#### SECTION 1 - H630 - DEPARTMENT OF EDUCATION

States the General Assembly's intent to fully implement the EFA including an inflation factor to match the inflation wages of public school employees in the southeast; states that for FY 16-17, the base student cost has been determined to be \$2,350; that the per pupil count is projected to be 723,953, and projects the average per pupil funding. Provides for the distribution of funds to the SC Public Charter School District. Requires the Revenue and Fiscal Affairs Office post each school district's projections on their website and for each school district to also post their numbers. Requires the department and the EOC provide links to this information on their websites. Provides pupil classification weightings.

**SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION / AMEND proviso to update the projections for FY 17-18 as follows: base student cost \$2,500; total pupil count, 721,401; average per pupil funding: \$6,192 state, \$1,294 federal, and \$5,726 local, for an average total funding level of \$13,212, excluding revenues of local bond issues. Change reference to "school year 2016-17" to "the current" school year.

**1.3.** (SDE: EFA Formula/Base Student Cost Inflation Factor) To the extent possible within available funds, it is the intent of the General Assembly to provide for one hundred percent of full implementation of the Education Finance Act to include an inflation factor projected by the Revenue and Fiscal Affairs Office to match inflation wages of public school employees in the Southeast. The base student cost for the current fiscal year has been determined to be \$2,350 \$2,500. For the current fiscal year, the total pupil count is projected to be 723,953 721,401 The average per pupil funding is projected to be \$5,827 \$6,192 state, \$1,245 \$1,294 federal, and \$5,542 \$5,726 local. This is an average total funding level of \$14,210 \$13,212 excluding revenues of local bond issues. For the current fiscal year the South Carolina Public Charter School District and any institution of higher education sponsoring a public charter school shall receive and distribute state EFA funds to the charter school as determined by one hundred percent of the current year's base student cost, as funded by the General Assembly multiplied by the weighted students pupils enrolled in the charter school, which must be subject to adjustment for student attendance.

The Revenue and Fiscal Affairs Office, must post in a prominent place on their website for each school district projections, including the per pupil state, federal and local revenues, excluding revenues of local bond

issues, for the current fiscal year. Also, as soon as practicable, upon determining the exact numbers regarding pupil count and funding, the Revenue and Fiscal Affairs Office, shall also post on their website the one hundred thirty-five day average daily membership for each school district and per pupil state, federal and local revenues, excluding revenues of local bond issues, based on the most recent audited financial statement as reported annually pursuant to Section 59-17-100. The Department of Education and the Education Oversight Committee shall provide in a prominent place on their internet websites a link to the information posted by the Revenue and Fiscal Affairs Office, including the projected numbers and the exact numbers.

For the current fiscal year, the pupil classification weightings are as follows:

- (1) K-12 pupils or base students including homebound students 1.00 Students served in licensed residential treatment facilities (RTFs) for children and adolescents as defined under Section 44-7-130 of the 1976 Code shall receive a weighting of 2.10.
- (2) Weights for students with disabilities as prescribed in Section 59-20-40(1)(c) Special Programs
  - (3) Precareer and Career Technology

(4) Additional weights for personalized instruction:

| (A) | Gifted and Talented         | 0.15 |
|-----|-----------------------------|------|
| (B) | Academic Assistance         | 0.15 |
| (C) | Limited English Proficiency | 0.20 |
| (D) | Pupils in Poverty           | 0.20 |
| (E) | Dual Credit Enrollment      | 0.15 |

No local match is required for the additional weightings for personalized instruction in <u>the current</u> school year <del>2016-17</del>. Charter school per pupil calculations for locally sponsored charters will continue to be calculated according to Section 59-40-140 of the 1976 Code. Students may receive multiple weights for personalized instruction; however, within each weight, students should only be counted once. These weights are defined below:

Gifted and talented students are students who are classified as academically or artistically gifted and talented or who are enrolled in Advanced Placement (AP) and International Baccalaureate (IB) courses in high school. Districts shall set-aside twelve percent of the funds for serving artistically gifted and talented students in grades three through twelve.

Students in need of academic assistance are students who do not meet state standards in mathematics, English language arts, or both on state approved assessments in grades three through eight and high school assessments for grades nine through twelve. The additional weight generates funds needed to provide additional instructional services to these students.

Students with limited English proficiency are students who require intensive English language instruction programs and whose families require specialized parental involvement intervention.

Students identified for dual credit enrollment must be identified in PowerSchool as taking a course that will lead to both high school credit and post-secondary credit. Districts must assist students in accessing Lottery Tuition Assistance when applicable.

For the current school year, the Department of Education will continue to use counts from the prior school year to determine poverty funding for the add-on weighting. The Department of Education will continue to work with school districts to determine students eligible for the poverty add-on using the data elements used to determine USDA community eligibility to be used in future years.

Further, the Department of Education may use school district student counts for personalized instruction as collected in the same manner as the prior fiscal year, PowerSchool or other available existing data sources as determined by the department to calculate the school district add on weightings for the personalized instruction classifications and the determination of the school districts monetary entitlement. End of year adjustments shall be based on the one hundred thirty-five day student average daily membership for all classifications. During the current fiscal year the department will update PowerSchool calculations, reports, screen development, documentation, and training to incorporate the new pupil classification weightings and to make final district allocation adjustments by June 30, 2017. The department must provide districts with technical assistance with regard to student count changes in PowerSchool.

**1.26 CONFORM TO FUNDING / AMEND** (School Districts and Special Schools Flexibility) Grants maximum transferability and expenditure of appropriated State funds for operations of school districts and special schools within certain guidelines; prohibits school districts from transferring specific funds allocated for certain purposes; and suspends specific requirements and assessments. *Note: Companion EIA proviso is 1A.14.* 

**SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION / AMEND proviso to delete the suspension of formative assessments for grades one, two, and nine. *Funding has been requested for formative assessments*. Requested by Education Oversight Committee.

1.26. (SDE: School Districts and Special Schools Flexibility) All school districts and special schools of this State may transfer and expend funds among appropriated state general fund revenues, Education Improvement Act funds, Education Lottery Act funds, and funds received from the Children's Education Endowment Fund for school facilities and fixed equipment assistance, to ensure the delivery of academic and arts instruction to students. However, a school district may not transfer funds allocated specifically for state level maintenance of effort requirements under IDEA, funds allocated specifically for state level maintenance of effort requirement for federal program, funds provided for the Education and Economic Development Act, funds provided for Career and Technology Education, nor required for debt service or bonded indebtedness. All school districts and special schools of this State may suspend professional staffing ratios and expenditure regulations and guidelines at the subfunction and service area level, except for four-year old programs and programs serving students with disabilities who have Individualized Education Programs.

In order for a school district to take advantage of the flexibility provisions, at least seventy-five percent of the school district's per pupil expenditures must be utilized within the In\$ite categories of instruction, instructional support, and only transportation, food service, and safety within non-instruction pupil services. No portion of the seventy-five percent may be used for facilities, business services, debt service, capital outlay, program management, and leadership services, as defined by In\$ite. The school district shall report to the Department of Education the actual percentage of its per pupil expenditures used for classroom instruction, instructional support, and transportation, food service, and safety within non-instruction pupil services for the current school year ending June thirtieth. Salaries of on-site principals must be included in the calculation of the district's per pupil expenditures.

"In\$ite" means the financial analysis model for education programs utilized by the Department of Education.

School districts are encouraged to reduce expenditures by means, including, but not limited to, limiting the number of low enrollment courses, reducing travel for the staff and the school district's board, reducing and limiting activities requiring dues and memberships, reducing transportation costs for extracurricular and academic competitions, restructuring administrative staffing, and expanding virtual instruction.

School districts and special schools may carry forward unexpended funds from the prior fiscal year into the current fiscal year.

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.

Quarterly throughout the current fiscal year, the chairman of each school district's board and the superintendent of each school district must certify where non-instructional or nonessential programs have been suspended and the specific flexibility actions taken. The certification must be in writing, signed by the chairman and the superintendent, delivered electronically to the State Superintendent of Education, and an electronic copy forwarded to the Chairman of the Senate Finance Committee, the Chairman of the Senate Education Committee, the Chairman of the House Ways and Means Committee, and the Chairman of the House Education and Public Works Committee. Additionally, the certification must be presented publicly at a regularly called school board meeting, and the certification must be conspicuously posted on the internet website maintained by the school district.

For the current fiscal year, Section 59-21-1030 is suspended. Formative assessments for grades one, two, and nine, the <u>The</u> foreign language program assessment, and the physical education assessment must be suspended. School districts and the Department of Education are granted permission to purchase the most economical type of bus fuel.

For the current fiscal year, savings generated from the suspension of the assessments enumerated above must be allocated to school districts based on weighted pupil units.

School districts must maintain a transaction register that includes a complete record of all funds expended over one hundred dollars, from whatever source, for whatever purpose. The register must be prominently posted on the district's internet website and made available for public viewing and downloading. The register must include for each expenditure:

- (i) the transaction amount:
- (ii) the name of the payee; and
- (iii) a statement providing a detailed description of the expenditure.

The register must not include an entry for salary, wages, or other compensation paid to individual employees. The register must not include any information that can be used to identify an individual employee. The register must be accompanied by a complete explanation of any codes or acronyms used to identify a payee or an expenditure. The register must be searchable and updated at least once a month.

Each school district must also maintain on its internet website a copy of each monthly statement for all of the credit cards maintained by the entity, including credit cards issued to its officers or employees for official use. The credit card number on each statement must be redacted prior to posting on the internet website. Each credit card statement must be posted not later than the thirtieth day after the first date that any portion of the balance due as shown on the statement is paid.

The Comptroller General must establish and maintain a website to contain the information required by this section from a school district that does not maintain its own internet website. The internet website must be organized so that the public can differentiate between the school districts and search for the information they are seeking.

School districts that do not maintain an internet website must transmit all information required by this provision to the Comptroller General in a manner and at a time determined by the Comptroller General to be included on the internet website.

The provisions contained herein do not amend, suspend, supersede, replace, revoke, restrict, or otherwise affect Chapter 4, Title 30, the South Carolina Freedom of Information Act. Nothing in this proviso shall be interpreted as prohibiting the State Board of Education to exercise its authority to grant waivers under Regulation 43-261.

**1.28 AMEND** (Budget Reduction) Requires local districts to give priority to preserving classroom teachers and operations when compensating for any funding reduction and to first apply reductions to administrative and non-classroom expenses.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to also give priority to preserving classroom teachers and operations in the event of a deficit.

- **1.28.** (SDE: Budget Reduction) In compensating for any reduction in funding <u>or deficit</u>, local districts must give priority to preserving classroom teachers and operations. Funding reductions should first be applied to administrative and non-classroom expenses before classroom expenses are affected.
- **1.50 AMEND** (Health Education) Requires school districts to ensure compliance with Chapter 32 of Title 59 [COMPREHENSIVE HEALTH EDUCATION PROGRAM]; provides a complaint process for compliance concerns, a process for corrective action if the complaint is determined to be founded, and requires the department to withhold 1% of a district's Student Health and Fitness Act funds until the district is in compliance with the corrective action. Requires the department to withhold 1% of the district's Student Health and Fitness Act funds if the department determines the district

is non-compliant with mandated health education, or if a district fails to publish required information on their website until the district is in compliance.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to require school districts to also use curriculum that aligns to all standards and regulations adopted by the State Board of Education. Specify that the department will review the district's annual CHE Compliance Survey in determining district compliance with mandated health education. *The department states this amendment clarifies the process; reinserts a language deleted last year when two provisos were combined; and does not add any additional requirements.* Requested by Department of Education.

**1.50.** (SDE: Health Education) (1) Each school district is required to ensure that all comprehensive health education, reproductive health education, and family life education conducted within the district, whether by school district employees or a private entity, must utilize curriculum that complies with the provisions contained in Chapter 32, Title 59 <u>and aligns to all standards and regulations adopted by the South Carolina State Board of Education</u>. Each district shall publish on its website the title and publisher of all health education materials it has approved, adopted, and used in the classroom. <u>If the department determines that a district is non-compliant with mandated health education upon review of the district's annual CHE Compliance Survey or if the district fails to publish the title and publisher of materials on its website, then the Department of Education shall withhold one percent of the district's funds allocated in Part IA, Section 1, X - Student Health and Fitness Act until the department determines the district is in compliance.</u>

(2) Any person may complain in a signed, notarized writing to the chairman of the governing board of a school district that matter not in compliance with the requirements of Chapter 32, Title 59 is being taught in the district. Upon receiving a notarized complaint, the chairman of the governing board must ensure that the complaint is immediately investigated and, if the complaint is determined to be founded, that immediate action is taken to correct the violation. If corrective action is not taken within 60 days of such a determination, or if no investigation is made within 60 days of the chairman's receipt of the notarized statement, then the complainant may within 60 calendar days, give written notice to the department. The notice must include the original notarized complaint. If, upon investigation, the department determines that the district has not taken appropriate immediate action to correct a violation, then the Department of Education shall withhold one percent of the district's funds allocated in Part IA, Section 1, X - Student Health and Fitness Act until the department determines the district is in compliance. If the department determines that a district is non-compliant with mandated health education or if the district fails to publish the title and publisher of materials on its website, then the Department of Education shall withhold one percent of the district's funds allocated in Part IA, Section 1, X Student Health and Fitness Act until the department determines the district is in compliance.

**1.58 AMEND** (Full-Day 4K) Provides guidelines for participation in and funding for the CDEPP program. *Note: Companion EIA proviso is 1A.30.* 

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to direct that public and private providers "shall be funded" rather than "will be reimbursed" and change the rate from "\$4,323" to "\$4,422" and change the private providers transportation reimbursement from "\$550" to "\$563." Direct that the department only provide funds for public school students whose complete records have been entered into PowerSchool. Authorize the department and First Steps to expand services to additional eligible students who reside in districts that meet certain qualifications if the department or First Steps determine that sufficient carry forward funds and appropriations exist and direct the department and First Steps report to the General Assembly by October 1st on the number of estimated children to be served. Direct the department

to annually audit the allocations to public providers to ensure allocations are accurate and properly aligned and to adjust current year allocations if the audit determines the prior year allocations are not accurate. Direct the department to provide audit findings to the General Assembly by December 1st. Direct First Steps to adjust current year allocations if the audit determines the prior year allocations are not accurate. Fiscal Impact: First Steps states that the \$99 increase in tuition per child supports RFA's inflation factor and the additional cost of \$254,727 would be supported by current budget levels based on 2,573 children currently enrolled for SC First Steps. The \$13 increase in the transportation reimbursement would cost an additional \$3,757 and would be supported by current budget levels based on 289 children. Requested by SC First Steps for School Readiness and the Department of Education.

(SDE: Full-Day 4K) Eligible students residing in a school district that met the poverty level for participation in the prior school year are eligible to participate in the South Carolina Early Reading Development and Education Program in the current school year. Public and private providers will be reimbursed shall be funded for instructional costs at a rate of \$4,323 \$4,422 per student enrolled. Eligible students enrolling during the school year or withdrawing during the school year shall be funded on a pro rata basis determined by the length of their enrollment. Private providers transporting eligible children to and from school shall also be eligible for a reimbursement of \$550 \$563 per eligible child transported. All providers who are reimbursed are required to retain records as required by their fiscal agent. New providers participating for the first time in the current fiscal year and enrolling between one and six eligible children shall be eligible to receive up to \$1,000 per child in materials and equipment funding, with providers enrolling seven or more such children eligible for funding not to exceed \$10,000. Providers receiving equipment funding are expected to participate in the program and provide high-quality, center-based programs as defined herein for a minimum of three years. Failure to participate for three years will require the provider to return a portion of the equipment allocation at a level determined by the Department of Education and the Office of First Steps to School Readiness. Funding to providers is contingent upon receipt of data as requested by the Department of Education and the Office of First Steps. The Department of Education shall only provide funding for public school students whose complete records have been entered into PowerSchool.

The South Carolina Early Reading Development and Education Program continues to operate annually with unexpended funds at the end of the fiscal year. Therefore, for the current fiscal year, if the Department of Education or the Office of First Steps determine that carry forward funds and appropriations exist to serve additional eligible children, the Department of Education or the Office of First Steps are authorized to expand services to eligible children who reside in school districts that are contiguous to school districts that met the poverty level for participation in the prior school year. The Department of Education and Office of First Steps must report to the General Assembly by October 1 on the estimated number of children to be served.

Annually, the Department of Education is directed to audit the annual allocations to public providers to ensure that allocations are accurate and aligned to the appropriate pro rata per student allocation, materials, and equipment funding. In the event the department, during the audit process determines that the annual allocations of the prior fiscal year are not accurate, the department must adjust the allocations for the current fiscal year to account for the audit findings. The department must provide the results of the annual audit findings to the General Assembly no later than December 1. Likewise, in the event the Office of First Steps determines that the annual allocations of the prior fiscal year to private providers are not accurate, the Office of First Steps must adjust the allocations for the current fiscal year to account for the findings.

Of the funds appropriated, \$300,000 shall be allocated to the Education Oversight Committee to conduct an annual evaluation of the South Carolina Child Development Education Pilot Program and to issue findings in a report to the General Assembly by January fifteenth of each year. To aid in this evaluation, the Education Oversight Committee shall determine the data necessary and both public and private providers are required to submit the necessary data as a condition of continued participation in and funding of the program. This data shall include developmentally appropriate measures of student progress. Additionally, the Department of Education shall issue a unique student identifier for each child receiving services from a private provider. The Department of Education shall be responsible for the collection and maintenance of data on the public state funded full day and half-day four-year-old kindergarten programs. The Office of First Steps to School Readiness shall be responsible for the collection and maintenance of data on the state funded programs provided through private providers. The Education Oversight Committee shall use this data and all other collected and maintained data necessary to conduct a research based review of the program's implementation and assessment of student success in the early elementary grades.

- **1.62 AMEND** (Reading/Literacy Coaches) Provides for the allocation and use of funds appropriated for Reading/Literacy Coaches to school districts. Requires the department publish guidelines defining reading/literacy coach minimum qualifications; develop procedures to monitor the use of these funds; and requires the funds to be retained and carried forward for the same purpose and not flexed. *Note: Companion EIA proviso is 1A.61*.
  - **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso, item (A)(1) to change "proficient" to "meets expectations;" specify the reading "sub score of the English language arts" test; and delete reference to "research" test. Amend item (A)(2) to delete reference to scoring below "proficient on the reading and research test during the same period" and instead direct "as referenced in (A)(1)." Amend item (K) to update fiscal year reference to "2017-18." Requested by Department of Education.
  - **1.62.** (SDE: Reading/Literacy Coaches) (A) Funds appropriated for Reading/Literacy Coaches must be allocated to school districts by the Department of Education as follows:
  - (1) for each elementary school in which twenty percent or more of the students scored below proficient "meets expectations" on the reading <u>sub score of the English language arts</u> and research test in the most recent year for which such data are available, the school district shall be eligible to receive the lesser of either up to \$62,730 or the actual cost of salary and benefits for a full-time reading/literacy coach; and
  - (2) for each elementary school in which fewer than twenty percent of the students scored-below proficient on the reading and research test during the same period <u>as referenced in (A)(1)</u>, the school district shall be eligible to receive the lesser of either up to \$31,365 or fifty percent of the actual cost of salary and benefits for a full-time reading/literacy coach. A school district must provide local support for state funds provided under this paragraph. School districts may use existing local funds currently used for reading assistance as the local support.
  - (B) By accepting these funds, a school district warrants that they will not be used to supplant existing school district expenditures, except for districts that either are currently, or in the prior fiscal year, were paying for reading/literacy coaches with local funds. A district may, however, assign a reading/literacy coach to a primary school rather than to the elementary school to improve the early literacy skills of young children.
  - (C) Funds appropriated for reading/literacy Coaches are intended to be used to provide elementary schools with reading/literacy coaches who shall serve according to the provisions in Chapter 155 of Title 59.

- (D) Schools and districts accepting funding to support a coaching position agree that the reading/literacy coach must not serve as an administrator. If the department finds that school districts are using these funds for administrative costs as defined in statute they must withhold that districts remaining balance of funds allocated pursuant to this proviso.
- (E) The Department of Education must publish guidelines that define the minimum qualifications for a reading/literacy coach. These guidelines must deem any licensed/certified teacher qualified if, at a minimum, he or she:
- (1) holds a bachelor's degree or higher and an add-on endorsement for literacy coach or literacy specialist; or
- (2) holds a bachelor's degree or higher and is actively pursuing the literacy coach or literacy specialist endorsement; or
  - (3) holds a master's degree or higher in reading or a closely-related field.

Within these guidelines, the Department of Education must assist districts in identifying a reading/literacy coach in the event that the school is not successful in identifying and directly employing a qualified candidate. The provisions of subsection (A), including the local support requirements, shall also apply to any allocations made pursuant to this paragraph.

- (F) The Department of Education must develop procedures for monitoring the use of funds appropriated for reading/literacy coaches to ensure they are applied to their intended uses and are not redirected for other purposes. The Department of Education may receive up to \$100,000 of the funds appropriated for reading/literacy coaches in order to implement this program, provided that this allocation does not exceed the department's actual costs.
- (G) Prior to the close of the current fiscal year, any unspent or unallocated funds for reading/literacy coaches shall be used to fund Summer Reading Camps.
  - (H) The Department of Education shall require:
- (1) any school district receiving funding under subsection (A) to identify the name and qualifications of the supported reading/literacy coach; as well as the school in which the coach is assigned; and
- (2) any school district receiving funding under subsection (G) to account for the specific amounts and uses of such funds.
- (I) With the data reported by the school districts, the department shall report by January fifteenth of the current fiscal year on the hiring of and assignment of reading/literacy coaches by school. The department shall also report the amount of funds that will be used for Summer Reading Camps.
- (J) Funds appropriated for reading/literacy coaches shall be retained and carried forward to be used for the same purpose but may not be flexed.
- (K) For Fiscal Year 2016-17 2017-18, if increased funding for reading/literacy coaches is not sufficient to provide additional reading/literacy coaches at each elementary school then the funding must be targeted to the areas of greatest need based on the number of students substantially failing to demonstrate reading proficiency as indicated on the prior year's state assessment.
- **1.68 AMEND** (First Steps 4K Technology) Authorizes First Steps to spend up to \$75,000 of 4K carry forward funds to purchase electronic devices, with certain restrictions, for administering required school readiness assessments to children enrolled in the full-day 4K program in private centers. Requires First Steps to provide a report on these expenditures to the Chairmen of the Senate Finance and Ways and Means Committees by January 15, 2017.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to update report due date from January 15, "2017" to "2018." Requested by SC First Steps to School Readiness.

- **1.68.** (SDE: First Steps 4K Technology) During the current fiscal year, South Carolina Office of First Steps to School Readiness is authorized to expend up to \$75,000 from the four-year-old kindergarten carry forward funds to purchase electronic devices for the administration of required school readiness assessments to children enrolled in the full-day 4K program in private centers in the current fiscal year. The State Office of First Steps may purchase one device, which would be the property of the Office of First Steps, for every ten centers serving children in the program. The regional coordinators who provide support to the centers shall coordinate the usage of the devices among the centers. First Steps shall provide a report documenting its technology and materials expenditures to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee no later than January 15, 2017 2018.
- **1.69 AMEND** (Teacher Salary Schedule Structure) Directs the department to convene certain stakeholders to examine and make recommendations on changes to the statewide minimum state teacher salary schedule and include extending steps, the beginning teacher salary and each district's salary schedule structure in the examination. Directs that information on salary needs for each of the districts that are or were in the original trial and plaintiff school districts in the Abbeville law suit be included. Directs recommendations be provided to the Chairmen of the Senate Finance and House Ways and Means Committees.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to direct the department to provide recommendations on modifying the structure of the teacher salary schedule along with the potential fiscal impact of implementing the modifications to the Chairmen of the Senate Finance and House Ways and Means Committees by October 1, 2017. Requested by Department of Education.

- **1.69.** (SDE: Teacher Salary Schedule Structure) The Department of Education shall convene stakeholders to include: Palmetto State Teachers Association, South Carolina School Business Officials, South Carolina Association of School Administrators, South Carolina School Boards Association, South Carolina Education Association, and the Education Oversight Committee to examine and make recommendations regarding changes to the statewide minimum state teacher salary schedule to include extending the steps on the state teacher salary schedule; an examination of the beginning teacher salary; and an examination of each district's salary schedule structure. The department shall also include information from each of the districts who are, or were, the original trial and plaintiff school districts in the Abbeville law suit regarding salary needs in those districts. Recommendations shall be provided *on the modification of the teacher salary schedule structure and the potential fiscal impact on implementing the modification recommendations* to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee *by October 1, 2017*.
- **1.72 AMEND** (CDEPP Unexpended Funds) Provides for the retention and expenditure of prior year CDEPP funds by First Steps and requires a report to the Chairmen of the Senate Finance and House Ways and Means Committees on how the funds were spent. *Note: Companion EIA proviso is 1A.65*.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to update fiscal year reference to "2017-18;" delete calendar year reference on report due of April 1, "2017;" and also require the Department of Education report on how these funds were spent. Requested by SC First Steps to School Readiness and Department of Education.

**1.72.** (SDE: CDEPP Unexpended Funds) For Fiscal Year 2016-17 2017-18, the Office of First Steps to School Readiness is permitted to retain the first \$1,000,000 of any unexpended

CDEPP funds of the prior fiscal year and expend these funds to enhance the quality of the full-day 4K program in private centers and provide professional development opportunities.

By August first, the Office of First Steps is directed to allocate any additional unexpended CDEPP funds from the prior fiscal year and any CDEPP funds carried forward from prior fiscal years that were transferred to the restricted account for the following purpose: Education Oversight Committee - \$1,000,000 for the South Carolina Community Block Grants for Education Pilot Program.

If carry forward funds are less than the amounts appropriated, funding for the items listed herein shall be reduced on a pro rata basis.

If by August first, school districts eligible to receive full-day 4K funding opt to not participate in the program, the Department of Education is authorized to utilize unexpended funds to increase participation on a per pupil basis for districts eligible for participation who have a documented waiting list. The per pupil allocation and classroom grant must conform with the appropriated amount contained in this Act. Funds may also be used to provide professional development and quality evaluations of programs.

No later than April 1, 2017, the Department of Education and the Office of First Steps must report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee on the expenditure of these funds to include the following information: the amount of money used and specific steps and measures taken to enhance the quality of the 4K program and the amount of money used for professional development as well as the types of professional development offered and the number of participants.

1.74 **DELETE** (First Steps Accountability) Requires First Steps to meet federal compliance for Part C of the IDEA and to report to the Chairmen of the Senate Finance and House Ways and Means Committees and the Governor by 12/31/16 on the specific steps, timeline, and progress made in improving meeting compliance standards for indicators the office was scored on as being low performing and on whether the additional employees authorized by this act are sufficient for compliance. Authorizes First Steps to used funds appropriated for BabyNet to meet these requirements.

**SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. *Executive Order 2016-20 transferred the BabyNet lead agency status to DHHS effective July 1, 2017.* Requested by SC First Steps to School Readiness.

- 1.74. (SDE: First Steps Accountability) Based on the need for stated intervention by the US Department of Education Office of Special Education and Rehabilitative Services (OSEP) in implementing Part C of the Individuals with Disabilities Education Act (IDEA), the Office of First Steps to School Readiness must meet federal compliance for the Part C program. Additionally, the Office of First Steps to School Readiness shall report to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Governor the specific steps, timeline and progress made in improving meeting compliance standards its performance for those indicators with which the office was scored as being low performing. The report must include a statement regarding whether the additional employees authorized by this act are sufficient for compliance. The report shall also include any correspondence from the US Department of Education concerning the progress made on federal compliance with OSEP state standards. The report must be submitted no later than December 31, 2016. From the funds appropriated for BabyNet, the Office of First Steps to School Readiness may expend the funds necessary to meet the requirements of this proviso.
- **1.79 CONFORM TO FUNDING / AMEND** (Teacher Salaries Increase) Directs the department to increase the statewide salary schedule by 2%; requires a local school district board of trustees to

provide all certified teachers paid on the teacher salary schedule the 2% increase; specifies that districts are to use the prior year's district salary schedule as its base; directs school districts to use the additional funds from the Teacher Salary Supplement to provide 1% of the required 2% increase; and provides for salary increases for all eligible certified teachers entering the 23rd year if the district's salary schedule does not go beyond 22 years. Allows for a waiver from the requirements of this provision under certain conditions. *Note: Companion General Education proviso is 1A.73*.

**SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION / AMEND proviso to delete the requirement that the statewide salary schedule be increased by 2% for FY 2016-17. Amend the local directive pertaining to salary increases for all eligible certified teachers entering the 23rd year if the district's salary schedule does not go beyond 22 years to change "twenty-third" to "24th" year and change "twenty-two" to "23" years. Requested by Department of Education.

1.79. (SDE: Teacher Salaries Increase) For Fiscal Year 2016-17, the Department of Education is directed to increase the statewide salary schedule by two percent. A local school district board of trustees must provide all certified teachers paid on the teacher salary schedule a two percent salary increase. Districts are to provide this increase using the district salary schedule utilized the prior fiscal year as its base. School districts shall utilize the additional funds made available from the Education Finance Act appropriation to provide one percent of the required two percent increase.

Additionally, for <u>For</u> the current fiscal year, a local school district board of trustees must increase the salary compensation for all eligible certified teachers employed by the district by an amount equal to a step on the salary schedule for any teacher entering the twenty third <u>24th</u> year if the district's salary schedule does not go beyond twenty two <u>23</u> years. Application of this provision must be applied uniformly for all eligible certified teachers. If a school district believes it will be unable to provide the required additional step without incurring a deficit, it may apply to the State Board of Education for a waiver from this requirement.

For purposes of this provision teachers shall be defined by the Department of Education using the Professional Certified Staff (PCS) System.

**DELETE** (Facilities Tracking System and Assessment Assistance) Directs the department to issue a RFP to contract with one or more vendors to complete facilities assessments and efficiency studies reviews; provides guidelines as to what must be included, at a minimum; and directs which school districts are to be assessed and studied first. Directs that the completed assessments and studies be provided to each local school board of trustees and that the department publish them on the department's website.

**SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. *The assessments and studies are currently being conducted.* Requested by Department of Education.

1.80. (SDE: Facilities Tracking System and Assessment Assistance)—Of the funds appropriated to the department for Facilities Assessments and Efficiency Studies, the department is directed to issue a RFP to contract with one or more vendors to complete the reviews. The Facilities Assessments shall include, at a minimum: (1) facilities use and management; (2) energy management; (3) site review when needed; and (4) any technology needs and infrastructure as aligned to the district technology plan and the district technology assessment. The Efficiency Studies shall include, at a minimum: (1) overhead; (2) human resources; (3) procurement; (4) financial management; and (5) transportation and must be aligned to any diagnostic review that may be conducted in the district to avoid duplication. The Assessments and Studies shall be first conducted in school districts which are or were the Abbeville Plaintiff

District and prioritized according to the prior year poverty index and for districts that have not had an efficiency study or facility assessment completed in the last two years. The completed Assessments and Studies shall be provided to each local school board of trustees and shall inform funding decisions for facilities and potential school or district consolidation. The department shall make the Assessments and the Studies available on the department website.

- **1.83 AMEND** (Abbeville Equity Districts Comprehensive Report) Requires the department submit a comprehensive report to the General Assembly by January 1, 2017 on the current allocation of funds and services provided to the Abbeville equity districts.
  - **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to update report due date from January 1, "2017" to "2018." Requested by Department of Education.
  - **1.83.** (SDE: Abbeville Equity Districts Comprehensive Report) Of the appropriations and provision of services that are provided in the current fiscal year's budget for the Abbeville equity districts, the Department of Education must submit a comprehensive report to the General Assembly by January 1, 2018 on the current allocation of funds to the Abbeville equity districts and the provision of services to these districts.
- **1.84 AMEND** (Coding Computer Science Curriculum) Directs the department to use the funds appropriated for "Coding" to develop or secure a basic computer science course that includes coding and to recommend that introductory keyboarding and computer skills be taught in elementary and primary schools.
  - **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to direct the department to use the funds appropriated for "computer science" to develop grade appropriate computer science standards that include computational thinking and computer coding for 9th through 12th grades; to include higher education, business, and industry experts and officials in developing the standards; and to support teachers in designing interdisciplinary units and instructional practices that engage students to apply literacy, math, and computational thinking skills to solve problems. *Reflects portions of H.3427 "South Carolina Computer Science Education Initiative."* Requested by Department of Education.
  - **1.84.** (SDE: Coding Computer Science Curriculum) Of the funds appropriated to the department for coding computer science, the department shall develop or secure a basic computer science course that must include grade appropriate computer science standards that include computational thinking and computer coding for grades 9-12. Experts and officials from higher education, business and industry must be included in the development of the standards. The department shall support K-12 academic and computer science teachers in designing interdisciplinary units and instructional practices that engage students in applying literacy, math, and computational thinking skills to solve problems. The department shall recommend introductory keyboarding and computer skills be taught in elementary and primary schools.
- **1.mccc ADD** (Military Child Care Centers) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to allow First Steps to extend 4K provider eligibility to military child care settings that are regulated by the US Department of Defense. Fiscal Impact: First Steps states that the fiscal impact is estimated to be \$442,200, which is an estimated 100 additional children as well as \$50,000 in class room supplies which comes to a total of \$492,000, but that these costs can be absorbed by the program with its current funding. Requested by SC First Steps to School Readiness.

<u>1.mccc.</u> (SDE: Military Child Care Centers) During the current fiscal year, South Carolina First Steps to School Readiness may extend four-year-old kindergarten provider eligibility to military child care settings regulated by the United States Department of Defense.

**1.fsuc** ADD (First Steps 4K Underserved Communities) SUBCOMMITTEE RECOMMENDATION: ADD new proviso to direct First Step to use CDEPP funds to develop a pilot program to expand 4K enrollment in underserved communities and direct that newly created and/or approved private providers, under certain conditions, may receive up to \$30,000 in supplemental, needs-based incentives. Direct First Steps to submit an expenditure and expanded enrollment report to the Chairman of the House Ways and Means and Senate Finance Committees by March 15, 2018.

1.fsuc. (SDE: First Steps 4K Underserved Communities) Using funds appropriated for the Child Early Reading and Development Education Program, South Carolina First Steps shall develop a pilot program to expand four-year-old kindergarten enrollment within underserved communities. Newly-created and/or newly-approved private providers in communities enrolling less than 80% of eligible students in a public, private, or Head Start setting during the prior fiscal year, may receive up to \$30,000 in supplemental, needs-based incentives designed to address necessary building renovations, materials and staffing costs, and/or other obstacles currently preventing their participation in the First Steps 4K program. First Steps shall submit a report detailing its expenditures and expanded enrollment to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee by March 15, 2018.

- **1.sl ADD** (School Leadership) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct the department to use \$400,000 of Professional Development funds to contract with a non-profit leadership development provider that specializes in multiple assessments, executive coaching, and leadership development that provides school leadership progressive career path skills. Requested by SC Association of School Administrators.
  - 1.sl. (SDE: School Leadership) Of the funds appropriated to the department for Professional Development, \$400,000 shall be used to contract with a non-profit leadership development provider. The provider must specialize in multiple assessments, executive coaching, and leadership development that provides the skills necessary for a progressive career path in school leadership.
- **1.lsc CONFORM TO FUNDING / ADD** (Leadership South Carolina) **SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION /ADD new proviso to direct that Leadership South Carolina use tuition grant funds for education leadership for the S.C. teacher of the year.

1.lsc. (SDE: Leadership South Carolina) Of the funds appropriated to Leadership South Carolina tuition grant for educator leadership shall include the South Carolina teacher of the year.

#### SECTION 1A - H630 - DEPARTMENT OF EDUCATION-EIA

**1A.2 AMEND** (African-American History) Authorizes African-American curricula development funds to be carried forward and used for the same purpose. Requires at least 70% of carry forward

funds be spent in FY 2016-17 to develop additional instructional materials by non-profit organizations selected through a grant process.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to update fiscal year reference to "2017-18." Requested by Department of Education.

- **1A.2.** (SDE-EIA: African-American History) Funds provided for the development of the African-American History curricula may be carried forward into the current fiscal year. Funds that are currently a salary line item will be reallocated for the development of instructional materials and programs and the implementation of professional learning opportunities that promote African American history and culture. For Fiscal Year 2016-17 2017-18 not less than seventy percent of the funds carried forwarded must be expended for the development of additional instructional materials by nonprofit organizations selected through a grant process by the Department of Education.
- **1A.9 AMEND** (Teacher Supplies) Provides guidelines for distributing teacher supply reimbursement of up to \$275 each school year to offset the expenses teachers have incurred for teaching supplies and materials. Allows any classroom teacher, including those at a S.C. private schools that are not eligible for this reimbursement to claim a refundable income tax credit on their 2016 tax return.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to delete references to receiving "reimbursement" of \$275 and instead provide a method and timeframe to disburse the funds to eligible teachers by direct deposit or by prepaid card. Amend to update tax return references to "2017." Requested by School Districts.

1A.9. (SDE-EIA: Teacher Supplies) All certified and non-certified public school teachers identified in PCS, certified special school classroom teachers, certified media specialists, certified guidance counselors, and career specialists who are employed by a school district, a charter school, or lead teachers employed in a publically funded full day 4K classroom approved by the South Carolina First Steps to School Readiness, as of November thirtieth of the current fiscal year, based on the public decision of the school board may receive reimbursement of two hundred seventy-five dollars each school year to offset expenses incurred by them for teaching supplies and materials. Funds shall be disbursed by the department to School districts by July fifteenth based on the last reconciled Professional Certified Staff (PCS) listing from the previous year. With remaining funds for this program, any deviation in the PCS and actual teacher count will be reconciled by December thirty-first or as soon as practicable thereafter. Based on the public decision of the school district and no later than May 15 annually, the district shall notify all individuals entitled to receive these funds the manner in which the funds will be dispersed. these funds shall Funds may be disbursed to each teacher via check in a manner separate and distinct from their payroll check on the first day teachers, by contract, are required to be in attendance at school for the current contract year, or the funds may be disbursed to each teacher via direct deposit as long as the funds are handled in a manner to be separate and distinct from their payroll check. Funds may also be disbursed using a prepaid card on the first day teachers, by contract, are required to be in attendance at school for the current contract year. Upon request of the teacher, a school district must give the teacher the option of being reimbursed by a debit card. This reimbursement These funds shall not be considered by the state as taxable income. Special schools include the Governor's School for Science and Math, the 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. Funds distributed to school districts or allocated to schools must not supplant existing supply money paid to teachers from other sources. If a school district requires

receipts for tax purposes the receipts may not be required before December thirty-first. Districts that do not wish to require receipts may have teachers retain the receipts and certify for the district they have received the allocation for purchase of teaching supplies and/or materials and that they have purchased or will purchase supplies and/or materials during the fiscal year for the amount of the allocation. Districts shall not have an audit exception related to non-retention of receipts in any instances where a similar instrument is utilized. Any district requiring receipts must notify any teacher from whom receipts have not been submitted between November twenty-fifth and December sixth that receipts must be submitted to the district. Districts may not add any additional requirement not listed herein related to this reimbursement these funds.

Any classroom teacher, including a classroom teacher at a South Carolina private school, that is not eligible for the reimbursement <u>funds</u> allowed by this provision, may claim a refundable income tax credit on the teacher's <u>2016 2017</u> tax return, provided that the return or any amended return claiming the credit is filed prior to the end of the fiscal year. The credit is equal to two hundred seventy-five dollars, or the amount the teacher expends on teacher supplies and materials, whichever is less. If any expenditures eligible for a credit are made after December thirty-first, the teacher may include the expenditures on his initial return or may file an amended <u>2016 2017</u> return claiming the credit, so long as the return or amended return is filed in this fiscal year. The Department of Revenue may require whatever proof it deems necessary to implement the credit provided by this part of this provision. Any person receiving the reimbursement <u>funds</u> provided by this proviso is ineligible to take the income tax credit allowed by this proviso.

**1A.14 CONFORM TO FUNDING / AMEND** (School Districts and Special Schools Flexibility) Grants maximum transferability and expenditure of appropriated State funds for operations of school districts and special schools within certain guidelines; prohibits school districts from transferring specific funds allocated for certain purposes; and suspends specific requirements and assessments. *Note: Companion General Education proviso is 1.26.* 

**SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION / AMEND proviso to delete the suspension of formative assessments for grades one, two, and nine. *Funding has been requested for formative assessments*. Requested by Education Oversight Committee.

**1A.14.** (SDE-EIA: School Districts and Special Schools Flexibility) All school districts and special schools of this State may transfer and expend funds among appropriated state general fund revenues, Education Improvement Act funds, Education Lottery Act funds, and funds received from the Children's Education Endowment Fund for school facilities and fixed equipment assistance, to ensure the delivery of academic and arts instruction to students. However, a school district may not transfer funds allocated specifically for state level maintenance of effort requirements under IDEA, funds allocated specifically for state level maintenance of effort requirement for federal program, funds provided for the Education and Economic Development Act, funds provided for Career and Technology Education, nor required for debt service or bonded indebtedness. All school districts and special schools of this State may suspend professional staffing ratios and expenditure regulations and guidelines at the subfunction and service area level, except for four-year old programs and programs serving students with disabilities who have Individualized Education Programs.

In order for a school district to take advantage of the flexibility provisions, at least seventy-five percent of the school district's per pupil expenditures must be utilized within the In\$ite categories of instruction, instructional support, and only transportation, food service, and safety within non-instruction pupil services. No portion of the seventy-five percent may be used for facilities, business services, debt service, capital outlay, program management, and leadership services, as defined by In\$ite. The school district shall report to the Department of Education the

actual percentage of its per pupil expenditures used for classroom instruction, instructional support, and transportation, food service, and safety within non-instruction pupil services for the current school year ending June thirtieth. Salaries of on-site principals must be included in the calculation of the district's per pupil expenditures.

"In\$ite" means the financial analysis model for education programs utilized by the Department of Education.

School districts are encouraged to reduce expenditures by means, including, but not limited to, limiting the number of low enrollment courses, reducing travel for the staff and the school district's board, reducing and limiting activities requiring dues and memberships, reducing transportation costs for extracurricular and academic competitions, restructuring administrative staffing, and expanding virtual instruction.

School districts and special schools may carry forward unexpended funds from the prior fiscal year into the current fiscal year.

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.

Quarterly throughout the current fiscal year, the chairman of each school district's board and the superintendent of each school district must certify where non-instructional or nonessential programs have been suspended and the specific flexibility actions taken. The certification must be in writing, signed by the chairman and the superintendent, delivered electronically to the State Superintendent of Education, and an electronic copy forwarded to the Chairman of the Senate Finance Committee, the Chairman of the Senate Education Committee, the Chairman of the House Ways and Means Committee, and the Chairman of the House Education and Public Works Committee. Additionally, the certification must be presented publicly at a regularly called school board meeting, and the certification must be conspicuously posted on the internet website maintained by the school district.

For the current fiscal year, Section 59-21-1030 is suspended. Formative assessments for grades one, two, and nine, the *The* foreign language program assessment, and the physical education assessment must be suspended. School districts and the Department of Education are granted permission to purchase the most economical type of bus fuel.

For the current fiscal year, savings generated from the suspension of the assessments enumerated above must be allocated to school districts based on weighted pupil units.

School districts must maintain a transaction register that includes a complete record of all funds expended over one hundred dollars, from whatever source, for whatever purpose. The register must be prominently posted on the district's internet website and made available for public viewing and downloading. The register must include for each expenditure:

- (i) the transaction amount:
- (ii) the name of the payee; and
- (iii) a statement providing a detailed description of the expenditure.

The register must not include an entry for salary, wages, or other compensation paid to individual employees. The register must not include any information that can be used to identify an individual employee. The register must be accompanied by a complete explanation of any codes or acronyms used to identify a payee or an expenditure. The register must be searchable and updated at least once a month.

Each school district must also maintain on its internet website a copy of each monthly statement for all of the credit cards maintained by the entity, including credit cards issued to its officers or employees for official use. The credit card number on each statement must be redacted prior to posting on the internet website. Each credit card statement must be posted not later than the thirtieth day after the first date that any portion of the balance due as shown on the statement is paid.

The Comptroller General must establish and maintain a website to contain the information required by this section from a school district that does not maintain its own internet website. The internet website must be organized so that the public can differentiate between the school districts and search for the information they are seeking.

School districts that do not maintain an internet website must transmit all information required by this provision to the Comptroller General in a manner and at a time determined by the Comptroller General to be included on the internet website.

The provisions contained herein do not amend, suspend, supersede, replace, revoke, restrict, or otherwise affect Chapter 4, Title 30, the South Carolina Freedom of Information Act. Nothing in this proviso shall be interpreted as prohibiting the State Board of Education to exercise its authority to grant waivers under Regulation 43-261.

**1A.17 AMEND** (Assessment) Authorizes assessment funds to be carried forward to pay for state assessment activities and directs that PSAT pre-ACT or 10<sup>th</sup> grade Aspire reimbursements shall resume in the current fiscal year.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to delete the requirement that reimbursements resume in the current fiscal year and instead direct the department to contract with the test publishers for administration of PSAT, pre-ACT or 10th grade Aspire as required in Section 59-18-340 [PSAT OR PLAN TESTS OF TENTH GRADE STUDENTS; AVAILABILITY; USE OF RESULTS]. The department states that ACT, Inc. will not provide the agency with student scores for the pre-ACT unless there is a contract between the agency and ACT, Inc. and the agency pays ACT, Inc. directly. The requested amendment is to contract for the three assessments rather than reimbursing districts. Requested by Department of Education.

- **1A.17.** (SDE-EIA: Assessment) The department is authorized to carry forward into the current fiscal year, prior year state assessment funds for the same purpose. Reimbursements shall resume in the current fiscal year for *The Department of Education shall contract with the test publishers for the administration of PSAT*, pre-ACT or 10th grade Aspire <u>required in Section</u> 59-18-340 of the 1976 Code.
- **1A.26 AMEND** (Assessments-Gifted & Talented, Advanced Placement, & International Baccalaureate Exams) Directs that up to \$5,400,000 of assessment funds be used for assessments to determine gifted and talented programs eligibility and for the cost of AP and IB exams.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to delete "up to \$5,400,000." Assessment costs increase each year due to an increase in testing costs and in student participation. Fiscal Impact: The department state the fiscal impact for 2017-18 is estimated at \$560,000. However, costs will increase each year as individual student testing costs and enrollment increases. Requested by Department of Education.

- **1A.26.** (SDE-EIA: Assessments-Gifted & Talented, Advanced Placement, & International Baccalaureate Exams) Of the funds <u>Funds</u> appropriated and/or authorized for assessment, up to \$5,400,000 shall be used for assessments to determine eligibility of students for gifted and talented programs and for the cost of Advanced Placement and International Baccalaureate exams.
- **1A.29 DELETE** (Incentive for National Board Certification After June 30, 2010) States the parameters for individuals who complete the application process after 6/30/10 for the National Board Certification Program including the salary supplement, the administration of applications, and administration fees.

**SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. *See new proviso 1A.nb.* 

1A.29. (SDE-EIA: Incentive for National Board Certification After June 30, 2010) Public school classroom teachers to include teachers employed at the special schools or classroom teachers who work with classroom teachers to include teachers employed at the special schools who are certified by the State Board of Education and who complete the application process on or after July 1, 2010 shall be paid a \$5,000 salary supplement in the year of achieving certification. 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 \$5,000 salary supplement shall be added to the annual pay of the teacher, not to exceed ten years of the national certificate. However, the \$5,000 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 administer whereby teachers who are United States citizens or permanent resident aliens apply to the National Board for Professional Teaching Standards for certification on or after July 1, 2010. Should the program not be suspended, up to nine hundred applications shall be processed annually. Of the funds appropriated in Part IA, Section 1, VIII.C.2. for National Board Certification, the Department of Education shall transfer to the Center for Educator Recruitment, Retention, and Advancement (CERRA South Carolina) the funds necessary for the administration of teachers applying to the National Board for Professional Teaching Standards for certification.

**1A.30 AMEND** (Full-Day 4K) Provides guidelines for participation in and funding for the CDEPP program. *Note: Companion General Education proviso is 1.58.* 

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct that public and private providers "shall be funded" rather than "will be reimbursed" and change the rate from "\$4,323" to "\$4,422" and change the private providers transportation reimbursement from "\$550" to "\$563." Direct that the department only provide funds for public school students whose complete records have been entered into PowerSchool. Authorize the department and First Steps to expand services to additional eligible students who reside in districts that meet certain qualifications if the department or First Steps determine that sufficient carry forward funds and appropriations exist and direct the department and First Steps report to the General Assembly by October 1st on the number of estimated children to be served. Direct the department to annually audit the allocations to public providers to ensure allocations are accurate and properly aligned and to adjust current year allocations if the audit determines the prior year allocations are not accurate. Direct the department to provide audit findings to the General Assembly by December 1st. Direct First Steps to adjust current year allocations if the audit determines the prior year allocations are not accurate. Fiscal Impact: First Steps states that the \$99 increase in tuition per child supports RFA's inflation factor and the additional cost of \$254,727 would be supported by current budget levels based on 2,573 children currently enrolled for SC First Steps. The \$13 increase in the transportation reimbursement would cost an additional \$3,757 and would be supported by current budget levels based on 289 children. Requested by SC First Steps for School Readiness and the Department of Education.

**1A.30.** (SDE-EIA: Full-Day 4K) Eligible students residing in a school district that met the poverty level for participation in the prior school year are eligible to participate in the South Carolina Early Reading Development and Education Program in the current school year. Public and private providers will be reimbursed shall be funded for instructional costs at a rate of \$4,323 \$4,422 per student enrolled. Eligible students enrolling during the school year or withdrawing during the school year shall be funded on a pro rata basis determined by the length of their enrollment. Private providers transporting eligible children to and from school shall also be

eligible for a reimbursement of \$550 \$563 per eligible child transported. All providers who are reimbursed are required to retain records as required by their fiscal agent. New providers participating for the first time in the current fiscal year and enrolling between one and six eligible children shall be eligible to receive up to \$1,000 per child in materials and equipment funding, with providers enrolling seven or more such children eligible for funding not to exceed \$10,000. Providers receiving equipment funding are expected to participate in the program and provide high-quality, center-based programs as defined herein for a minimum of three years. Failure to participate for three years will require the provider to return a portion of the equipment allocation at a level determined by the Department of Education and the Office of First Steps to School Readiness. Funding to providers is contingent upon receipt of data as requested by the Department of Education and the Office of First Steps. *The Department of Education shall only provide funding for public school students whose complete records have been entered into PowerSchool*.

The South Carolina Early Reading Development and Education Program continues to operate annually with unexpended funds at the end of the fiscal year. Therefore, for the current fiscal year, if the Department of Education or the Office of First Steps determine that carry forward funds and appropriations exist to serve additional eligible children, the Department of Education or the Office of First Steps are authorized to expand services to eligible children who reside in school districts that are contiguous to school districts that met the poverty level for participation in the prior school year. The Department of Education and Office of First Steps must report to the General Assembly by October 1 on the estimated number of children to be served.

Annually, the Department of Education is directed to audit the annual allocations to public providers to ensure that allocations are accurate and aligned to the appropriate pro rata per student allocation, materials, and equipment funding. In the event the department, during the audit process determines that the annual allocations of the prior fiscal year are not accurate, the department must adjust the allocations for the current fiscal year to account for the audit findings. The department must provide the results of the annual audit findings to the General Assembly no later than December 1. Likewise, in the event the Office of First Steps determines that the annual allocations of the prior fiscal year to private providers are not accurate, the Office of First Steps must adjust the allocations for the current fiscal year to account for the findings.

Of the funds appropriated, \$300,000 shall be allocated to the Education Oversight Committee to conduct an annual evaluation of the South Carolina Child Development Education Pilot Program and to issue findings in a report to the General Assembly by January fifteenth of each year. To aid in this evaluation, the Education Oversight Committee shall determine the data necessary and both public and private providers are required to submit the necessary data as a condition of continued participation in and funding of the program. This data shall include developmentally appropriate measures of student progress. Additionally, the Department of Education shall issue a unique student identifier for each child receiving services from a private provider. The Department of Education shall be responsible for the collection and maintenance of data on the public state funded full day and half-day four-year-old kindergarten programs. The Office of First Steps to School Readiness shall be responsible for the collection and maintenance of data on the state funded programs provided through private providers. The Education Oversight Committee shall use this data and all other collected and maintained data necessary to conduct a research based review of the program's implementation and assessment of student success in the early elementary grades.

**1A.33 AMEND** (IDEA Maintenance of Effort) Provides for the use of Aid to Districts to supplement support of programs and services for students with disabilities; to meet the estimated maintenance

of effort for IDEA; or to resolve pending IDEA maintenance of effort litigation. Directs that IDEA maintenance of effort funds may not be transferred for any other purpose and are not subject to flexibility. Requires the department submit an estimate of the IDEA MOE requirement to the General Assembly and the Governor by December, 2016. Authorizes IDEA Maintenance Effort funds to be carried forward and used for the same purpose.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to delete previous directive on the use of funds to meet IDEA maintenance of effort and that these funds are not subject to flexibility and instead authorize the department, if state funds are reduced or changes in the EFA Base Student Cost would reduce support for children with disabilities, to use Aid to District funds in Section VIII.A.1. to ensure maintenance of state financial support for the IDEA. Amend distribution of these funds to delete the requirement that they be distributed as directed "in any litigation settlement agreement" and instead by distributed as directed "by the United States Department of Education. Change references to maintenance of "effort" to "state financial support." Delete specific reference to "2016." Requested by Department of Education.

1A.33. (SDE-EIA: IDEA Maintenance of Effort) Prior to the dispersal of funds appropriated in Section VIII.A.1. Aid to Districts according to Proviso 1A.31 for the current fiscal year, the department shall direct funds appropriated in Section VIII.A.1. Aid To Districts to school districts and special schools for supplemental support of programs and services for students with disabilities, to meet the estimated maintenance of effort for IDEA or to resolve pending litigation concerning the IDEA maintenance of effort. Funds provided for these purposes may not be transferred to any other purpose and therefore are not subject to flexibility. In the event that there is a reduction in state funds or there are changes in the Education Finance Act/Base Student Cost formula that would reduce support for children with disabilities, the Department of Education is authorized to utilize funds appropriated in Section VIII.A.1. Aid to Districts to ensure maintenance of state financial support for the IDEA. The department shall distribute these funds using the current fiscal year one hundred thirty-five day Average Daily Membership or as directed in any litigation settlement agreement by the United Stated Department of Education. For continued compliance with the federal maintenance of efforts state financial support requirements of the IDEA, funding for children with disabilities must, to the extent practicable, be held harmless to budget cuts or reductions to the extent those funds are required to meet federal maintenance of effort state financial support requirements under the IDEA. In the event cuts to funds that are needed to maintain fiscal effort are necessary, when administering such cuts, the department must not reduce funding to support children with disabilities who qualify for services under the IDEA in a manner that is disproportionate to the level of overall reduction to state programs in general. By December 1, 2016 1st, the department must submit an estimate of the IDEA MOE maintenance of state financial support requirement to the General Assembly and the Governor. For the current fiscal year, the department may carry forward IDEA Maintenance of Effort funds from the prior fiscal year and expend them in the same manner.

**1A.37 AMEND** (Teacher Salaries/SE Average) States the projected Southeastern average teacher salary for FY 2016-17 is \$51,495. Requires a local district board of trustees to provide a step increase for all eligible certified teachers. Directs the department to continue to use the FY 2012-13 statewide minimum teacher salary schedule in FY 2016-17 and to increase the schedule by 2%

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to change "\$51,495" to \$51,966;" change "2012-13" to "2016-17;" change "2016-17" to "2017-18;" and delete the requirement that the schedule be increased by 2%.

**1A.37.** (SDE-EIA: 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 Revenue and Fiscal Affairs Office. For the current school year the Southeastern average teacher salary is projected to be \$51,495 \( \frac{\$51,966}{} \). 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.

The statewide minimum teacher salary schedule used in Fiscal Year 2012-13 2016-17 will continue to be used in Fiscal Year 2016-17 2017-18 and be increased by two percent.

Additionally, for the current fiscal year, a local school district board of trustees must increase the salary compensation for all eligible certified teachers employed by the district by no less than one year of experience credit using the district salary schedule utilized the prior fiscal year as the basis for providing the step. Application of this provision must be applied uniformly for all eligible certified teachers.

Funds appropriated in Part IA, Section 1, VIII.C.2. for Teacher Salaries must be used to increase salaries of those teachers eligible pursuant to Section 59-20-50(4)(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.

For purposes of this provision teachers shall be defined by the Department of Education using the Professional Certified Staff (PCS) System.

**1A.40 DELETE**(National Board Certification Incentive) Provides for the National Board Certification Incentive for teachers certified by the National Board or who completed the application process prior to July 1, 2010.

**SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. See new proviso 1A.nb.

**1A.40.** (SDE-EIA: National Board Certification Incentive) Public school classroom teachers to include teachers employed at the special schools or classroom teachers who work with classroom teachers to include teachers employed at the special schools who are certified by the State Board of Education and who have been certified by the National Board for Professional Teaching Standards or completed the application process prior to July 1, 2010 shall be paid a \$7,500 salary supplement beginning July first in the year following the year of achieving certification, beginning with 2009 applicants. 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 administer the programs whereby teachers who are United States citizens or permanent resident aliens, and who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010, may receive a loan equal to the amount of the application fee. Teachers who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010 shall have onehalf of the loan principal amount and interest forgiven when the required portfolio is submitted to the national board. Teachers who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010 who attain 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. Funds collected from educators who are in default of the National Board loan shall be retained and carried forward by the department. The department may retain up to ten percent of the funds collected to offset the administrative costs of loan collection. All other funds shall be retained by the department and used for National Board loan purposes. Of the funds appropriated in Part IA, Section 1, VIII.C.2. for National Board Certification, the 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 for teachers who applied to the National Board for Professional Teaching Standards for certification prior to July 1, 2010. In addition, teachers who have applied prior to July 1, 2010 and 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 who have been certified by the National Board for Professional Teaching Standards or completed the application process prior to July 1, 2010 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 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.

**1A.50 CONFORM TO FUNDING / AMEND** (Surplus) Requires EIA funds carried forward from the prior fiscal year that are not appropriated or authorized to be carried forward and spent for specified purposes and directs that any additional funds carried forward and not otherwise appropriated or authorized to be used for Instructional Materials.. Allows the funding items to be reduced pro rata if there are not sufficient monies to fund the items.

**SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION / AMEND proviso to update fiscal year reference to "2017-18" and delete funding of all items except for "EOC - Partnerships for Innovation - \$3,200,000."

- **1A.50.** (SDE-EIA: Surplus) For Fiscal Year 2016-17 2017-18, EIA surplus funds from the prior fiscal year and not otherwise appropriated or authorized must be carried forward and expended on the following items item:
  - 1. EOC Partnerships for Innovation \$3,200,000;
  - 2. Allendale County School District \$150,000;
  - 3. Modernize Vocational Equipment \$1,501,307;
  - 4. Industry Certification \$3,000,000;
  - 5. Adult Education \$1,000,000;
  - 6. Power Schools/Data Collection \$1,952,000;
  - 7. IT Academy \$750,000;
  - 8. Instructional Development and Digital Content Curation \$393,443; and
- 9. EOC Customized STEM labs for grades 6-8 located in school districts that are a trial or plaintiff district in the Abbeville equity lawsuit \$200,000.

Any additional funds carried forward and not otherwise appropriated or authorized may be used for Instructional Materials.

If excess EIA revenues are less than the amounts appropriated, funding for the items listed herein shall be reduced on a pro rata basis.

**1A.52 AMEND** (South Carolina Public Charter School District Funding) Provides for the allocation of S.C. Public Charter School District funds for virtual and brick and mortar charter schools. Provides a timeline extension for ruling on charter school applications and requires the Public Charter School District provide an outcomes report on the extended time frame to the Senate Finance Committee.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to update fiscal year reference to "2017-18." Requested by Department of Education.

1A.52. (SDE-EIA: South Carolina Public Charter School District Funding) The funds appropriated in Part IA, Section VIII.G. - South Carolina Public Charter School District must be allocated in the following manner to students at charter schools within the South Carolina Public Charter School District: Pupils enrolled in virtual charter schools sponsored by the South Carolina Public Charter School District shall receive \$1,900 per weighted pupil and pupils enrolled in brick and mortar charter schools sponsored by the South Carolina Public Charter School District shall receive \$3,600 per weighted pupil. Any unexpended funds, not to exceed ten percent of the prior year appropriation, must be carried forward from the prior fiscal year and expended for the same purpose. Any unexpended funds exceeding ten percent of the prior year appropriation must be transferred to the Charter School Facility Revolving Loan Program established in Section 59-40-175. For Fiscal Year 2016-17 2017-18, the timelines set forth for ruling on charter school applications are extended for sixty calendar days for all applications submitted to the South Carolina Public Charter School District if the district determines that an applicant should be permitted to amend its application to meet the requirements of Section 59-40-60 and Section 59-40-70, of the 1976 Code, based on an applicant's proposal to address an existing achievement gap utilizing an evidence-based educational program in an underserved geographical area of the state including, but not limited to, charter schools proposed to be located in any school district that is a plaintiff in the Abbeville law suit. The South Carolina Public Charter School District shall report to the Senate Finance Committee and the House Ways and Means Committee on the outcomes of this extended time for a hearing at the end of the application cycle.

**1A.56 DELETE** (BabyNet Early Intervention Autism Therapy) Requires the \$814,348 appropriated to First Steps for BabyNet Autism Therapy be used only to increase the BabyNet autism therapy provider hourly rate to \$13.58 or the current Medicaid rate, whichever is higher, and the individual hourly pay of line therapists to a minimum of \$10.00. Requires First Steps send a quarterly compliance report to the Chairmen of the Senate Finance and House Ways and Means Committees and directs that the report include information on the expenditure of state funds as well as receipt and expenditure of Federal Medicaid funds associated with the program.

**SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. *Executive Order 2016-20 transferred the BabyNet lead agency status to HHS.* 

1A.56. (SDE-EIA: BabyNet Early Intervention Autism Therapy) The \$814,348 in funds appropriated in this act to the Office of First Steps to School Readiness for BabyNet Autism Therapy must be used only to increase the BabyNet autism therapy provider hourly rate and the individual hourly pay of line therapists during the current fiscal year. The Office of First Steps must consult with the Department of Disabilities and Special Needs regarding the implementation of these increases. The Office of First Steps must ensure that, prior to payment, these line therapists meet all current state requirements. It is the intent of the General Assembly that these monies be used solely for the purpose of increasing the BabyNet autism therapy provider rate to \$13.58 per hour or the current Medicaid rate, whichever is higher, and the hourly pay to individual line therapists being increased to a minimum of \$10.00 per hour. Quarterly, the Office

of First Steps must send a letter to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee reporting on their compliance with the requirements of this proviso. The report must include information regarding the expenditure of state funds as well as the receipt and expenditure of Federal Medicaid funds associated with the program.

- **1A.61 AMEND** (Reading/Literacy Coaches) Provides for the allocation and use of funds appropriated for Reading/Literacy Coaches to school districts. Requires the department publish guidelines defining reading/literacy coach minimum qualifications; develop procedures to monitor the use of these funds; and requires the funds to be retained and carried forward for the same purpose and not flexed. *Note: Companion General Education proviso is 1.62*.
  - **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso, item (A)(1) to change "proficient" to "meets expectations;" specify the reading "sub score of the English language arts" test; and delete reference to "research" test. Amend item (A)(2) to delete reference to scoring below "proficient on the reading and research test during the same period" and instead direct "as referenced in (A)(1)." Amend item (K) to update fiscal year reference to "2017-18." Requested by Department of Education.
  - **1A.61.** (SDE-EIA: Reading/Literacy Coaches) (A) Funds appropriated for Reading/Literacy Coaches must be allocated to school districts by the Department of Education as follows:
  - (1) for each elementary school in which twenty percent or more of the students scored below proficient "meets expectations" on the reading <u>sub score of the English language arts</u> and research test in the most recent year for which such data are available, the school district shall be eligible to receive the lesser of either up to \$62,730 or the actual cost of salary and benefits for a full-time reading/literacy coach; and
  - (2) for each elementary school in which fewer than twenty percent of the students scored below proficient on the reading and research test during the same period <u>as referenced in</u> (A)(1), the school district shall be eligible to receive the lesser of either up to \$31,365 or fifty percent of the actual cost of salary and benefits for a full-time reading/literacy coach. A school district must provide local support for state funds provided under this paragraph. School districts may use existing local funds currently used for reading assistance as the local support.
  - (B) By accepting these funds, a school district warrants that they will not be used to supplant existing school district expenditures, except for districts that either are currently, or in the prior fiscal year, were paying for reading/literacy coaches with local funds. A district may, however, assign a reading/literacy coach to a primary school rather than to the elementary school to improve the early literacy skills of young children.
  - (C) Funds appropriated for reading/literacy Coaches are intended to be used to provide elementary schools with reading/literacy coaches who shall serve according to the provisions in Chapter 155 of Title 59.
  - (D) Schools and districts accepting funding to support a coaching position agree that the reading/literacy coach must not serve as an administrator. If the department finds that school districts are using these funds for administrative costs as defined in statute they must withhold that districts remaining balance of funds allocated pursuant to this proviso.
  - (E) The Department of Education must publish guidelines that define the minimum qualifications for a reading/literacy coach. These guidelines must deem any licensed/certified teacher qualified if, at a minimum, he or she:
  - (1) holds a bachelor's degree or higher and an add-on endorsement for literacy coach or literacy specialist; or

- (2) holds a bachelor's degree or higher and is actively pursuing the literacy coach or literacy specialist endorsement; or
  - (3) holds a master's degree or higher in reading or a closely-related field.

Within these guidelines, the Department of Education must assist districts in identifying a reading/literacy coach in the event that the school is not successful in identifying and directly employing a qualified candidate. The provisions of subsection (A), including the local support requirements, shall also apply to any allocations made pursuant to this paragraph.

- (F) The Department of Education must develop procedures for monitoring the use of funds appropriated for reading/literacy coaches to ensure they are applied to their intended uses and are not redirected for other purposes. The Department of Education may receive up to \$100,000 of the funds appropriated for reading/literacy coaches in order to implement this program, provided that this allocation does not exceed the department's actual costs.
- (G) Prior to the close of the current fiscal year, any unspent or unallocated funds for reading/literacy coaches shall be used to fund Summer Reading Camps.
  - (H) The Department of Education shall require:
- (1) any school district receiving funding under subsection (A) to identify the name and qualifications of the supported reading/literacy coach; as well as the school in which the coach is assigned; and
- (2) any school district receiving funding under subsection (G) to account for the specific amounts and uses of such funds.
- (I) With the data reported by the school districts, the department shall report by January fifteenth of the current fiscal year on the hiring of and assignment of reading/literacy coaches by school. The department shall also report the amount of funds that will be used for Summer Reading Camps.
- (J) Funds appropriated for reading/literacy coaches shall be retained and carried forward to be used for the same purpose but may not be flexed.
- (K) For Fiscal Year 2016 17 2017-18, if increased funding for reading/literacy coaches is not sufficient to provide additional reading/literacy coaches at each elementary school then the funding must be targeted to the areas of greatest need based on the number of students substantially failing to demonstrate reading proficiency as indicated on the prior year's state assessment.
- **1A.63 AMEND** (4K Early Literacy Competencies Assessments) Provides for the use of full-day 4K program carry forward funds to procure and administer pre-kindergarten and kindergarten readiness assessments.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to specify that "up to \$2,000,000" of 4K half-day program and assessment carry forward funds be used to administer the "Kindergarten Readiness Assessment (KRA)" rather than that "\$2,000,000" of those funds being used to administer Developmental Reading Assessment(®) 2nd Edition Plus" to each child entering kindergarten in public schools. Delete the requirement that the assessment also be administered once during the last forty-five days of the school year. Delete the authorization for the department to pilot other more comprehensive readiness assessments. Require the department collect certain data from schools and school districts on each student's prior early learning experience if they are assessed with the KRA. Requested by Department of Education and Education Oversight Committee.

**1A.63.** (SDE-EIA: 4K Early Literacy Competencies Assessments) Of the funds carried forward from the full-day 4K program from the previous fiscal year, the Department of Education is authorized to expend up to \$800,000 on assessments and professional development to analyze the early literacy competencies of children in publicly funded prekindergarten. The department

shall manage the administration of assessments that analyze the early literacy and language development of children in publicly funded prekindergarten as done in the prior fiscal year. Each school district and private provider participating in a publicly funded prekindergarten program will administer one of the formative assessments selected by the department to each child eligible for and enrolled in a publicly funded prekindergarten program during the first forty-five days of the school year and during the last forty-five days of the school year. Accommodations that do not invalidate the results of these assessments must be provided in the manner set forth by the student's Individualized Education Program or 504 Accommodations Plan. The department will provide the assessment data to the Education Oversight Committee. The results of the assessment and the developmental intervention strategies recommended or services needed to address the child's identified needs must also be provided, in writing, to the parent or guardian. The assessment may not be used to deny a student to admission to prekindergarten.

Furthermore, up to \$2,000,000 of the funds appropriated for half-day programs for four-yearolds and funds carried forward from assessment must be expended by the Department of Education to administer the Developmental Reading Assessment® 2nd Edition PLUS to implement the progress monitoring system required by the Read to Succeed Act of 2014 and to evaluate the early literacy and language competencies of Kindergarten Readiness Assessment (KRA) to each child entering kindergarten in the public schools. The assessment of kindergarten students must be administered at a minimum of once during the first forty-five days of the school year and once during the last forty five days of the school year with the results collected by the department. The results of the assessments and the developmental intervention strategies recommended or services needed to address each child's identified needs must also be provided. in writing, to the parent or guardian. The assessment may not be used to deny a student admission to kindergarten. Accommodations that do not invalidate the results of these assessments must be provided in the manner set forth by the student's Individualized Education Program or 504 Accommodations Plan. Districts are given the option of designating up to two days of the one hundred eighty day school calendar to administer the assessment to kindergarten students. The department will also provide the results of the assessment of kindergarten students to the Education Oversight Committee. With available funds, the department will also provide or secure training for appropriate educators in how to administer the assessment. In addition the department may pilot in kindergarten classes one or more comprehensive readiness assessments that address the other domains in numeracy, approaches to learning, social and emotional development, and physical well-being in the current school year.

For all students assessed with the Kindergarten Readiness Assessment (KRA), the Department of Education is required to collect data from schools and school districts on the prior early learning experience of each student. The data would include whether the kindergartener had attended in the prior school year a Head Start program, a South Carolina Early Reading Development and Education Program in a public school or a private center, a half-day 4K program in a public school, a child care center (registered faith-based, registered family home, group home, or exempt provider) or informal child care.

**1A.65 AMEND** (CDEPP Unexpended Funds) Provides for the retention and expenditure of prior year CDEPP funds by First Steps and requires a report to the Chairmen of the Senate Finance and House Ways and Means Committees on how the funds were spent. *Note: Companion General Education proviso is 1.72.* 

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to update fiscal year reference to "2017-18;" delete calendar year reference on report due of April 1, "2017;" and also require the Department of Education report on how these funds were spent. Requested by SC First Steps to School Readiness and Department of Education.

**1A.65.** (SDE-EIA: CDEPP Unexpended Funds) For Fiscal Year 2016-17 2017-18, the Office of First Steps to School Readiness is permitted to retain the first \$1,000,000 of any unexpended CDEPP funds of the prior fiscal year and expend these funds to enhance the quality of the full-day 4K program in private centers and provide professional development opportunities.

By August first, the Office of First Steps is directed to allocate any additional unexpended CDEPP funds from the prior fiscal year and any CDEPP funds carried forward from prior fiscal years that were transferred to the restricted account for the following purpose: Education Oversight Committee - \$1,000,000 for the South Carolina Community Block Grants for Education Pilot Program.

If carry forward funds are less than the amounts appropriated, funding for the items listed herein shall be reduced on a pro rata basis.

If by August first, school districts eligible to receive full-day 4K funding opt to not participate in the program, the Department of Education is authorized to utilize unexpended funds to increase participation on a per pupil basis for districts eligible for participation who have a documented waiting list. The per pupil allocation and classroom grant must conform with the appropriated amount contained in this Act. Funds may also be used to provide professional development and quality evaluations of programs.

No later than April 1, 2017, the Department of Education and the Office of First Steps must report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee on the expenditure of these funds to include the following information: the amount of money used and specific steps and measures taken to enhance the quality of the 4K program and the amount of money used for professional development as well as the types of professional development offered and the number of participants.

1A.67 CONFORM TO FUNDING / AMEND (Industry Certifications/Credentials) Directs that Industry Certification/Credentials funds be allocated to school districts based on the number of national industry exams administered in the prior school year. Directs the department to work with the Department of Commerce and DEW, state and local chambers of commerce and economic development offices, and the Tech board to ensure students are aware of industry required credentials for current job availability.

**SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION / AMEND proviso to specify that "\$3,000,000" of Industry Certifications/Credentials funds be allocated to school districts based on the number of national industry exams administered in the prior school year with each district receiving a \$10,000 base amount. Direct that any additional funds be allocated based on the number of national industry exams/credentials earned in the prior school year. Require districts use these funds to pay for the cost of the industry exams or to support students in preparing for the exams. Fiscal Impact: EOC requested an additional \$1,000,000 in funding for this purpose. Requested by Education Oversight Committee.

**1A.67.** (SDE-EIA: Industry Certifications/Credentials) The Of the funds appropriated for Industry Certifications/Credentials, \$3,000,000 must be allocated to school districts based upon the number of national industry exams administered in the prior school year with each district receiving a base amount of \$10,000. The department will identify the national industry exams that will be funded based upon the job availability in the state. School districts may carry forward funds from the prior fiscal year into the current fiscal year and expend the funds for the cost of national industry exams. The department shall work with the Department of Commerce, the Department of Employment and Workforce, state and local chambers of commerce and economic development offices and the Tech Board to ensure that students are aware of the industry required

credentials for current job availability in the state organized by region. <u>Any additional funds appropriated must be allocated to school districts based upon the number of national industry exams/credentials earned in the prior school year, and districts must expend these funds to pay for the cost of industry exams or to support students in preparing for the exams in the current fiscal year.</u>

**1A.68 AMEND** (Career and Technical Equipment Funding) Provides for the distribution and use of Modernize Career and Technical Equipment funds to school districts and multi-district career centers. Requires the district plan contain certain information on other available career and technical equipment and to include charter schools offering at least one career and technical education completer program. Authorizes school districts and career centers to carry forward these funds for the same purpose.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to direct that \$125,000 of the funds be allocated to the Palmetto Partners for Science and Technology for robotics competition, curriculum, and support. Requested by Education Oversight Committee.

**1A.68.** (SDE-EIA: Career and Technical Equipment Funding) Funds appropriated for Modernize Career and Technical Equipment will be distributed to school districts and multidistrict career centers based on the prior year actual student enrollment for career and technology education courses, with no district or multi-district career center receiving less than \$50,000. Funds may be expended for the purchase of career and technical equipment, the up fitting of facilities and the purchase of consumables. Each district must include in the district plan submitted to the Office of Career and Technology Education information on other career and technical equipment available. The district must include, at a minimum, equipment located at the career center and at the technical college, information on the alignment of equipment to current industry jobs and needs in the state as recommended by career and technical program advisory committees. District plans must include charter schools within the school district offering at least one career and technical education completer program. School districts and career centers may carry forward unexpended funds to be used for the same intended purposes to up fit career and technical facilities and replace career and technical program consumables. In addition, \$125,000 of the funds appropriated shall be allocated to the Palmetto Partners for Science and Technology for robotics competition, curriculum, and support.

**1A.73 CONFORM TO FUNDING/ AMEND** (Teacher Salaries Increase) Directs the department to increase the statewide salary schedule by 2%; requires a local school district board of trustees to provide all certified teachers paid on the teacher salary schedule the 2% increase; specifies that districts are to use the prior year's district salary schedule as its base; directs school districts to use the additional funds from the Teacher Salary Supplement to provide 1% of the required 2% increase; and provides for salary increases for all eligible certified teachers entering the 23rd year. Allows for a waiver from the requirements of this provision under certain conditions. *Note: Companion General Education proviso is 1.79*.

**SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING RECOMMENDATION / AMEND proviso to delete the requirement that the statewide salary schedule be increased by 2% for FY 2016-17. Amend the local directive pertaining to salary increases for all eligible certified teachers entering the 23rd year if the district's salary schedule does not go beyond 22 years to change "23rd" to "24th" year and change "22" to "23" years. Requested by Department of Education.

**1A.73.** (SDE-EIA: Teacher Salaries Increase) For Fiscal Year 2016-17, the Department of Education is directed to increase the statewide salary schedule by two percent. A local school

district board of trustees must provide all certified teachers paid on the teacher salary schedule a two percent salary increase. Districts are to provide this increase using the district salary schedule utilized the prior fiscal year as its base. School districts shall utilize the additional funds made available from the Teacher Salary Supplement appropriation to provide one percent of the required two percent increase.

Additionally, for <u>For</u> the current fiscal year, a local school district board of trustees must increase the salary compensation for all eligible certified teachers employed by the district by an amount equal to a step on the salary schedule for any teacher entering the <u>23<sup>rd</sup> 24<sup>th</sup></u> year if the district's salary schedule does not go beyond <u>22 23</u> years. Application of this provision must be applied uniformly for all eligible certified teachers. If a school district believes it will be unable to provide the required additional step without incurring a deficit, it may apply to the State Board of Education for a waiver from this requirement.

For purposes of this provision teachers shall be defined by the Department of Education using the Professional Certified Staff (PCS) System.

- **1A.74 DELETE** (College Readiness Assessments) Provides for administration of college readiness assessments for students in the 11th grade. Provides guidelines if a student chooses to use the results of this assessment for post-secondary admission or placement.
  - **SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. *Codified in Section 59-18-325.*
  - **1A.74.** (SDE-EIA: College Readiness Assessments) For the current fiscal year, with the funds appropriated for assessment, the Department of Education is directed to manage the administration of the same college readiness assessment that was administered in the prior fiscal year to students in grade 11. The assessment, or an alternate college readiness measure approved by the department as set forth by the student's Individualized Education Program, must be administered to all students in grade 11. For the purposes of administering the assessment, "eleventh grade students" is defined as students in the third year of high school after their initial enrollment in the ninth grade. Valid accommodations must be provided according to the student's IEP/504 plan. If a student also chooses to use the results of the college readiness assessment for post secondary admission or placement, the student, his parent, or his guardian must indicate that choice in compliance with the testing vendor's deadline to ensure that the student may receive allowable accommodations consistent with the IEP or 504 plan that may vield a college reportable score.
- **1A.77 DELETE** (Baby Net Financial Audit Reimbursement) Directs First Steps to use their appropriated or carried forward funds to reimburse the Department of Education up to \$50,000 for Baby Net financial audit costs.
  - **SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. *Executive Order 2016-20 transferred the BabyNet lead agency status to DHHS effective July 1, 2017.* Requested by SC First Steps to School Readiness.
  - **1A.77.** (SDE-EIA: Baby Net Financial Audit Reimbursement) For Fiscal Year 2016–17, of the funds appropriated or carried forward, First Steps to School Readiness is directed to reimburse the Department of Education up to \$50,000 for the costs of the financial audit of Baby Net.
- **1A.79 DELETE** (Report Cards) Directs the EOC to not calculate absolute or absolute growth performance ratings for the 2016-17 school year for schools or districts, but instead to determine the format of a transitional report card for release in the fall of 2016 that will also identify underperforming schools and districts.

**SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. *Codified in Act 281 of 2016.* Requested by Education Oversight Committee.

1A.79. (SDE-EIA: Report Cards) With the funds appropriated for assessment and the achievement results obtained from these assessments, the Education Oversight Committee shall not calculate absolute or growth performance ratings for the 2016-17 school year for schools or districts. Instead, the Education Oversight Committee shall determine the format of a transitional report card released to the public in the fall of 2016 that will also identify underperforming schools and districts. These transitional reports will, at a minimum, include the following: (1) school, district and statewide student assessment results in reading and mathematics in grades 3 through 8; (2) high school and district graduation rates; and (3) measures of student college and career readiness at the school, district, and statewide level. These transitional reports shall inform schools and districts, the public, and the Department of Education of school and district general academic performance and assist in identifying potentially underperforming schools and districts and in targeting technical assistance support and interventions in the interim before ratings are issued.

ADD (National Board Certification Incentive) SUBCOMMITTEE RECOMMENDATION: ADD new proviso to direct that public school classroom teachers, including teachers at the special schools and classroom teachers who work with classroom teachers and are certified by the State Board of Education and by the National Board for Professional Teaching Standards shall be eligible for a salary supplement of \$7,500 for up to 20 years if they completed their application before 7/1/2010 and \$5,000 for up to 10 years if they completed the application process after 7/1/2010 so long as they maintain their national board certification. Direct that \$85,000 of National Board Certification funds be transferred to CERRA-South Carolina and direct CERRA to serve as the liaison between the National Board and public school districts and the department and to oversee data collection and candidate support. Combines provisos 1A.29 and 1A.42 to reflect the changes in the national board per the recommendations of the NBPTS. Requested by Department of Education.

1A.nbci. (SDE-EIA: National Board Certification Incentive) Public school classroom teachers, to include teachers employed at the special schools 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 eligible for a 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, Department of Juvenile Justice and Palmetto Unified School District 1.

Teachers certified by the National Board for Professional Teaching Standards who completed the application process prior to July 1, 2010 shall be paid a \$7,500 salary supplement in the year of achieving certification. The \$7,500 salary supplement shall be added to the annual pay of the teacher for up to twenty years as long as National Board certification is maintained.

Teachers certified by the National Board for Professional Teaching Standards who complete the application process on or after July 1, 2010 shall be paid a \$5,000 salary supplement in the year of achieving certification. The \$5,000 salary supplement for National Board Certification shall be added to the annual pay of the teacher for up to ten years as long as National Board certification is maintained. The National Board salary supplements 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.

Of the funds appropriated in Part IA, Section 1, VIII.C.2. for National Board Certification, the Department of Education shall transfer \$85,000 to the Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina). CERRA shall serve as the liaison between the National Board for Professional Teaching Standards and the public school districts and the Department of Education, and oversee data collection and candidate support.

#### SECTION 6 - H750 - SCHOOL FOR THE DEAF AND THE BLIND

- 6.4 DELETE (Adult Vocational Program Fees) Authorizes the school to charge tuition, room and board and other fees to students in the Adult Vocational Program. Directs that fees be determined by the School Board of Commissioners and that the revenue be retained and carried forward. SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Program is no longer offered. Requested by School for the Deaf and the Blind.
  - **6.4.** (SDB: Adult Vocational Program Fees) The School for the Deaf and the Blind is authorized to charge appropriate tuition, room and board, and other fees to students accepted into the Adult Vocational Program. Such fees will be determined by the School Board of Commissioners, and such revenue shall be retained and carried forward.

#### SECTION 7 - L120 - JOHN DE LA HOWE SCHOOL

group to recommend an educational, vocational, and life skills training program for older children who are at risk and aging out of the foster care or juvenile justice DSS or DJJ supervisory programs. Directs the Board of Trustees, in consultation with the advisory group to contract with a child-service provider to operate the program. Directs the Board of Trustees, with technical assistance from Clemson University, DOA, and EBO to continue to provide wilderness camp programs and identify initiatives to provide agricultural education opportunities on campus. Directs the school to work with DSS and DJJ to safely transition existing students into appropriate placements, programs and services. Provides for a status and progress report to be made to certain legislative committees by June 30th. Directs the Board of Trustees, in consultation with the advisory group to made recommendations to the Governor and General Assembly on the future role of the school.

**SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. Requested by John de la Howe School.

**7.4.** (JDLH: Transition) In accordance with the purposes of the will of Dr. John de la Howe, by September thirtieth of the current fiscal year, the Board of Trustees of John de la Howe is directed to work with an advisory group comprised of one person each designated by the Director of the Department of Social Services, the Director of the Department of Mental Health, the Director of the Department of Juvenile Justice, the State Superintendent of Education, the Director of the Department of Alcohol and Other Drug Abuse Services, the Chair of the Joint Citizens and Legislative Committee on Children, a Representative appointed by the Speaker of the House, and a Senator appointed by the President Pro Tempore of the Senate to recommend an educational, vocational, and life skills training program at the John de la Howe School for older youth who are at risk and who are aging out of the foster care or the juvenile justice supervisory programs of the Department of Social Services or the Department of Juvenile Justice. The program will utilize the funds appropriated to John de la Howe School for the costs of the program that will include school drop out recovery to complete a high school degree, a GED

program, vocational and employment training, and an aftercare program for transition of the youth to independent living and employment. Clemson University will collaborate with the advisory group regarding the development of a vocational farming component for the program.

In consultation with the advisory group and as set forth herein, by November thirtieth, the John de la Howe Board of Trustees will procure a contract with a child-service provider to operate the program. The child-service provider must be a nationally accredited (AdvancED) educational organization experienced in both child protection and juvenile justice programs and must be able to demonstrate a history of success in the operation of educational and vocational residential training programs for youth. The Department of Administration and the Executive Budget Office will assist John de la Howe as needed in the transition.

With funds appropriated and with technical assistance from Clemson University, the Department of Administration and the Executive Budget Office, the John de la Howe School Board of Trustees will continue to provide wilderness camp programs to students in the current fiscal year; and identify initiatives to provide agricultural education opportunities on campus for students.

John de la Howe will work with the Department of Social Services and the Department of Juvenile Justice to provide for the safe transition of the existing residents from John de la Howe School into such placements, programs and services as determined appropriate based on an assessment of their individual needs.

In the development of the program and in the qualifications and selection of the child-service provider, considerations by the John de la Howe Board of Trustees in consultation with the advisory group will include the following:

- (1) the overlap of needs of children who crossover for services between the Department of Social Services and the Department of Juvenile Justice;
- (2) educational, school drop out recovery, GED, vocational programs, life skills training programs, career and employment opportunities, and independent living programs for these older youth clients that can be provided using the John de la Howe School facilities, resources, and funding to assist these youth who are at risk and aging out of state services to prepare for success as adults:
- (3) aftercare programs that will follow these youths into the community and help them to become established in viable employment and living situations that encourage a future free of homelessness, unemployment, poverty, alcohol and other substance abuse, criminal behavior, and dependence on public assistance;
- (4) provide the existing child clients at John de la Howe School with a proper, safe transition to family reunification or other appropriate placements and services;
- (5) provide consideration of current John de la Howe School employees, where appropriate, for employment pursuant to the new provider contract for program services; and,
- (6) how the existing funds and youth vocational training programs can be applied to provide repairs and maintenance to the John de la Howe School buildings and grounds.

The John de la Howe Board of Trustees, with technical assistance from the Department of Education will provide procurement for the contract, fiscal administration of the funds, contract accountability, compliance, and reporting and will submit reports by June thirtieth of the current fiscal year to the House Ways and Means Committee, the Senate Finance Committee, and the Joint Citizens and Legislative Committee on Children to inform the Committees regarding the status and progress of programs, operations, client data, facilities, and budget information. The John de la Howe Board of Trustees, in consultation with the advisory group will make recommendations to the Governor and General Assembly regarding the future role of the John De La Howe School.

#### SECTION 117 - X900 - GENERAL PROVISIONS

**117.89 AMEND** (Funds Transfer to ETV) Requires funds appropriated to DOA for Legislative & Public Affairs Coverage and Emergency Communications Backbone and to the Law Enforcement Training Council for City and Council municipal training to be transferred to ETV during July of 2016 for services as they were provided in the prior fiscal year.

**SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to update "2016" to "2017." Requested by Educational Television Commission.

117.89. (GP: Funds Transfer to ETV) In the current fiscal year funds appropriated in Part IA to the Department of Administration Section 93 for Legislative and Public Affairs Coverage and Emergency Communications Backbone and to the Law Enforcement Training Council in Section 64 for State and Local Training of Law Enforcement, City and County municipal training services must be transferred to the Educational Television Commission (ETV) during July 2016 2017 for the continuation of services as provided in the prior fiscal year.

117.98 DELETE (First Steps - BabyNet) Requires the First Steps Board of Trustees to ensure compliance with Part C of the Individuals with Disabilities Act and to fully implement the LAC's BabyNet Program recommendations contained in the 2011 audit report. Directs First Steps to submit necessary statutory changes to appropriate Senate and House Education Committees and to submit budget recommendations to the Governor in their agency's budget request. Requires certain quarterly and monthly reports be submitted and directs First Steps to collaborate with the School for the Deaf and Blind, DDSN, DHHS, DMH, and DSS to develop a common reporting format.

**SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. *Executive Order 2016-20 transferred the BabyNet lead agency status to DHHS effective July 1, 2017.* Requested by First Steps to School Readiness.

117.98. (GP: First Steps - BabyNet) In addition to the statutory duties assigned to South Carolina First Steps to School Readiness Board of Trustees; the board shall ensure the state's compliance with the Individuals with Disabilities Act, Part C and the First Steps' full implementation of recommendations contained in the 2011 audit report of the LAC regarding the BabyNet Program. First Steps shall submit any necessary statutory changes to the Chairman of the House Education and Public Works Committee and the Chairman of the Senate Education Committee and any budget recommendations in the agency's budget request as submitted to the Governor. Until completion, First Steps shall post on its' website a quarterly report on the timelines of its progress in implementing the recommendations of the LAC. The Board of Trustees will be kept informed monthly of all activities related to this requirement and those progress reports must be recorded in the minutes for each meeting of the Board of Trustees. When First Steps has implemented all of the recommendations enumerated above, a final report shall be submitted to the Board of Trustees for its' adoption. Upon approval by the Board of Trustees, the final report shall be published on First Steps' homepage. First Steps to School Readiness, the School for the Deaf and Blind, the Department of Disabilities and Special Needs, the Department of Health and Human Services, the Department of Mental Health and the Department of Social Services shall each provide on a common template developed by the agencies, a quarterly report to the Chairman of the House Ways and Means Committee and the Chairman of Senate Finance outlining all programs provided by them for BabyNet; all federal funds received and expended on BabyNet and all state funds expended on BabyNet. Each entity

and agency shall report on its share of the state's ongoing maintenance of effort as defined by the US Department of Education under IDEA Part C.

- **117.114 AMEND** (SCOIS Transfer) Directs that for FY 2016-17 the authorities and responsibilities of SCOIS shall continue to be transferred from DEW to SDE.
  - **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to change fiscal year reference to "the current fiscal year."
  - **117.114.** (GP: SCOIS Transfer) For Fiscal Year 2016-17 the current fiscal year, the South Carolina Occupational Information System, its authority and responsibilities shall continue to be transferred from the Department of Employment and Workforce to the Department of Education.
- **117.119 AMEND** (First Steps Reauthorization) Reauthorizes Act 99 of 1999 as amended by Act 287 of 2014 (First Steps) for Fiscal Year 2016-17.
  - **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to update fiscal year reference to "2017-18." Requested by First Steps to School Readiness.
  - **117.119.** (GP: First Steps Reauthorization) Act 99 of 1999, the South Carolina First Steps to School Readiness Act, as amended by Act 287 of 2014 is reauthorized for the duration of Fiscal Year 2016-17 2017-18.