatisfactory~~ at-risk on the most recent annual school report card must be allocated accordingly.

First, a school initially designated as ~~unsatisfactory~~ at-risk or below average on the current year's report card must receive ~~by January 1,~~ up to \$10,000 from the funds appropriated for technical assistance and must expend the funds for planning purposes in accordance with Section 59-18-1560 of the 1976 Code. No more than fifteen percent of planning grants may be carried forward into the current fiscal year. Schools receiving an absolute rating of ~~unsatisfactory~~ at-risk will also be reviewed by an external review team.

Schools receiving an absolute rating of ~~unsatisfactory~~ at-risk or below average must submit to the Department of Education a school renewal plan that includes actions consistent with each of the alternative researched-based technical assistance criteria as approved by the Education Oversight Committee and the Department of Education and consistent with the external review team report. Because the school renewal plan is critical to the planning and implementation of successful intervention strategies, the Department of Education will provide regional workshops to assist schools in formulating school renewal plans based on best practices that positively improve student achievement. The chairman of the local board of education, the superintendent, and the principal of any school receiving technical assistance funds must attend at least one of the workshops in order to receive any state aid for technical assistance. The school renewal plans must address professional development activities that are directly related to instruction in the core subject areas and may include compensation incentives to provide salary supplements to classroom teachers who are certified by the State Board of Education and who have obtained an advanced degree. The purpose of these compensation packages is to improve the recruitment and retention of teachers with advanced degrees in underperforming schools. If the school renewal plans are approved, schools would be permitted to use technical assistance funds to provide these salary supplements.

Upon approval of the plans by the Department of Education and the State Board of Education, a school with an absolute rating of below average will receive an allocation of not less than \$75,000, and a school with an absolute rating of ~~unsatisfactory~~ at-risk will receive an allocation of not less than \$250,000, taking into consideration the severity of the problems and the likelihood of positively impacting student achievement, student

enrollment, external review team recommendations, and prior year technical assistance carry forward funds. The funds must be expended on the strategies and activities as expressly outlined in the school renewal plan which may include, but are not limited to, professional development, teacher incentive or pay for performance including the Teacher Advancement Program (TAP), homework centers, diagnostic testing, supplemental health and social services, or comprehensive school reform efforts. Not more than fifty percent of the school allocation may be used to reduce class size. The schools will work with the Department of Education to broker the services of technical assistance personnel as needed and as stipulated in the school renewal plan. Not more than fifteen percent of funds not expended in the prior fiscal year may be carried forward and expended for the same purpose in the current fiscal year. It is intended that the technical assistance will be provided for a minimum of three years in order to implement fully systemic reform and to provide opportunity for building local education capacity. Furthermore, schools and school districts must use these technical assistance funds to augment or increase, not to replace local or state revenues that would have been used if the technical assistance funds had not been made available. Schools and school districts may use technical assistance funds only to supplement, and to the extent practical, increase the level of funds that would be made available from other revenue sources for these schools. A school or district may not use these technical assistance funds to supplant funds from other sources.

With the funds appropriated to the Department of Education for technical assistance services, the department will assist schools with an absolute rating of ~~unsatisfactory~~ at-risk or below average in designing and implementing school renewal plans and in brokering for technical assistance personnel as needed and as stipulated in the school renewal plan. Teacher specialists may be placed across grade levels and across core subject areas when placement meets program criteria based on external review team recommendations, need, number of teachers receiving support, and certification and experience of the specialist. Teacher specialists are limited to three years of service at one school unless the specialist submits application for an extension and that application is accepted by the Department of Education and placement is made. Upon acceptance and placement, the specialist can receive the salary and supplement for two additional years, but is no longer attached to the sending district or guaranteed placement in the sending district following tenure in the program as provided in Section 59-18-1530(F) of the 1976 Code. The criteria for selecting alternate research-based technical assistance are to be those previously approved by the Education Oversight Committee and the Department of Education. ~~The School Improvement Council Assistance and the Writing Improvement Network will coordinate with the department to target schools and school districts designated as unsatisfactory at-risk. The department shall coordinate with and monitor the services provided to the schools and districts by the School Improvement Council Assistance and the Writing Improvement Network.~~ In addition, the department must monitor the expenditure of funds and the academic achievement in schools receiving these funds and report to the General Assembly and the Education Oversight Committee by January 1 of each fiscal year as the General Assembly may direct. No more than five percent of the total amount appropriated for technical assistance services to schools with an absolute rating of ~~Unsatisfactory At-Risk~~ or Below Average may be retained and expended by the department for implementation of technical assistance services. Furthermore, of the funds appropriated for technical assistance, \$930,000 shall be used for the National About Face Pilot Program. ~~The School Improvement Council~~

Assistance, the Writing Improvement Network, and the National About Face Pilot Program must submit external evaluations to the Education Oversight Committee at least once every three years. The Education Oversight Committee and the Department of Education will jointly determine the criteria to be used in evaluating the programs. If the Education Oversight Committee or the Department of Education requests information from schools or school districts regarding the expenditure of technical assistance funds pursuant to evaluations, the school or school district must provide the evaluation information necessary to determine effective use. If the school or school district does not provide the evaluation information necessary to determine effective use, the school or district is not eligible to receive additional funding until the requested data is provided.

By October 1 of the current fiscal year the Department of Education must submit a report to the Education Oversight Committee that documents the schools that have had an absolute rating of unsatisfactory or below average for the past four years and must delineate the reasons for these schools persistent underperformance.

Comparing the 2007 and 2008 school report cards, schools that did not improve in their absolute rating despite after having had a minimum of three consecutive years of technical assistance funding are persistently underperforming and must be addressed with urgency. The Superintendent of Education and the State Board of Education must determine if a state of emergency exists in these schools and report their findings to the General Assembly by October 1 of the current fiscal year. The Superintendent of Education and the State Board of Education may decide to provide continuing technical assistance or to assume management of the schools. Up to \$10,000,000 in funds appropriated for technical assistance may be used by the South Carolina Department of Education to work with persistently underperforming schools to implement innovative strategies for improved student achievement.

Students attending a persistently underperforming school may transfer to a different public school that has a higher absolute rating in or outside the district of residence in the current school year. For each student choosing to transfer to a school in a different district, the student's district of residence must provide to the receiving district an amount equal to the local revenues per pupil of the receiving district based on the prior year's audited financial statements and on the prior year's 135-day enrollment count. Should the district of residence not pay within 60 days of billing, the receiving district can seek relief from the Department of Education. The Department of Education shall withhold EFA funding equal to the local revenues per pupil of the receiving district from the district of residence and submit the funding to the receiving school district. The State Board of Education and the South Carolina Department of Education must establish a program to support the transfer of these students and funds through guidelines for implementation in 2009-10 and submit program regulations to the General Assembly not later than March 1, 2010.

Explanation: The amendment conforms the proviso to Act 282 and addresses persistently underperforming schools

Amend Proviso 1A.41. accordingly

1A.41. (SDE-EIA: School Districts and Special Schools Flexibility) All school districts and special schools of this State may transfer up to one hundred percent of funds between programs to any instructional program provided the funds are utilized for direct classroom instruction.

The South Carolina Department of Education must establish a procedure for the review of all transfers authorized by this provision. The details of such transfers must be provided to members of the General Assembly upon request. School districts and special schools may carry forward unexpended funds from the prior fiscal year into the current fiscal year to be used for the same purpose. All transfers executed pursuant to this provision must be completed by May first of the current fiscal year. All school districts and special schools of this State may expend funds received from the Children's Education Endowment Fund for school facilities and fixed equipment assistance, for any instructional program. The Education Oversight Committee shall review the utilization of the flexibility provision to determine how it enhances or detracts from the achievement of the goals of the educational accountability system, including the ways in which school districts and the state organize for maximum benefit to classroom instruction, priorities among existing programs and services, and the impact on short, as well as, long-term objectives. The State Department of Education shall provide the reports on the transfers to the Education Oversight Committee for the comprehensive review. This review shall be provided to the members of the General Assembly ~~annually~~ biennially. Any grant or technical assistance funds allocated directly to an individual school may not be reduced or reallocated within the school district and must be expended by the receiving school only according to the guidelines governing the funds.

Prior to implementing the flexibility authorized herein, school districts must provide to Public Charter Schools the per pupil allocation due to them for each categorical program.

Explanation: Rather than reporting annually the EOC would report every two years on the utilization and impact of the flexibility provisos. Since 2003-04 the EOC has completed this evaluation annually. The results from year to year do not show significant changes. Instead, evaluations over time of the impact would provide more information for policy makers.

Delete proviso 1A.50. in its entirety:

1A.50. (SDE-EIA: Early Childhood Review) From the funds appropriated for EIA Four-Year-Old Early Childhood, the Department of Education shall utilize up to \$300,000 to institute a plan for reviewing, on a district basis, early childhood assets of schools and districts based on 4K entry DIAL 3 scores, and South Carolina Readiness Assessment Reports. To accomplish this, the department shall use reports that analyze program assets and provide guidance to local schools on the effective use of the reports to enhance quality gaps. Children will be tracked from early childhood programs to fifth grade and beyond to study the relationships of strong early childhood programs and increased performance on PACT, decreased drop out scores, decreased referral for special education programs, and increased graduation rates. This review may not be used as a part of the EAA Report Card for the current fiscal year.

Explanation: Elimination of this proviso would allow the agency reallocate these funds to program services. The results of the review have not been released.

The following provisos recommended by the EOC are contingent upon the consolidation, elimination or reform of several EIA initiatives:

1. Consolidation of all appropriations for reading programs (Governor’s Institute on Reading and Reading Recovery) and 25% of professional development funds into one line item “Reading”:

➤ Delete provisos 1A.10., 1A.36, and 1A.38.

➤ Add a new proviso addressing reading consolidation:

“Of the funds appropriated for reading, the Department of Education must allocate a minimum of twenty-five percent of these funds to districts based on the number of weighted pupil units in each school district in proportion to the statewide weighted pupil units using the 135 day count of the prior school year. Districts must expend the funds on the teaching of reading across content areas. The remaining funds are retained by the Department of Education to implement a comprehensive plan to improve reading, including the use of Reading Recovery and other reading initiatives and to increase the number of students scoring at met and exemplary levels on state assessments.”

2. Consolidation of all appropriations for programs to students at risk of school failure into one line item (Act 135, Summer Schools, Reduce Class Size, Alternative Schools, Parent Support and Family Literacy)

➤ Delete Provisos 1A.6, 1A.7, 1A.8, 1A.9., 1A.11., 1A.25., 1A.43., 1A.44., 1A.45.

➤ Add a new proviso to read:

“For Fiscal Year 2009-10, EIA funds appropriated for students at academic risk of school failure must be allocated to school districts based two factors: (1) the poverty index of the district as documented on the most recent district report card, which measures student eligibility for the free or reduced price lunch program and Medicaid; and (2) the number of students not in poverty or eligible for Medicaid but who fail to meet state standards on state standards-based assessments in either reading or mathematics. At least eighty-five percent of the funds allocated for students classified as at academic risk must be spent on instruction and instructional support for these students who generated the funds. Students at academic risk are defined as students who are at risk of not graduating from high school because they failed either the English language arts or

mathematics portion of the High School Assessment Program on first attempt and who score not met on grades 3 through 8 in reading and mathematics state assessments.”

3. Consolidation of all other professional development appropriations (75% of current professional development appropriations, Principal Executive Institute, NSF Grants, and Critical Teaching Needs) into one line item allocated to districts based on Weighted Pupil Units

➤ **Delete provisos 1A.14., 1A.15., 1A.27., 1A.30. , and 1A.32.,**

➤ **Add a new proviso:**

“EIA funds appropriated for professional development must be allocated to districts based on the number of weighted pupil units in each school district in proportion to the statewide weighted pupil units using the 135 day count of the prior school year. The funds must be expended on professional development for certificated instructional and instructional leadership personnel in grades kindergarten through 12 across all content areas, including teaching in and through the arts. No more than twenty-five percent of the funds appropriated for professional development may be retained by the Department of Education for the administration and provision of professional development services. The South Carolina Department of Education must provide professional development on assessing student mastery of the content standards through classroom, formative and end-of-year assessments. The South Carolina Department of Education also must disseminate the South Carolina Professional Development Standards, establish a professional development accountability system, and provide training to school leadership on the professional development standards; also, training must be provided to educators on assessing student mastery of the content standards.”

4. Consolidation of all programs for artistically and academically high achieving students. (Gifted and Talented, Advanced Placement and Junior Scholars) with funds for AP and G&T assessment allocated to SCDE.

➤ Delete Provisos 1A.2., 1A.3., and 1A.5.

➤ Add a new proviso to read:

“EIA funds appropriated for high achieving students must be allocated to districts based on two factors: (1) the number of students served in academic and artistically gifted and talented programs based on the prior year’s 135-day count of average daily membership adjusted for the current year’s 45-day count; and (2) the number of students taking Advanced Placement or International Baccalaureate (IB) exams in the prior year. At least eighty-five percent of the funds appropriated for each student classified herein must be spent for instruction and instructional support for students who generated the funds. Up to \$500,000 of the funds may be retained by the Department of Education for teacher endorsement activities.”

Restructure Other Professional Development Programs

Amend Proviso 1A.37.

1A.37. (SDE-EIA: EOC) The Education Oversight Committee may collect, retain and expend revenue from conference registration and fees; charges for materials supplied to local school districts or other entities not otherwise mandated to be provided by state law; and from other activities or functions sponsored by the committee including public awareness campaign activities. Any unexpended revenue from these sources may be carried forward into the current fiscal year and expended for the same purposes. ~~The Education Oversight Committee is permitted to utilize the funds appropriated to it to fund programs promoting the teaching of economic education in South Carolina.~~

Explanation: Delete reference to economic education since a separate line item is recommended for the Council on Economic Education

Add new proviso to read:

“With the funds appropriated for the Writing Improvement Network, the South Carolina Geographic Alliance, the SC Afterschool Alliance, Science P.L.U.S. Institute at Roper Mountain Science Center and the South Carolina Council on Economic Education, these entities that provide professional development services must match their EIA appropriation with funds generated from grants, private contributions, or fees. The match must equal 25% of their actual EIA appropriation after any mid-year revenue shortfalls. These entities must document the collection of matching funds in their annual budget and program evaluation submitted to the Education Oversight Committee.”

Explanation: All programs that provide professional development independent of the South Carolina Department of Education would be funded on a separate line item appropriation in the EIA. These entities would be required to provide a 25% match on their EIA appropriation from grants, fees charged, etc. All existing provisos regarding these programs would be eliminated and a new proviso added.

Add a new proviso to read:

“The following programs funded with EIA revenues will be temporarily suspended for Fiscal Year 2009-10 and funds appropriated to these programs allocated to teacher salaries and fringe benefits: instructional materials, competitive teacher grants, arts curricula grants, Palmetto Gold and Silver program and external review teams. Schools will still be recognized as Palmetto Gold and Silver recipients in 2009-10 but will not receive financial compensation. In the current fiscal year the South Carolina Department of Education must review the state’s textbook adoption program to establish a transition plan to the use of electronic instructional materials. The transition plan should address the content area, grades or courses included, teacher professional development, and state, district and student responsibility. The South Carolina Department of Education must present the plan to the Senate Education Committee, the Senate Finance Committee, the House Education and Public Works Committee, the House Ways and Means Committee, the State Board of Education and the Education Oversight Committee no later than October 1, 2009. If EIA revenues exceed \$574,644,107, the first priority for restoration of funding for these programs would be the arts curricula grants program.”

Explanation: Five programs would be suspended for one year with funds transferred to teacher salaries and fringe benefits. Upon the availability of funds, the EOC recommended that funding for the Arts Curricula grants program be restored first.

ATTACHMENT A

EIA REVENUE PROJECTIONS FOR FY2008-09

FY2007-08 Appropriation Act	
Non-Recurring EIA Funds for Summer Schools	\$12,402,840
Recurring EIA Funds (Base)	<u>\$677,833,363</u>
TOTAL:	\$690,236,203
FY2008-09	
BEA Revenue Estimate (August 2007)	\$658,161,423
BEA Revenue Estimate (November 9, 2007)	\$674,714,375
DIFFERENCE Over Recurring Base	(\$3,118,988)

Education Oversight Committee RECOMMENDED EIA INCREASES/DECREASES FOR FY2008-09

Objective: Recruit, Prepare and Retain Quality Teachers	Recommended Increase/Decrease	BASE EIA APPROPRIATION	Other Funding or Information
Center for Excellence to Prepare Teachers of Children of Poverty at Francis Marion University	\$234,300	\$0	Partially funded as a Center of Excellence
National Board Certification - Based on 5,674 teachers receiving supplement and 1,200 new applicants in FY09.	\$2,460,879	\$45,824,534	An additional \$6,061,304 in General Fund monies also appropriated to the program.
Teacher Salary Supplement for Special Schools	\$988,726	\$0	Funds appropriated each year across special schools
EIA Teacher Salary and Employer Contributions - To maintain average teacher salary at \$300 above the SE average of \$47,004 and fully fund EFA at \$2,578 and 872,274 weighted pupil units, requires less EIA funds.	(\$3,304,567)	\$95,746,904	
Center for Educator Recruitment, Retention and Advancement (CERRA) - To expand training of teachers serving as mentors or mentor leaders in districts. \$150,000 to expand data collection and research functions to include National Board and student academic achievement data.	\$300,000	\$5,454,014	This base appropriation includes funding of the Teaching Fellows Program at \$4,200,000.

Objective: Encourage Innovation and High Achievement	Recommended Increase/Decrease	BASE EIA APPROPRIATION	Other Funding or Information
Annualize Summer School Funding	\$12,402,840	\$18,597,160	In current fiscal year, \$12,402,840 appropriated in non-recurring EIA funds
Increase appropriation for Palmetto Gold and Silver Program to reward gap closing awards as identified and recognized by the EOC with \$5,000 per school.	\$750,000	\$3,000,000	
Increase funding for Gifted and Talented Education to reflect EFA inflationary increase of 4.12%	\$1,477,202	\$35,854,420	
Fund second year of Public Choice Innovation Schools and evaluation. Estimate based on six innovation schools receiving \$300,000 and an evaluation of the program by the EOC at \$150,000.	\$2,350,000	\$2,560,000	Of which \$200,000 is allocated to the Charter School District.
Fund Office of Innovation within the SC Department of Education as requested by SCDE (Program Manager II, Administrative Assistant, Statistical and Research Analyst III and Education Associate III)	\$300,516	\$0	
Fund "Innovaluation" pilot programs per SCDE request (Total request was \$2.0 million) - SCDE would evaluate and measure success of pilots and design expansion of programs for replication in other schools	\$1,000,000	\$0	
Young Adult Education - Continue phase-in of funding for young adults ages 17 to 21 who did not earn a high school diploma (also requested by SCDE)	\$1,600,000	\$1,600,000	An additional \$3,200,000 in General Fund
School Libraries -- Last year the initial allocation was \$1.0 million in non-recurring funds. Part of EOC recommendation to improve reading proficiency.	\$2,000,000	\$0	In current fiscal year, \$1,000,000 appropriated in non-recurring funds
Centers of Excellence - Maintain existing full funding of six Centers and bring another Center into operation in FY09.	\$16,112	\$721,101	

Objective: Simplify and Streamline Funding	Recommended Increase/Decrease	BASE EIA APPROPRIATION	Other Funding or Information
Consolidate the following line item appropriations into one line item distributed by number of students in districts who are eligible for free/reduced price lunch program and/or Medicaid. The funds would only be expended on intervention strategies that improve reading proficiency across all content areas (English language arts, mathematics, science and social studies) and all grades. All districts would be held harmless so that no district would receive less funds in FY09 than it did in FY08. The hold harmless provision would be phased out over the next three years through revenue growth and increase in EFA.	(\$192,589,708)	(\$192,589,708)	
Act 135 Academic Assistance (\$120,436,476)			
Reduce Class Size (\$35,047,429)			
Summer School (base plus annualization) (\$31,000,000)			
Parent Support (\$4,159,555)			
Family Literacy (\$1,946,248)			
INTO: Allocation to Districts to Improve Reading Proficiency across all content areas (English language arts, mathematics, science and social studies) and grades	\$189,189,708		
Create separate line items XI.EIA.F.2. Other Agencies and Entities for:			
Accelerated Schools Project and eliminate Proviso 1A.26.	\$200,000	\$0	\$200,000 by proviso
Delete provisos 1A.26. and 1A.27. and create a new proviso to allocate funds for the SC Urban Leagues Parental Involvement at \$100,000, the SC Afterschool Alliance at \$250,000 and the SC Communities-in-Schools at \$200,000 which were funded from Parent Support/Family Literacy			
Create separate line item in SCDE for:			
Reading Recovery at \$3,200,000 and eliminate Proviso 1A.11	\$3,200,000	\$0	\$3,200,000 by proviso
Consolidate the following EIA lines into one line item appropriation:			
Handicapped Student Services	(\$4,205,017)	(\$4,205,017)	
P.L. 99-457 Preschool Children w/ Disabilities	(\$3,973,584)	(\$3,973,584)	
Services for Students with Disabilities	\$8,178,601		
Eliminate Competitive Teacher Grant Program	(\$1,287,044)	\$1,287,044	
Allocate funds for TECH Prep and High Schools that Work to the EEDA which is funded in the General Fund:			
TECH Prep	(\$4,064,483)	(\$4,064,483)	
High Schools that Work	(\$1,000,000)	(\$1,000,000)	

Objective: Continue Implementation of EAA	Recommended Increase/Decrease	BASE EIA APPROPRIATION	Other Funding or Information
Technical Assistance -	\$0	\$81,102,688	
Minimum allocation of \$250,000 per 156 Unsatisfactory Schools and \$75,000 per 290 Below Average Schools			
Planning Grants of \$570,000 (\$10,000 per 57 schools)			
Additional Discretionary Funds of \$15.0 million to schools with an absolute rating of Below Average or Unsatisfactory based on severity of problems and likelihood of positively impacting student achievement			
National About Face Program (\$930,000 per proviso)			
5% to SCDE (\$3,862,688)			
External Review Teams: 101 teams for continuing Unsatisfactory schools at \$24,304 (\$2,454,704) and 55 ERTS and liaisons for new Unsatisfactory schools at a cost per school of \$14,291 (\$786,005) (No increase for FTEs as requested; support costs included \$208,000)	\$2,076,709	\$1,372,000	
School Improvement Council	\$37,500	\$200,918	Increase in number of underperforming schools served by SIC.
Assessment -			
1. Fund formative assessments for 300,000 students in grades 3 through 8 at \$12 per student (up from \$9 this year). SCDE requested \$14.4 million or \$24 per student.	\$1,000,000		The base appropriation is \$3,950,000 in General Funds.
2. Career and Technology Education (CATE) Technical Skill Assessments - Starting in 2008-09 skill assessments required by federal legislation (Perkins Act of 2006); Recommended last year by EOC but not funded	\$800,000	\$0	No funds currently allocated to this assessment. Requested by SCDE.
Data Collection - No increase for FY2008-09	\$0	\$2,966,490	For data collection and unique student identifier

TOTAL Recommendations:	\$20,138,690		
Fund Instructional Materials/Textbooks in General Fund not EIA	(\$23,278,783)		
Net Decrease:	(\$3,140,093)		
NET BALANCE:	\$21,105		

Lottery Recommendation:
Funds allocated for K-5 and 6-8 Reading, Math, Science & Social Studies Programs which totaled \$49,614,527 in the current fiscal year should be targeted solely on improving reading proficiency across all content areas (English language arts, mathematics, science and social studies) in all grades and across all content areas.

Attachment B
Education Oversight Committee Recommended Proviso Changes
2008-09 General Appropriation Act
Relating to EIA and EAA
(Proviso Numbers refer to Renumbered Base)

Recommendation: Amend the following provisos to delete duplicative reporting requirements.

1A.4. (SDE-EIA: XI.A.1-Gifted & Talented/Jr. Academy of Science) Of the funds appropriated in Part IA, Section 1, XI.A.1. Gifted & Talented, \$100,000 must be provided to the Junior Academy of Science. ~~The Department of Education must provide a report on the effectiveness of the academy to the State Board of Education and the Education Oversight Committee by October 1 annually in a format agreed upon by the Education Oversight Committee and the Department of Education.~~

1A.6. (SDE-EIA: XI.A.1-Junior Scholars) ~~The State Board of Education, through the Department of Education, must provide a report on the effectiveness of the Junior Scholars programs as appropriated in Part IA, Section 1, XI.A.1. to the Education Oversight Committee by October 1.~~ Eligibility for the Junior Scholars program is open to any student who meets the requirements of the program, whether the student attends public school or private school; provided however, any private school student is responsible for paying the cost of the qualifying examination and, at the option of the Department of Education, any other costs associated with the program.

1A.8. (SDE-EIA: XI.A.4-Academic Assistance/Curriculum Development) Funds appropriated in Part IA, Section 1, XI.A.4. for Act 135 of 1993 Other Operating must be used by the Department of Education to provide schools and school districts with technical assistance on curriculum development, including implementing the grade-by-grade academic standards, and instructional improvement in keeping with the intent of Act 135 of 1993 (Sections 59-139-05 and 59-139-10 of the SC Code of Laws) as provided in regulations promulgated by the State Board of Education. ~~Reports on the use of these funds will be provided to the Senate Education Committee and the House Education and Public Works Committee by September 1, of the current fiscal year, reflecting prior fiscal year expenditures.~~

1A.11. (SDE-EIA: XI.A-Academic Assistance/Reading Recovery) Of the EIA funds appropriated herein for the Academic Assistance Act 135, \$3,200,000 shall be used for the Reading Recovery programs throughout the State. Of the funds provided for Reading Recovery, up to \$50,000 shall be used for piloting alternative teaching methods for reading. ~~The State Department of Education shall report to the State Board of Education and the Education Oversight Committee on the allocation and expenditure of these funds by October 1 annually in a format agreed upon by the Education Oversight Committee and the Department of Education.~~

1A.17. (SDE-EIA: XI.C.2-Teacher Evaluations, XI.F.2- Implementation/Education Oversight) ~~The Department of Education shall provide a review of the evaluation results for teachers employed under induction, annual, and continuing contracts to be presented by~~

~~September 30, annually, to the State Board of Education and the Education Oversight Committee. The Department of Education is directed to oversee the evaluation of teachers at the School for the Deaf and the Blind, the John de la Howe School and the Department of Juvenile Justice under the ADEPT model.~~

1A.40. (SDE-EIA: Professional Development) With the funds appropriated for professional development, the Department of Education must disseminate the South Carolina Professional Development Standards, establish a professional development accountability system, and provide training to school leadership on the professional development standards, also training must be provided to educators on assessing student mastery of the content standards. The State Department of Education shall revise professional development activities and programs, including professional development on the standards, the SC Reading Initiative, and programs for administrators, to include emphasis on strategies and services for students at risk of retention. ~~The State Department of Education shall provide information on the activities and programs and measures to gauge their effectiveness to the State Board of Education and the Education Oversight Committee by January 1.~~

Explanation: The EOC has statutory responsibility to, among other tasks, make programmatic and funding recommendations to the General Assembly, to report annually to the General Assembly, Board of Education and public on the progress and needed changes to the EAA and EIA, and to monitor and evaluate the functioning of the public education system. To provide meaningful information and to attain the greatest return on investments of resources, the EOC would like to construct comprehensive program evaluations and report over a three-year period on programs and services. In addition the EOC has undertaken an online programmatic and budgetary survey that will provide consistent information on all EIA and EAA programs. In turn, the EOC recommends deletion of several provisos which require additional reporting to the General Assembly. The information provided in these annual reports I already available to the General Assembly and public via the EOC's programmatic and budgetary review process that is conducted each fall. Results of the review are posted online at www.eoc.sc.gov.

Recommendation: Amend the proviso regarding technical assistance accordingly:

1A.42. (SDE-EIA: Technical Assistance) Notwithstanding any other provision of law, and in order to best meet the needs of low-performing schools, funds appropriated for technical assistance to schools with an absolute rating of below average or unsatisfactory on the most recent annual school report card must be allocated accordingly.

First, a school initially designated as unsatisfactory or below average on the current year's report card must receive by January 1, up to \$10,000 from the funds appropriated for technical assistance and must expend the funds for planning purposes in accordance with Section 59-18-1560 of the 1976 Code. No more than fifteen percent of planning grants may be carried forward in the current fiscal year. Furthermore, any school that does not provide the evaluation information necessary to determine effective use as required by Section 59-18-1560 of the 1976 Code, is not eligible to receive additional funding until the requested data is provided. Schools receiving an absolute rating of unsatisfactory will also be reviewed by an external review team.

Schools receiving an absolute rating of unsatisfactory or below average, must submit to the Department of Education a school renewal plan that includes actions consistent with each of the alternative researched-based technical assistance criteria as approved by the Education Oversight Committee and the Department of Education and consistent with the external review team report. Because the school renewal plan is critical to the planning and implementation of successful intervention strategies, the Department of Education will provide regional workshops to assist schools in formulating school renewal plans based on best practices that positively improve student achievement. The chairman of the local board of education, the superintendent, and the principal of any school receiving technical assistance funds must attend at least one of the workshops in order to receive any state aid for technical assistance. The school renewal plans must address professional development activities that are directly related to instruction in the core subject areas and may include compensation incentives to provide salary supplements to classroom teachers who are certified by the State Board of Education and who have obtained an ~~Advanced Degree~~ advanced degree. The purpose of these compensation packages is to improve the recruitment and retention of teachers with ~~Advanced Degrees~~ advanced degrees in underperforming schools. If the school renewal plans are approved, schools would be permitted to use technical assistance funds to provide these salary supplements.

Upon approval of the plans by the Department of Education and the State Board of Education, the a school with an absolute rating of below average will receive an allocation of not less than \$75,000 and a school with an absolute rating of unsatisfactory will receive an allocation of not less than \$250,000, taking into consideration the severity of the problems and the likelihood of positively impacting student achievement, the student enrollment of the schools, external review team recommendations, and prior year technical assistance carry forward funds. The funds must be expended on the strategies and activities as expressly outlined in the school renewal plan which may include, but are not limited to, professional development, teacher incentive or pay for performance including the Teacher Advancement Program (TAP), homework centers, diagnostic testing, supplemental health and social services, or comprehensive school reform efforts. Not more than 50 percent of the school allocation may be used to reduce class size. The schools will work with the Department of Education to broker the services of technical assistance personnel

as needed and as stipulated in the school renewal plan. Not more than fifteen percent of funds not expended in the prior fiscal year may be carried forward and expended for the same purpose in the current fiscal year. It is intended that the technical assistance will be provided for a minimum of three years in order to implement fully systemic reform and to provide opportunity for building local education capacity. Furthermore, schools and school districts must use these technical assistance funds to augment or increase, not to replace local or state revenues that would have been used if the technical assistance funds had not been made available. Schools and school districts may use technical assistance funds only to supplement, and to the extent practical, increase the level of funds that would be made available from other revenue sources for these schools. A school or district may not use these technical assistance funds to supplant funds from other sources.–

~~Schools receiving an absolute rating of unsatisfactory will be provided an external review team evaluation. Based upon the external review team evaluation the schools must submit to the Department of Education a school renewal plan that includes actions consistent with the alternative research based technical assistance criteria as approved by the Education Oversight Committee and the Department of Education. Upon approval of the plan by the Department of Education and the State Board of Education, the schools will receive an allocation of not less than \$250,000, taking into consideration the enrollment of the schools and the recommendations of the external review team. The funds must be expended on strategies and activities as expressly outlined in the school renewal plan which may include, but are not limited to, professional development, the Teacher Advancement Program (TAP), homework centers, diagnostic testing, supplemental health and social services, or comprehensive school reform efforts. The schools will work with the Department of Education to broker the services of technical assistance personnel as needed and as stipulated in the school renewal plan. Funds not expended in the prior fiscal year may be carried forward and expended for the same purpose in the current fiscal year. It is intended that the technical assistance will be provided for a minimum of three years in order to implement fully systemic reform and to provide opportunity for building local education capacity.~~

With the funds appropriated to the Department of Education for technical assistance services, the department will assist schools with an absolute rating of unsatisfactory or below average in designing and implementing school renewal plans and in brokering for technical assistance personnel as needed and as stipulated in the school renewal plan. Teacher specialists may be placed across grade levels and across core subject areas when placement meets program criteria based on external review team recommendations, need, number of teachers receiving support, and certification and experience of the specialist. Teacher specialists are limited to three years of service at one school unless the specialist submits application for an extension and that application is accepted by the Department of Education and placement is made. Upon acceptance and placement, the specialist can receive the salary and supplement for two additional years, but is no longer attached to the sending district or guaranteed placement in the sending district following tenure in the program as provided in Section 59-18-1530(F) of the 1976 Code. The criteria for selecting alternate research-based technical assistance are to be those previously approved by the Education Oversight Committee and the Department of Education. The School Improvement Council Assistance and the Writing Improvement Network will coordinate with the department to target schools and school districts designated as unsatisfactory. The

department shall coordinate with and monitor the services provided to the schools and districts by the School Improvement Council Assistance and the Writing Improvement Network. In addition, the department must monitor the expenditure of funds and the academic achievement in schools receiving these funds and report to the General Assembly and the Education Oversight Committee by January 1 of each fiscal year as the General Assembly may direct. No more than five percent of the total amount appropriated for technical assistance services to schools with an absolute rating of Unsatisfactory or Below Average may be retained and expended by the department for implementation of technical assistance services. Furthermore, of the funds appropriated for technical assistance, \$930,000 shall be used for the National About Face Pilot Program. The School Improvement Council Assistance, the Writing Improvement Network, and the National About Face Pilot Program must submit external evaluations to the Education Oversight Committee at least once every three years. The Education Oversight Committee and the Department of Education will jointly determine the criteria to be used in evaluating the programs.

If the Education Oversight Committee or the Department of Education requests information from schools or school districts regarding the expenditure of technical assistance funds pursuant to evaluations, the school or school districts must provide the evaluation information necessary to determine effective use. If the school or school district does not provide the evaluation information necessary to determine effective use, the school or district is not eligible to receive additional funding until the requested data is provided.

By October 1 of the fiscal year the Department of Education must submit a report to the Education Oversight Committee. The report must document the schools that have had an absolute rating of unsatisfactory or below average for the past four years and must delineate the reasons for these schools persistent underperformance.

Explanation: The changes to the allocation of technical assistance funds would guarantee that each school with an absolute rating of below average would receive a minimum allocation of \$75,000 for technical assistance, and each school with an absolute rating of unsatisfactory, a minimum of \$250,000. The Department of Education would then allocate approximately \$15.0 million in additional discretionary funds to these schools based upon the severity of the problems and the likelihood of positively impacting student academic achievement. The Department will provide regional workshops to assist schools in designing school renewal plans and selecting intervention strategies. The proviso would require the chairman of the local school board, the superintendent and the principal of each underperforming school to attend at least one of these workshops. The proviso also requires schools and districts to submit information to the EOC or SCDE as needed to determine effective use. By October 1 the Department of Education will also report to the EOC, delineate the reasons why schools have had an absolute rating of unsatisfactory or below average for the past four years.

Recommendation: Amend the following proviso regarding CERRA

1A.23. (SDE-EIA: XI.F.2-CHE/Teacher Recruitment) Of the funds appropriated in Part IA, Section 1, XI.F.2. for the Teacher Recruitment Program, the S.C. Commission on Higher Education shall distribute a total of \$5,404,014 to the Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) for a state teacher recruitment program, of which \$4,200,000 must be used for the Teaching Fellows Program and of which \$166,302 must be used for specific programs to recruit minority teachers, and shall distribute \$467,000 to S.C. State University to be used only for the operation of a minority teacher recruitment program and therefore shall not be used for the operation of their established general education programs. Working with districts with an absolute rating of Unsatisfactory or Below Average, CERRA will provide shared initiatives to recruit and retain teachers to schools in these districts including the training of mentors and mentor leaders. With the funds appropriated CERRA will also maintain a data collection system that documents student achievement data for National Board teachers and include evidence of the impact of National Board certification on student academic achievement to the EOC. CERRA will report annually by October 1 to the Education Oversight Committee and the Department of Education on the success of the recruitment and retention efforts in these schools. The S.C. Commission on Higher Education shall ensure that all funds are used to promote teacher recruitment on a statewide basis, shall ensure the continued coordination of efforts among the three teacher recruitment projects, shall review the use of funds and shall have prior program and budget approval. The S.C. State University program, in consultation with the Commission on Higher Education, shall extend beyond the geographic area it currently serves. Annually, the Commission on Higher Education shall evaluate the effectiveness of each of the teacher recruitment projects and shall report its findings and its program and budget recommendations to the House and Senate Education Committees, the State Board of Education and the Education Oversight Committee by October 1 annually, in a format agreed upon by the Education Oversight Committee and the Department of Education.

Explanation: An increase in funds of \$300,000 to CERRA will allow the organization to expand its training of mentors and mentor leaders as well as to document the impact of National Board certification on student academic achievement.

Recommendation: Delete Proviso 1A.63. in its entirety.

1A.56. (SDE-EIA: Teacher Recruitment/Retention Task Force) ~~The Education Oversight Committee shall convene a task force to evaluate current teacher recruitment and retention policies, particularly those that impact on schools that have historically underachieved. Included in the task force will be representatives from the Department of Education, the Center for Educator Recruitment, Retention, and Advancement (CERRA South Carolina), institutions of higher learning, the Student Loan Corporation, the Commission on Higher Education, and classroom teachers from throughout South Carolina.~~

Explanation: The teacher recruitment and retention task force has completed its work and issued a report to the EOC. The report has been provided to members of the General Assembly.

Recommendation: Delete the following proviso in its entirety:

1A.60. ~~(SDE-EIA: 3-Year Technical Assistance Plan) No school that received technical assistance funding in Fiscal Year 2006-07 and that implemented a three-year technical assistance plan approved by the Department of Education shall receive a reduction in those funds in Fiscal Year 2007-08.~~

Explanation: With changes proposed in proviso 1A.42., this proviso if not deleted could set up a tiered system of technical assistance whereby schools would be compensated at different levels, pending the availability of funds.

Recommendation: Amend Proviso 1A.6.1 regarding the Public Choice Innovation Schools to direct funds for the longitudinal evaluation

1A.6.1. (SDE-EIA: XLE.1-Public Choice Innovation Schools) With the funds provided, a grant program will be established to support the creation of Public Choice Innovation Schools in South Carolina and to provide for their evaluation. These schools are public choice alternatives for grade 4-8 students enrolled in the public schools rated Unsatisfactory or Below Average or students enrolled in public schools rated Average or above and who scored Basic or below on any two or more subject area grade level PACT assessments in grades 3-7 during the most recent school year. The goal of Public Choice Innovation Schools is to demonstrate leadership in instructional, administrative or personnel practices yielding strong student academic achievement.

To assist entities in operating innovation schools, a grants program would be established by the State Board of Education. The grant would be for a minimum of five years with the first year of funding for planning and equipping purposes and the remaining years of supplemental funding for operation of the innovation school. Entities eligible to receive a grant include public and private partnerships. Partnerships include an educational management organization, a private corporation, an institution of higher education, a consortium of public schools districts and/or a contractual relationship between a private entity and a public school district. In the application process, partnerships must demonstrate at least one of the following strategies in improving leadership and academic achievement: changes in teacher compensation to address geographic or certification barriers and/or to offer performance incentives; utilization of novel leadership and administrative policies and procedures, to include preparation and certification of administrators, operational procedures and costs shared with other entities; continuous progress of students between grades 4-8; virtual delivery of substantial portions of the curriculum; and novel or non-traditional uses of time, space and technology in the instructional delivery of state academic content standards; or a combination of these strategies. The first year planning grant to each proposed school would be \$100,000 with innovation schools also eligible to receive additional grant funds for equipment and facilities not to exceed \$400,000 per partnership. In year two of the grant the partnership would receive funds for operation of the school to include a maximum grant of \$300,000 in supplement of the per pupil revenues from federal, state and local sources. In years three through five the school would continue to receive grant funds but at the maximum level of eighty percent of each previous year's grant. Funding per innovation school would be dependent upon: state per pupil allocations; supplementary allocations equal to local spending levels in the sending school; transportation allowance equivalent to the state per pupil transportation expenditure; and federal funds as applicable to the student population. In year six and beyond, the innovation school would receive a minimum supplement of \$100,000.

Eligible to attend the Public Choice Innovation schools are students who meet one of the following conditions: (1) are enrolled in grades 4 through 8 and are assigned to a school rated Below Average or Unsatisfactory; or (2) are enrolled in schools with an absolute rating of Average or above and scored Basic or below on any two or more subject area grade level PACT assessments in grades 3 through 7 during the most recent school year. Students are not required to attend a Public Choice Innovation School in their district of residence. As long as no eligible student is denied admission, the Public Choice Innovation School may accept other students as their parents choose to enroll them and receive funded as previously defined. Once a student is

enrolled in a Public Choice Innovation School, the child is guaranteed enrollment in the appropriate grades as long as the school remains in operation, unless the student violates behavioral expectations, or the parents choose to transfer the student to another school for which the student is eligible. An innovation school may not discriminate against any student on the basis of race, color, national origin, gender, disability or prior academic performance.

Public Choice Innovation Schools are required to participate in the statewide testing program; however, the schools shall not receive Education Accountability Act ratings until the third year of operation. The initial rating addresses student performance in the third year of operations.

An independent longitudinal evaluation of Public Choice Innovation Schools is to be conducted or contracted by the Education Oversight Committee and must include a value-added component so that valid comparisons can be made to student performance in traditional public schools and public charter schools. Of the funds provided herein, \$150,000 will be allocated to the Education Oversight Committee for the evaluation.

Of the funds provided herein, the first \$200,000 will be directed to the South Carolina Public Charter School District Board of Trustees which shall be authorized to use these funds for administrative costs to make the district operational.

Explanation: The proviso is amended to stipulate the amount of funds to be allocated for the evaluation.

Recommendation: Add an appropriately numbered proviso to read:

“A portion of the funds for the Palmetto Gold and Silver Awards Program must be used to reward schools that are identified and recognized by the Education Oversight Committee as closing the achievement gap between one or more historically lower-scoring demographic groups and historically higher scoring groups on the state assessment test for English language arts and/or mathematics. Each gap-closing school must receive \$5,000. A school is eligible to receive financial rewards for recognition as a Palmetto Gold and Silver school and for closing the gap.”

Explanation: To focus more public attention on the significant academic achievement of schools that are achieving academic success and are closing the achievement gap, the EOC would recommend increasing the appropriation for Palmetto Gold and Silver and including a special recognition for schools that close the achievement gap. The schools would be identified and recognized by the EOC and receive a \$5,000 reward.

Recommendation: Add an appropriately numbered proviso to read:

“By November 1 of the current fiscal year, the Department of Education will provide to the General Assembly and the Education Oversight Committee a report on educational services to children with special needs and disabilities. The report must provide the following: a descriptive report of the program delivery system in schools and school districts including the qualifications of all teachers providing services to special needs children; pupil counts by disability within districts and by grade levels as appropriate; the current cost of providing services to children by disability; the total amount of state, federal and local revenues for children with special needs; and documentation of the implementation of Individual Education Plans for students.”

Explanation: A report on programs for students with special needs and disabilities will provide the necessary data to review the weights for students with disabilities under the EFA and to determine the resource needs of the program.

Recommendation: If the proposal to consolidate funds for Reading Achievement is accepted, the following actions should occur:

1. Add an appropriately numbered proviso to read:

“Because reading proficiency is a fundamental skill that affects the entire learning experience and school performance of children and adolescents, the funds allocated for Reading Achievement are to be expended for intervention strategies to improve the reading proficiency of students in all grades and across the four content areas of English language arts, mathematics, science and social studies. Using the reading framework of the National Assessment of Educational Progress, reading achievement includes reading for literary experience, reading for information and reading to perform a task. The funds shall be allocated to districts based on the number of students in each district who are eligible for the free/reduced price lunch program or Medicaid. School districts may only expend the funds on direct services to students and tutorials with students and their families. The Department of Education will provide by November 1 of each fiscal year a report to the General Assembly and the Education Oversight Committee which documents progress in student academic achievement in reading proficiency of students in all grades and across the four content areas of English language arts, mathematics, science and social studies by school district. No school district will receive fewer funds in the current fiscal year than it received in the prior fiscal year from the sum of following allocations: Act 135 Academic Assistance, Summer School, Reduce Class Size, Parent Support/Family Literacy. It is the intent that the hold harmless provision will be phased out over three years. The Department of Education will assist districts in implementing reading improvement strategies and interventions. Of the funds appropriated herein, a minimum of \$200,000 shall be allocated to the South Carolina Communities-In-Schools, a minimum of \$250,000 to the South Carolina Afterschool Alliance, and a minimum of \$100,000 to the South Carolina Urban Leagues state-wide parental involvement program.”

Explanation: Research has documented that the ability to read proficiently is a fundamental skill affecting a student’s learning experiences and school performance. Research also demonstrates that students who are competent readers perform better in other subjects like math, science and social studies and are more likely to graduate from high school. Such achievement is critical in preparing a workforce that can succeed in the 21st century.

2. If summer school funds are consolidated into one line item appropriation, then Proviso 1A.47. should be amended accordingly:

~~1A.47. (SDE-EIA: EAA Summer School, Grades 3-8 Assessment) Funds appropriated for summer school shall be allocated to each local public school district based on the number of academic subject area scores below the basic on the prior year Spring PACT administration for students in grades three through eight and on the number of students entering ninth grade who score below proficient in reading. With the funds appropriated for assessment, schools will receive information on individual student scores. Individual student scores on the PACT shall not be the sole criterion used to determine whether a student on an academic plan the prior year will~~

be placed on probation or retained. Individual student scores on the PACT shall not be the sole criterion for requiring students to attend summer school. School districts may consider other factors such as student performance, teacher judgment, and social, emotional, and physical development in placing students on academic probation or requiring summer school attendance. Students may not be placed on academic probation or retained based solely on the PACT scores. The State Department of Education working with the Education Oversight Committee must develop a method to supplement the PACT with diagnostic training and materials aligned to the content standards. Current year appropriations may be expended for prior year EAA summer school purposes. Local public school districts shall utilize these funds in accordance with the requirements of Section 59-18-500 of the 1976 Code. The State Department of Education is directed to utilize PACT-like tests aligned with standards to be administered to students on academic probation required to attend summer school. The test shall be a determinate in judging whether the student has the skills to succeed at the next grade level. The State Board of Education shall establish regulations to define the extenuating circumstances including death of an immediate family member or severe long-term student illness, under which the requirements of Section 59-18-900(D) may be waived. ~~Furthermore, the Department of Education, working with and through the SC Afterschool Alliance, will provide \$250,000 to produce a model of voluntary quality standards for out of school time programs, develop a directory of technical assistance, and identify gaps of service.~~

3. If other funds (Act 135, Reduce Class Size and Parent Support/Family Literacy) are consolidated, then the following provisos can be deleted in their entirety.

1A.7.

1A.8.

1A.9.

1A.10.

1A.11.

1A.23

1A.26.

1A.27.

EIA Revenue Collections

2007-08 Appropriations Act

\$677,833,363

2008-09 Appropriations Per Act	\$644,714,375
Revised FY 2008-09 BEA Estimate (7/21/08)	\$630,714,375
Revised FY 2008-09 BEA Estimate (10/08/08)	\$586,681,624
Revised FY 2008-09 BEA Estimate (11/10/08)	\$574,644,107
Unallocated School Building Funds	\$0
EIA Program Reductions Through November 10, 2008	\$70,070,268
Original Appropriations Act:	
EIA TSS & Fringe (Including Special Schools)	\$103,592,939
EIA Appropriation Less TSS & Fringe	\$541,121,436
Reduction as a % of EIA Original Appropriation less Exemptions	12.95%

2009-10 BEA Revenue Projections

\$574,644,107

Education Oversight Committee Recommendations, FY2009-10

The economic crisis in the nation and in South Carolina has impacted revenues in South Carolina including the Education Improvement Act (EIA). Through October 2008 sales tax collections are down 10.8% in the current year over the same period in the prior fiscal year. The impact on EIA is staggering. Projected revenues for Fiscal Year 2009-10 are over \$103 million less than total appropriations in Fiscal Year 2007-08. The budget recommendations of the Education Oversight Committee reflect the austere budget crisis while holding to the financial principles adopted by the EOC on October 13, 2008. The first priority for funding is providing services to children.

Recommend: EFA base student cost funded at a minimum of \$2,578 which requires a general fund increase of at least \$71.7 million to restore mid-year EFA cuts and an additional \$1.2 million in employer contributions. As revenues become available, the base student cost would increase above \$2,578. To fully fund the EFA at \$2,687 would require an increase of \$152.3 million. To date, the base student cost for Fiscal Year 2008-09 has been reduced from the appropriated level of \$2,578 to \$2,479 due to mid-year reductions and growth in weighted pupil units.

Recommend: Pending the availability of revenues, teacher salaries should be funded at the Southeastern average teacher salary of \$48,261, the projection for Fiscal Year 2009-10 made in August 2008. However, due to revenue shortfalls, increasing the current year's average teacher salary of \$47,376 to \$48,261 will require either an additional \$56 million appropriation to EIA teacher salaries and fringe benefits or a general fund increase to the EFA in excess of \$71.7 million. Consequently, included in the proposal is preserving teacher salaries at the current year's level of \$47,376 which is \$372 above the projected SE average of \$47,004 with the 2008-09 statewide minimum teacher salary schedule to be used in 2009-10. Teachers would still receive a step increase based on experience and degree earned.

Adopt: Reductions to EIA programs in the current year are made permanent in the base budget for 2009-10. As of November 10, 2008 reductions in EIA revenues have resulted in cuts to EIA programs of approximately 12.95%. EIA teacher salaries and fringe benefits are exempt from the reductions. **\$574,644,107**

4 Annualize:

CDEPP- Administration in public and private centers **\$21,000,000**

Summer Schools **\$12,000,000**

5 Consolidate EIA lines for:

Students At Risk of School Failure -- Consolidate line items for Alternative Schools, Summer Schools, Reduce Class Size, Act 135 Academic Assistance, Parent Support and Family Literacy

Total: \$161,743,491

Students served in artistic and academic Gifted and Talented Programs and taking AP or IB exams. Funds allocated to assessment for AP exam costs and identification of Gifted and Talented students

Total: \$29,470,149

Professional Development -- Consolidate line items for NSF Grants, Critical Teaching Needs, Principal Executive Institute and 75% of current professional development funds

Total: \$7,890,088

Reading Programs -- Consolidate funding for Governor's Reading Institute, Reading Recovery and 25% of current professional development funds

Total: \$7,049,512

6 Restructure

Professional Development by Independent Entities -- Reduce original Fiscal Year 2008-09 EIA appropriations by 25% and require entity to generate 25% through other funds (grants, fees, contributions, etc.)

Writing Improvement Network	(\$32,736)
SC Geographic Alliance	(\$27,921)
Science P.L.U.S. - Funds moved from proviso to line (FY 2008-09 proviso allocation was \$250,000)	\$187,500
South Carolina Afterschool Alliance -- Money moved from proviso to line (FY 2008-09 proviso allocation was \$250,000)	\$187,500
Council on Economic Education - \$75,000 transfer from EOC; down from \$100,000	

National Board Supplement -- Discontinue the program after all current obligations are met. In the meantime, SCDE would look at alternatives including pay for performance. To meet current obligations, a projected 6,416 teachers would receive the \$7,500 supplement in 2009-10 due to teachers being certified in December 2008 and 2009. **\$4,211,540**

7 Preserve teacher salaries at the current year's average requires less EIA revenues with the increase in National Board **(\$4,532,311)**

8 Reduce and Restructure

Funding of EAA technical assistance -- Fund schools newly identified by the 2008 school report cards. Continue funding schools in their second and third year of technical assistance. **(\$21,245,294)**

Eliminate Proviso 1.74. that provides a disproportionate per pupil funding level to eight schools that receive multiple report cards

For any school that received its third year of funding in 2008-09 and improved from Unsatisfactory to Below Average based on the 2008 report card continue funding these schools at the 2008-09 level.

For schools that received three years of technical assistance funding and showed declines or no change in their absolute performance rating based on the 2008 school report cards, these persistently underperforming schools would receive the following assistance and intervention:

Allow the children residing in these consistently underperforming schools to transfer to a different public school with a higher absolute rating in or outside the district of residence. The child's district of residence would provide to the receiving district an amount equal to the local revenues per pupil of the receiving district.

Pursuant to Section 59-18-1520 ask that the State Board of Education and Superintendent of Education determine if a state of emergency exists in these persistently underperforming schools and take appropriate action.

The South Carolina Department of Education would work with the persistently underperforming districts to implement innovative strategies for improved student achievement at a total cost of up to \$10 million and that the persistent underperformance be addressed with urgency.

9 Suspend by proviso for one year the following EIA programs with funds transferred to teacher salaries and fringe benefits:

Arts Curricula Grants	(\$1,304,919)
Competitive Teacher Grants	(\$1,051,267)
Palmetto Gold and Silver Awards	(\$2,450,423)
External Review Team Evaluations	(\$1,120,660)
Instructional Materials	(\$19,014,287)

10 Eliminate from EIA funding:

Service Learning Engagement	(\$53,288)
Office of School Improvement Council Assistance	(\$164,717)

11 Increase funding for Formative Assessments **\$3,400,000**

Net EIA Recommendations of Education Oversight Committee, Fiscal Year 2009-10 **\$564,632,824**

Balance of EIA Revenues: **\$10,011,283**

Education Improvement Act - Line Item Appropriations	FY 2008-2009 Appropriation Act	Projected November Adjusted Appropriation	EOC Increase or Decrease to Adjusted Appropriation	Explanation	TOTAL Recommended for 2009-10
A. STANDARDS, TEACHING, LEARNING, ACCOUNTABILITY					
1. Student Learning					
Personal Service Classified Positions	70,535	61,176	0		61,176
Other Operating Expenses	164,506	142,678	0		142,678
Advance Placement	3,738,827	3,242,726	(3,242,726)		0
Gifted and Talented	33,766,617	28,536,291	(28,536,291)		0
Handicapped Student Services	3,960,159	3,346,745	0		3,346,745
Junior Scholars--District	48,556	42,113	(42,113)	Consolidate in NEW Line Artistic and Academically Advanced Students	0
NEW: Artistic and Academically Advanced Students			29,366,130		
					29,366,130
Aid to Other Entities--Jr Scholars	26,888	23,320	0		23,320
Aid to Other Agencies-Jr Scholars	135,294	117,342	0		117,342
Tech Prep	3,827,808	3,319,901	0		3,319,901
Alloc EIA - Other Entities	447	388	0		388
Alloc EIA - Other Agencies	14,731	12,776	0		12,776
Modernize Vocational Equipment	3,732,724	3,237,433	0		3,237,433
Arts Curricula	1,504,557	1,304,919	0	Suspend for one year	1,304,919
P.L. 99-457 Preschool Children w/ Disabilities	3,742,202	3,162,549	0		3,162,549
Adult Education	11,939,480	10,355,244	0		10,355,244
Alternative Schools	11,008,140	9,547,483	(9,547,483)	Consolidate into new Line: Students at risk of school failure	0
Middle School Initiative	4,649,989	3,929,723	0		3,929,723
Credits High School Diploma	22,256,663	18,809,188	0		18,809,188
High Schools That Work	941,770	816,808	0		816,808
Young Adult Education	1,506,832	1,306,892	0		1,306,892
Subtotal	107,036,725	91,315,695			79,313,212

Education Improvement Act - Line Item Appropriations	FY 2008-2009 Appropriation Act	Projected November Adjusted Appropriation	EOC Increase or Decrease to Adjusted Appropriation	Explanation	TOTAL Recommended for 2009-10
2. Student Testing					
Personal Service Classified Positions	587,720	509,736	0		509,736
Other operating Expenses Special Items	400,559	347,409	0		347,409
New Line: Formative Assessments			3,400,000	Increase in Formative Assessments; approximately \$3,810,040 in General Funds for Formative Assessments	3,400,000
New Line: AP Assessments			1,965,000	AP Assessments from AP line item	1,965,000
Assessment / Testing	19,410,943	16,835,328	490,000	G&T Assessments from G&T Line Item	<u>17,325,328</u>
Subtotal	20,399,222	17,692,473			23,547,473
3. Curriculum & Standards					
Personal Service Classified Positions	151,866	131,715	0		131,715
Other Personal Service Other Operating Expenses Special Items	5,697 50,513	4,941 43,810	0 0		4,941 43,810
Governors Institute of Reading	2,790,346	2,420,098	(2,420,098)	Consolidate into new line for Reading	
New Line: Reading			7,049,512	Consolidated lines representing Governors Institute of Reading, Reading Recovery and 25% of professional development funds	7,049,512
Instructional Materials Aid to Subdivisions	21,923,259	19,014,288	0	Suspend for one year	19,014,288
Competitive Teacher Grants	1,212,099	1,051,267	0	Suspend for one year	<u>1,051,267</u>
Subtotal	26,133,780	22,666,119			27,295,533

Education Improvement Act - Line Item Appropriations	FY 2008-2009 Appropriation Act	Projected November Adjusted Appropriation	EOC Increase or Decrease to Adjusted Appropriation	Explanation	TOTAL Recommended for 2009-10
4. Assistance, Intervention, & Reward					
Personal Service Classified Positions	1,821,889	1,580,145			1,580,145
Other Operating Expenses	1,638,815	1,421,363			1,421,363
Special Items					
EAA Technical Assistance	76,380,078	66,245,294	(21,245,294)	Reduce	45,000,000
External Review Teams	1,292,108	1,120,660	0	Suspend for one year	1,120,660
Report Cards	915,205	793,768	0		793,768
Palmetto Gold & Silver Awards	2,825,310	2,450,423	0	Suspend for one year	2,450,423
Summer Schools	17,514,247	14,801,354	(14,801,354)	Consolidate into new Line: Students at risk of school failure	0
Student Identifier	1,250,708	1,084,753	0		1,084,753
Data Collection	1,543,043	1,338,298	0		1,338,298
Aid to Subdivisions					0
Aid Other State Agencies	153,647	133,260	0		133,260
Reduce Class Size	33,006,617	27,894,015	(27,894,015)	Consolidate into new Line: Students at risk of school failure	0
Act 135 - Academic Assistance	113,423,554	95,841,072	(95,841,072)	Consolidate into new Line: Students at risk of school failure; \$3.2 million allocated from Reading Recovery to new Line for Reading	0
NEW: Students at Risk of School Failure			161,743,491	Consolidated lines and annualization of summer school funds, \$12.0 million	161,743,491
Subtotal	251,765,221	214,704,405			216,666,161
B. Early Childhood					
Personal Service Classified Positions	452,649	392,588	0		392,588
Other Operating Expenses	669,617	580,766	0		580,766
Alloc EIA - 4 YR Early Child	20,561,361	17,376,481	0		17,376,481

Education Improvement Act - Line Item Appropriations	FY 2008-2009 Appropriation Act	Projected November Adjusted Appropriation	EOC Increase or Decrease to Adjusted Appropriation	Explanation	TOTAL Recommended for 2009-10
NEW: CDEPP			21,000,000	Annualization	21,000,000
Alloc EIA - School Bus Driver Salaries	424,527	0	0		0
Alloc EIA - Parent Support	3,917,344	3,310,562	(3,310,562)	Consolidate into new Line: Students at risk of school failure	0
Family Literacy	1,832,918	1,549,006	(1,549,006)		0
Subtotal	27,858,416	23,209,403			39,349,835
C. TEACHER QUALITY					
1. Certification					
Personal Service Classified Positions	1,285,000	1,114,495	0		1,114,495
Other Personal Service	1,899	1,647	0		1,647
Other Operating Expenses	768,758	669,752	0		669,752
Subtotal	2,055,657	1,785,894			1,785,894
2. Retention & Reward					
Special Items					
Teacher of the Year Award	156,430	135,673	0		135,673
Teacher Quality Commission	512,154	444,197	0		444,197
Teacher Salary Supplement	77,061,350	77,061,350	(3,811,150)		73,250,200
Teacher Salary Supplement - Fringe	15,766,752	15,766,752	(721,161)		15,045,591
Critical Teaching Needs	567,803	492,462	(492,462)	Consolidate into New Line: Professional Development	0
National Board Certification	45,624,348	45,624,348	4,211,540		49,835,888
Teacher Supplies	13,657,906	13,657,906			13,657,906
Subtotal	153,346,743	153,182,688			152,369,455
3. Professional Development					
Special Items					
New Line: Professional Development			7,890,088		7,890,088

Education Improvement Act - Line Item Appropriations	FY 2008-2009 Appropriation Act	Projected November Adjusted Appropriation	EOC Increase or Decrease to Adjusted Appropriation	Explanation	TOTAL Recommended for 2009-10
Professional Development - EAA	6,592,390	5,717,654	(5,717,654)	Consolidate 75% into New Line: Professional Development and 25% into Reading Line Item	0
Aid to Subdivisions Professional Development NSF Grant	2,731,493	2,369,054	(2,369,054)	Consolidate into New Line: Professional Development	0
Subtotal	9,323,883	8,086,708			7,890,088
E. LEADERSHIP					
1. Schools					
Personal Service Classified Positions	744,386	645,614	0		645,614
Other Personal Service	31,902	27,669	0		27,669
Other Operating Expenses	343,631	298,035	0		298,035
Special Items					
Principal Executive Institute - EAA	853,592	740,330	(740,330)	Consolidate into New Line: Professional Development	0
Aid to Subdivisions Principal Salary Supplement	2,917,719	2,465,775	0		2,465,775
Subtotal	4,891,230	4,177,423			3,437,093
2. State					
Personal Service Classified Positions	98,711	85,613	0		85,613
Other Personal Service	100,000	86,732	0		86,732
Other Operating Expenses	360,959	313,064	0		313,064
Aid to Subdivisions					
Technology	12,886,895	11,176,949	0		11,176,949
Employer Contributions	1,280,330	1,110,444	0		1,110,444
Special Items					
EOC Public Relations	213,398	185,082	0		185,082
Subtotal	14,940,293	12,957,884			12,957,884

F. PARTNERSHIPS

Education Improvement Act - Line Item Appropriations	FY 2008-2009 Appropriation Act	Projected November Adjusted Appropriation	EOC Increase or Decrease to Adjusted Appropriation	Explanation	TOTAL Recommended for 2009-10
1. Business and Community					
Other Personal Service	1,800	1,561	0		1,561
Other Operating Expenses	77,037	66,815	0		66,815
Subtotal	78,837	68,376			68,376
2. Other Agencies & Entities					
State Agency Teacher Pay (F30)	944,000	944,000	0		277,640
Writing Improvement Network-USC (H27)	271,648	236,472	(32,736)	25% reduction of base appropriation	203,736
Education Oversight Committee (A85)	1,283,981	1,117,717	(75,000)	Transferred to line item for Council on Economic Education	1,042,717
SC Geographic Alliance-USC (H27)	231,675	201,677	(27,921)	25% reduction of base appropriation	173,756
Gov. School Arts & Humanities (H63)	687,915	687,915	0		749,799
Wil Lou Gray Opportunity School (H71)	605,294	605,294	0		605,294
School for Deaf & Blind (H75)	6,640,026	6,640,026	0		7,176,110
Disabilities & Special Needs (J16)	763,653	763,653	0		763,653
John De La Howe School (L12)	363,734	363,734	0		363,734
School Improvement Council Project (H27)	189,219	164,717	(164,717)	Eliminate EIA funding	0
Clemson Ag Ed Teachers	394,412	394,412	0		419,228
Centers of Excellence-CHE (H03)	679,111	591,173	0		591,173
Teacher Recruitment Program-CHE (H03)	5,529,145	4,813,171	0		4,813,171
Center for Ed, Recruitment, Ret, and Adv	47,088	40,991	0		40,991
Teacher Loan Program-State Treasurer (E16)	5,054,521	4,400,007	0		4,400,007
EOC 4 Year Old Evaluation	374,824	326,287	0		326,287
Service Learning Engagement (H03)	61,215	53,288	(53,288)	Eliminate EIA funding	0
Gov. School Science & Math (H63)	365,803	365,803	0		409,379

Education Improvement Act - Line Item Appropriations	FY 2008-2009 Appropriation Act	Projected November Adjusted Appropriation	EOC Increase or Decrease to Adjusted Appropriation	Explanation	TOTAL Recommended for 2009-10
EOC Family Involvement	42,679	37,153	0		37,153
SC Public Charter School District	470,885	409,910	0		409,910
First Steps to School Readiness	1,883,540	1,639,639	0		1,639,639
New Line Items: Money Moved from Provisos to Line					
Council on Economic Education			75,000	From EOC allocation	75,000
Science P.L.U.S.			187,500	25% reduction - on line from proviso	187,500
SC Afterschool Alliance			187,500	25% reduction - on line from proviso	187,500
Subtotal	26,884,368	24,797,039			24,893,377
TOTAL - EIA	\$ 644,714,375	\$ 574,644,107	14,930,273		\$ 589,574,380
Suspended Programs			(24,941,556)	Suspension of Programs	(24,941,556)
EIA Balance:			10,011,283		564,632,824

December 4, 2007

EAA Technical Assistance

	Initial SCDE Projection	SCDE Allocation	SCDE Requested Increase	2007 Report Cards	2008-09 Factors	EOC Recommended Increase	TOTAL
Technical Assistance							
# Unsatisfactory Schools	160	\$491,761	\$78,681,760	156	156	\$250,000	\$39,000,000
# Below Average							
Technical Assistance	268	\$134,538	\$36,056,184	290	290	\$75,000	\$21,750,000
Planning Grants	57	\$10,000	\$570,000	57	57	\$10,000	\$570,000
Grants for Additional Assistance							\$15,000,000
About Face Program (Proviso)			\$930,000				\$930,000
Agency Administration							
5% Proviso			\$5,811,897				\$3,852,688
Six New FTEs			\$397,688				\$0
TOTAL:			\$122,447,529				\$81,102,688
Less base:			\$ 81,102,688				\$ 81,102,688
Net Increase:			\$41,344,841				\$0
External Review Teams							
Continuing Unsatisfactory Schools	101	\$24,304	\$2,454,704	102	101		\$2,454,704
New Unsatisfactory Schools	55	\$14,291	\$786,005	51	55		\$786,005
Agency Administration							
Three New FTEs			\$198,844				\$0
Training and Support			\$208,000				\$208,000
TOTAL			\$3,647,553				\$3,448,709
Less Base:			\$1,372,000				\$1,372,000
Net Increase:			\$2,275,553				\$2,076,709
GRAND TOTAL:			\$43,620,394				\$2,076,709