

**K-12 EDUCATION SUBCOMMITTEE
SUMMARY OF RECOMMENDED PROVISO CHANGES
FOR FY 2009-10
Package #1**

SECTION 1 - H63 - DEPARTMENT OF EDUCATION

1.27 **AMEND** (PSAT/PLAN Reimbursement) Directs that assessment appropriations be used to pay for administering PSAT or PLAN tests to 10th grade students to include the testing and report fees. Authorizes the department to carry forward prior year assessment funds to pay for state assessment activities not completed by the end of the fiscal year including scoring the spring PACT assessment.

WMC: AMEND proviso to change “PACT” reference to “statewide accountability” assessment. *PACT will no longer be administered. Conform to Section 59-18-340 of Act 282 of 2008.* Fiscal Impact: OSB indicates no impact on the General Fund. Requested by Department of Education. See 1A.47 for EIA companion proviso.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1.27. (SDE: PSAT/PLAN Reimbursement) Funds appropriated for assessment shall be used to pay for the administration of the PSAT or PLAN test to tenth grade students to include the testing fee and report fee. SDE is authorized to carry forward into the current fiscal year, prior year state assessment funds for the purpose of paying for state assessment activities not completed by the end of the fiscal year including the scoring of the spring ~~PACT~~ statewide accountability assessment.

1.32 **AMEND FURTHER** (Buses, Parts, and/or Fuel) Authorizes the department to use other operating funds in the Bus Shops program to purchase buses, fuel, parts or other school bus related items. Prohibits funds designated for school bus purchases from being transferred or used for any other purpose. Authorizes the department, in the event of a fuel emergency, to use appropriated funds in Part IA, IX.C [BUSES] only to the extent necessary for fuel expenditures.

WMC: AMEND proviso to allow program IX.C. - Buses to also be used to purchase buses, fuel, parts, or other school bus related items. Delete the prohibition on transfer of funds appropriated to purchase school buses. Authorize bus fuel, parts/supplies, maintenance, and bus purchase funds to be carried forward and used to support bus transportation services. Fiscal Impact: No impact on the General Fund.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to specify that the funds may be carried forward from the “prior fiscal year.” *Technical.*

1.32. (SDE: Buses, Parts, and/or Fuel) Funds appropriated for other operating in program IX.B. - Bus Shops and funds appropriated in IX.C. - Buses may be used to purchase buses, fuel, parts, or other school bus related items. ~~Any funds appropriated or authorized for the purchase of school buses may not be transferred or used for any other purpose. However, in the event of an emergency fuel situation, and only to the extent necessary, the department is authorized to use appropriated funds in Part IA, IX.C. for fuel expenditures.~~ All funds appropriated for bus fuel, parts/supplies, maintenance, and bus purchases may be carried forward from the prior fiscal year and expended in FY 2009-10 to support bus transportation services.

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1.43 **AMEND** (School Districts and Special Schools Flexibility) Authorizes school districts and special schools to transfer up to 100% of funds between programs to any instructional program provided the funds are used for direct classroom instruction; provides guidelines for review of the transfers; authorizes school districts and special schools to carry forward unexpended funds and to spend Children’s Education Endowment Fund monies received for school facilities and fixed equipment assistance, for any instructional program; directs the EOC to review the use of the flexibility proviso; prohibits grants or technical assistance funds awarded to individual schools from being reduced or reallocated within the school district and requires that these funds be spent by the receiving school only according to the guidelines governing the funds; directs that prior to implementing the flexibility authorized in this provision, school districts must provide Public Charter Schools with the per pupil allocation they are due for each categorical program; and suspends Section 59-21-1030 [LEVEL OF FINANCIAL EFFORT PER PUPIL REQUIRED OF EACH SCHOOL DISTRICT; APPLICATION FOR WAIVER] for FY 08-09. *See proviso 1A.41 for companion EIA proviso.*

HOU: AMEND proviso to change “2008-2009” fiscal year reference to “2009-2010.”
Sponsor: Rep. J.R. Smith.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to delete the previous flexibility except for the carry forward authority, the requirement that school districts provide Public Charter Schools the per pupil allocation, and maintaining the suspension of Section 59-21-1030 for FY 09-10 and instead mirror H.3352 to allow school districts and special schools to transfer and expend funds among general fund revenues, EIA funds, Lottery funds, and Children’s Education Endowment Fund for school facilities and fixed equipment assistance to ensure the delivery of academic and arts instruction. Prohibit school districts from transferring debt service or bonded indebtedness funds. Allow school districts to suspend professional staffing ratios and expenditure regulations and guidelines at the sub-function and service area level, except for 4-year old programs. Require at least 65% of the school district’s per pupil expenditures be used within the In\$ite categories of instruction, instructional support, and non-instruction pupil services in order for the school district to take advantage of these flexibility provisions. Prohibit any of the 65% from being used for business services, debt service, capital outlay, program management or leadership services as defined by In\$ite. Require school districts to report the actual percentage of per pupil expenditures for classroom instruction, instructional support and non-instruction pupil services for the school year ending June 30, 2010. Define In\$ite as the financial analysis model for education programs used by the department. Encourage school districts to reduce expenditures by limiting the number of courses with low enrollment, reducing travel, reducing and limiting activities that require dues and memberships, reduce extracurricular and academic competitions transportation costs and expanding virtual instruction. Require the chairman of each school district’s board and each superintendent to quarterly certify where non-instructional or non-essential programs have been suspended and specific flexibility action taken. Direct that the certification be signed and delivered electronically to the Superintendent of Education and the chairmen of the Senate Finance, Senate Education, House Ways and Means, and House Education and Public Works Committees. Direct the certification be presented publicly at a regular school board meeting and be posted on the school district’s website. Suspend formative assessments for grades 1, 2, and 9, and foreign language and physical education programs assessments. Allow new textbook adoptions to be suspended. Authorize school districts and the department to purchase the most economical type of bus fuel. Require school districts to maintain a transaction register that includes a complete record of all funds expended over \$100 and to prominently post the register on the district’s internet website for public viewing and downloading. Require the

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register include the transaction amount, name of the payee, and detailed description of the expenditure. Prohibit the register from including an entry for an individual employee's salary, wage, or other compensation or any information that could be used to identify an employee. Require the register be searchable and updated at least monthly. Require each school district to maintain on its website, a copy of each monthly credit card statement for cards issued to its officers and employees. Require the credit card number be removed from the statement prior to posting and provide the timeframe for posting. Require the Comptroller General to establish and maintain a website to contain the information required in this provision for school districts that do not maintain their own website, require those school districts to provide the information to the Comptroller General; and direct the Comptroller General to distribute to the districts a methodology and resources for compliance. Direct the Comptroller General to reimburse districts for documented expenses incurred resulting from compliance if they use the methodology and that reimbursement be made from the Comptroller General's budget. Direct that this provision does not alter FOIA provisions.

1.43. (SDE: School Districts and Special Schools Flexibility) All school districts and special schools of this State may transfer ~~up to one hundred percent of funds between programs to any instructional program provided the funds are utilized for direct classroom instruction~~ 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 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 sub-function and service area level, except for four-year old programs.

In order for a school district to take advantage of the flexibility provisions, at least sixty-five percent of the school district's per pupil expenditures must be utilized within the InSite categories of instruction, instructional support, and non-instruction pupil services. No portion of the sixty-five percent may be used for business services, debt service, capital outlay, program management, and leadership services, as defined by InSite. 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 non-instruction pupil services for the school year ending June 30, 2010.

"InSite" 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, and expanding virtual instruction.

~~The South Carolina Department of Education must establish a procedure for the review of all transfers authorized by this provision. The details of such transfers must be provided to members of the General Assembly upon request. School districts and special schools may carry forward unexpended funds from the prior fiscal year into the current fiscal year to be used for the same purpose. All transfers executed pursuant to this provision must be completed by May first of the current fiscal year. All school districts and special schools of this State may expend funds received from the Children's Education Endowment Fund for school facilities and fixed equipment assistance, for any instructional program. The Education Oversight~~

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~~Committee shall review the utilization of the flexibility provision to determine how it enhances or detracts from the achievement of the goals of the educational accountability system, including the ways in which school districts and the state organize for maximum benefit to classroom instruction, priorities among existing programs and services, and the impact on short, as well as, long term objectives. The State Department of Education shall provide the reports on the transfers to the Education Oversight Committee for the comprehensive review. This review shall be provided to the members of the General Assembly annually. Any grant or technical assistance funds allocated directly to an individual school may not be reduced or reallocated within the school district and must be expended by the receiving school only according to the guidelines governing the funds.~~

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

Quarterly throughout the 2009-10 fiscal year, the chairman of each school district's board and the superintendent of each school district must certify where non-instructional or non-essential 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 posted on the internet website maintained by the school district.

For Fiscal Year ~~2008-2009~~ 2009-10, Section 59-21-1030 is suspended.

Formative assessments for grades one, two, and nine, the foreign language program assessment, and the physical education assessment must be suspended. New textbook adoptions may be suspended. Nothing in this provision suspends, amends, modifies, or otherwise authorizes changes in the manner in which textbooks are purchased. School districts and the Department of Education are granted permission to purchase the most economical type of bus fuel.

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.

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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 Comptroller General shall distribute to the districts a methodology and resources for compliance. If a district complies with the methodology, it shall be reimbursed for any documented expenses incurred as a result of compliance. Reimbursement must be from the budget of the Comptroller General.

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.

- 1.48 AMEND FURTHER** (National Board Certification Incentive) Provides guidelines for an annual \$7,500 salary supplement to be paid to public school classroom teachers or classroom teachers who work with classroom teachers who are certified by the State Board of Education and by the National Board for Professional Teaching Standards for the length of the national certificate and to teachers employed at the special schools. Directs CERRA to develop guidelines and administer a loan program for teachers who are U.S. citizens or permanent resident aliens applying for National Board certification. Directs that teachers who begin the application process after 7/1/07 are eligible for full loan forgiveness if at the time the teacher applies to the National Board they are teaching in a school with a below average or unsatisfactory rating. Directs that forgiveness be at the rate of 33% for each year of full time teaching in the same school regardless of whether the school exceeds a below average or unsatisfactory rating during the forgiveness period or for each year teaching full time in another school with a below average or unsatisfactory rating.
- WMC:** AMEND proviso to direct that beginning with 2009 applicants, the \$7,500 salary supplement shall be paid beginning July 1 in the year following the year of achieving certification. Direct that the \$7,500 salary supplement shall only be paid for the initial 10 year certification. Direct that up to 1,100 loan applications shall be processed annually. Authorize funds collected from educators who are in default of the loan to be retained and carried forward for National Board purposes. Change reference to “unsatisfactory” to “at-risk.” *Conform to Act 282 of 2008.* Fiscal Impact: OSB indicates that the department and EOC report a fiscal impact of \$3.2 million for FY 2010 over and above the FY 2010 base (EIA and General Fund). Cost consists of 1,100 new applicants with a \$2,500 loan in addition to 5,806 National Board Certified teachers with a salary and fringe of \$9,040. According to the department, the default loan collection amounts average \$450,000 annually, which will help offset program costs. Requested by Department of Education. See 1A.26 for EIA companion proviso.
- HOU:** AMEND FURTHER to delete the restriction that the \$7,500 salary supplement shall only be paid for the initial 10 year certification. Sponsor: Rep. J.E. Smith.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1.48. (SDE: National Board Certification Incentive) Public school classroom teachers or classroom teachers who work with classroom teachers who are certified by the State Board of Education and who have been certified by the National Board for Professional Teaching Standards shall be paid a \$7,500 salary supplement ~~in the year of achieving certification beginning July 1 in the year following the year of achieving certification, beginning with 2009 applicants.~~ Teachers employed at the special schools shall be eligible for this \$7,500 salary

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

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

Teachers who begin the application process after July 1, 2007 and who teach in schools which have an absolute rating of below average or ~~unsatisfactory~~ at-risk at the time the teacher applies to the National Board for certification, but who fail to obtain certification, nonetheless shall be eligible for full forgiveness of the loan as follows: upon submission of all required materials for certification, one-half of the loan principal amount and interest shall be forgiven; forgiveness of the remainder of the loan will be at the rate of 33% for each year of full time teaching in the same school regardless of whether that school exceeds an absolute rating of below average or ~~unsatisfactory~~ at-risk during the forgiveness period, or for each year of full time teaching in another school that has an absolute rating of below average or ~~unsatisfactory~~ at risk.

- 1.57 DELETE** (Prohibit Implementation of ECERS Program) Prohibits the department from using appropriated or authorized funds to implement the Early Childhood Environment Rating Scores Program (ECERS), but directs that this prohibition doesn't apply to the Office of First Steps. Prohibits school districts from using any source of revenue to implement the ECERS program.

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WMC: DELETE proviso. *Conflicts with a new federal evaluation of the Even Start Family Literacy Program.* Fiscal Impact: OSB indicates no impact on the General Fund. Requested by SC First Steps to School Readiness.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1.57. (SDE: Prohibit Implementation of ECERS Program) The Department of Education is prohibited from utilizing any appropriated or authorized funds to implement the Early Childhood Environment Rating Scores Program. This prohibition does not apply to the Office of First Steps.~~

~~In addition, school districts are prohibited from using revenue from any source, including state, federal, and local funds, to implement the Early Childhood Environment Rating Scores Program.~~

1.68 AMEND (Education Finance Act Reserve Fund) (A) Creates the Education Finance Act Reserve Fund and directs that current fiscal year unexpended EFA general fund appropriations shall be transferred to the EFA Reserve Fund. Directs that if EFA appropriations are insufficient to fully fund the base student cost, EFA Reserve Fund revenues may be used to supplement the funds appropriated. Authorizes the General Assembly to make direct appropriations to the fund and directs that EFA Reserve funds and interest accrued must remain in the fund and be carried forward. (B) Specifies that the department is to notify the State Treasurer if any school district is projected to receive less state EFA Employer Contribution Funds than the prior fiscal year. Directs that for those identified school districts the reimbursement will supplement one-half of the aggregate amount for all school districts projected to receive less than the prior year with the school district allocation based on their percentage of the aggregate variance. Directs that reimbursement is contingent on the availability of funds.(C) Directs that the reserve fund will reimburse school districts projected to receive less combined EFA and EFA Reserve Funds than in the prior year. Directs that the reimbursement will supplement one-half of the aggregate amount for the district's percentage of the aggregate variance. Directs that reimbursement is contingent on the availability of funds. (D) Directs that the reserve fund will reimburse school districts that have experienced growth in the number of Weighted Pupil Units from the second preceding year's 135 day student count compared to the prior fiscal year's 135 day student count. Directs that aggregate amount of reimbursement is determined by applying 5% of the current year's Base Student Cost to the aggregate increase in WPU for the identified school districts. Directs that the school district supplement is the district's percentage of the aggregate amount of the total reimbursement. Directs that for FY 2008-09 the EFA Reserve Fund will reimburse school districts in priority order, contingent on the availability of funds from the prior year's 135 day student count and the 45 day and 135 day student count in the current fiscal year. (E) Directs that the total school district reimbursements may not exceed \$12 million.

WMC: AMEND proviso to delete subitems (B), (C), (D), and (E). *EFA Reserve Funds have been depleted. Proviso will revert to former requirement that the EFA Reserve Fund is to be used to fully fund the base student cost if EFA appropriations are insufficient.* Fiscal Impact: OSB indicates the department reports no impact on the General Fund. Requested by Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

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1.68. (SDE: Education Finance Act Reserve Fund) ~~(A)~~ There is created in the State Treasury a fund separate and distinct from the General Fund of the State and all other funds entitled the Education Finance Act Reserve Fund. All unexpended general funds appropriated to the Department of Education for the Education Finance Act in the current fiscal year shall be transferred to the Education Finance Act Reserve Fund. In the event that the amount appropriated for the Education Finance Act is insufficient to fully fund the base student cost as established by this act, revenues from the Education Finance Act Reserve Fund may be used to supplement the funds appropriated. The General Assembly may make direct appropriations to this fund. All unexpended funds in the Education Finance Act Reserve Fund and any interest accrued by the fund must remain in the fund and may be carried forward into the current fiscal year.

~~(B) The Department of Education must notify the State Treasurer in the event that any school district in this State is projected to receive less state EFA Employer Contribution Funds than the prior fiscal year. Upon notification, the Treasurer must disburse to the Department of Education a sufficient amount of reserve funds to compensate for one half the difference that any district is projected to receive as compared to the prior fiscal year. The department must use these funds to supplement the school district's monthly disbursement of state EFA Employer Contribution Funds. The disbursement to each district must be based on that district's percentage of the aggregate variance of all school districts affected. The Treasurer is not required to disburse reserve funds to compensate for the difference unless funds are available based on the prior year's audited one hundred thirty five day student count and unexpended general funds appropriated for the Education Finance Act as adjusted by the current fiscal year's forty five day student count and the one hundred thirty five day student count.~~

~~(C) After the obligations in (B) have been met, the Department of Education must notify the State Treasurer in the event that any school district in this State is projected to receive less in total state EFA and EFA Reserve Funds than the prior fiscal year. Upon notification, the Treasurer must disburse to the Department of Education a sufficient amount of reserve funds to compensate for one half the difference that any district is projected to receive as compared to the prior fiscal year from the combination of the total EFA and EFA Reserve Funds. The disbursement to each district must be based on that district's percentage of the aggregate variance of all school districts affected. The Treasurer is not required to disburse reserve funds to compensate for the difference unless funds are available based on the prior year's audited one hundred thirty five day student count and unexpended general funds appropriated for the Education Finance Act as adjusted by the current fiscal year's forty five day student count and the one hundred thirty five day student count.~~

~~(D) After the obligations in (B) and (C) have been met the Department of Education must notify the State Treasurer in the event that any school district in this State has experienced growth in the number of Weighted Pupil Units from the second preceding year's final one hundred thirty five day student count as compared to the prior fiscal year's one hundred thirty five day student count. Upon notification, the Treasurer must disburse to the Department of Education a sufficient amount of reserve funds equal to five percent of the current year's appropriated base student cost for the aggregate increased weighted pupil units for all the identified districts that exceed the statewide average Weighted Pupil Unit growth from the second preceding year's final one hundred thirty five day student count as compared to the prior fiscal year's one hundred thirty five day student count. An identified district must be disbursed an amount equal to the district's percentage of the aggregate increase of all districts that experienced an applicable increase, to include the schools districts of Georgetown and Chesterfield counties. The Treasurer is not required to disburse reserve funds to compensate~~

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~~for growth unless funds are available based on the prior year's audited one hundred thirty five day student count and unexpended general funds appropriated for the Education Finance Act as adjusted by the current fiscal year's forty five day student count and the one hundred thirty five day fund student count.~~

~~(E) Disbursements required by this section must be made in priority order as provided by this section and must not exceed \$12,000,000 in the aggregate.~~

- 1.69** **DELETE** (Formative Reading Assessment) Authorizes school districts to use their state, local, and federal funds for other formative reading assessments that have been approved by the department instead of using the State Board approved developmental appropriate formative reading assessment for grades 1 and 2. Directs that districts be required to inform the department by August 1, 2008 what assessment they will use.
WMC: DELETE proviso. *The requirement for the program is not included in Act 282 of 2008.* Fiscal Impact: OSB indicates the department and EOC report no impact on the General Fund. Requested by Department of Education. See 1A.54 for EIA companion proviso.
HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

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

- 1.70** **DELETE** (Child Development Education Pilot Program-4 year Olds) Directs that \$3,200,000 of the funds carried forward from the S.C. Child Development Education Pilot Program are redirected to the Office of First Steps with the remainder redirected to the department for providing services to 4 years olds in the CDEPP program. Directs that if on the basis of student enrollment as of December 1, 2008, either agency projects an inability to spend its full FY 09 CDEPP allocation, the funds may be transferred between agencies to ensure that the allowed CDEPP funding is expended in both public and private settings.
WMC: DELETE proviso. *Funds will be used in FY 08-09 so policy no longer needed.* Fiscal Impact: OSB indicates the department estimates no impact on the General Fund. Requested by SC First Steps to School Readiness.
HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1.70. (SDE: Child Development Education Pilot Program-4 Year Olds) Of the funds carried forward from the prior fiscal year from the South Carolina Child Development Education Pilot Program, \$3,200,000 shall be redirected to the Office of First Steps with the remainder redirected to the Department of Education for services to four year olds participating in the Child Development Education Pilot Program (CDEPP) during the current fiscal year. If, on the basis of student enrollment as of December 1, 2008, either agency projects an inability to expend its full FY 09 CDEPP allocation, these funds may be transferred as necessary between agencies to ensure the funding of allowed CDEPP expenditures in both public and private settings.~~

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1.71 **AMEND** (Physical Education Assessment Program) Directs the department to use physical education assessment program funds to review and revise the physical education standards and subsequent revision of the physical education assessment. Authorizes the department to field test the revised assessment in FY 08-09.

WMC: AMEND proviso to delete the requirement that the funds be used to review and revise “physical education standards and the subsequent revision of the physical education assessment” and instead direct the funds be used to review and revise the “physical education assessment and associated professional development.” Update fiscal year reference to 2009-10. *Allows field testing to continue.* Fiscal Impact: OSB indicates the department estimates no impact on the General Fund. Requested by Department of Education.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1.71. (SDE: Physical Education Assessment Program) Of the funds appropriated to the Department of Education for the physical education assessment program, the department is directed to use the funds for the review and revision of the physical education ~~standards and the subsequent revision of the physical education~~ assessment *and associated professional development*. For Fiscal Year ~~2008-09~~ 2009-10, the department may field test the revised physical education assessment.

1.74 **DELETE** (Technical Assistance) Directs that if schools that receive individual report cards and share a school id number would receive less technical assistance funds in FY 09 that they received in FY 08 they are to receive technical assistance funds as if they were two separate schools, except that they may not receive more in total than they received in FY 08.

WMC: DELETE proviso. *Total technical assistance funds are decreasing while the numbers of qualifying schools are increasing. Only 8 schools in the 08-09 school year received higher allocations than they would have received without this proviso.* Fiscal Impact: OSB indicates the department and EOC report no impact on the General Fund. Requested by Department of Education.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

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

1.76 **DELETE** (Unexpended Star Academy Funds) Directs the department to transfer unexpended Star Academy Dropout Prevention Program funds carried forward from the prior fiscal year as follows: \$585,000 to the Arts Commission and \$615,000 to the Department of Probation, Parole and Pardon Services. Requires the Arts Commission use the funds specifically for Education, Arts, and Cultural Tourism grants statewide and the Department of Probation, Parole and Pardon Services to use the funds to implement the Ignition Interlock Program.

WMC: DELETE proviso. *Unexpended funds have been disbursed.* Fiscal Impact: OSB indicates the department estimates no impact on the General Fund. Requested by Department of Education.

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HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1.76. (SDE: Unexpended Star Academy Funds) The Department of Education is directed to transfer \$585,000 to the Arts Commission and \$615,000 to the Department of Probation, Parole and Pardon Services from the unexpended funds carried forward from the prior fiscal year in Part 1A, Section 1.XVIII designated for the Star Academy Dropout Prevention Program. The Arts Commission must utilize these funds specifically for Education, Arts and Cultural Tourism grants statewide. The Department of Probation, Parole and Pardon Services must utilize these funds for the implementation of the Ignition Interlock Program.~~

1.77 AMEND NEW PROVISO (Residential Treatment Facilities Student Enrollment and Funding) **WMC:** ADD new proviso to direct that children who are South Carolina residents and are in licensed treatment facilities (RTFs) for children and adolescents as defined in Section 44-7-130 [STATE CERTIFICATION OF NEED AND HEALTH FACILITY LICENSURE ACT DEFINITIONS] shall be entitled to receive educational services from the school districts where the RTF is located (“facility school district”) and that such facility school district shall be responsible for providing appropriate educational programs and services for these students, with and without disabilities. Authorize the facility school district to choose whether to provide necessary educational programs and services at a facility school district school or at the RTF’s facility. Direct that the state shall appropriate 100% of the base student cost to provide for the education of students referred or placed by the state in an RTF and direct that facility school districts are entitled to receive the base student cost multiplied by the appropriate EFA pupil weighting, and any eligible federal funds. Authorize the facility school district to retain the funds to provide educational programs and services for these students or to reimburse RTFs for educational programs and services they provide. Direct that a facility school district is entitled to receive reimbursement from a resident school district for the difference between (1) the reasonable costs expended for services provided directly by the facility school district or the amount paid to the RTF and (2) the aggregate amount of federal and state funding received by the facility school district for that student. Require students to have access to facility school districts’ general education curriculum which will be tied to the S.C. academic standards in core content areas. Direct that children with disabilities who are eligible for special education and related services under the Individuals with Disabilities Education Act (IDEA) and State Board of Education regulations, receive special education and related services in the least restrictive environment by appropriately certified and highly qualified personnel. Direct that students in a RTF be eligible to receive the educational credits earned through their education efforts. Direct that for accountability purposes, assessment and accountability measures for students in RTFs shall be attributed to a specific school only if the child physically attends the school and if the child does not physically attend a specific school, assessment and accountability measures shall be disaggregated and reported separately in the school district’s accountability calculations. Require RTF’s to notify the facility school district as soon as practical and before admission if practical of a student’s admission to the RTF. Direct RTFs, facility school districts and the Department of Education to use their best efforts to secure and/or exchange information, documents, and records to provide appropriate educational services and/or related services as necessary to assist the facility school district in determining the resident school district. Fiscal Impact: OSB indicates the department estimates a recurring fiscal impact of \$532,026. There are an estimated 660 beds in Residential Treatment Facilities and these children are already accounted for within current WPU estimates. However since the proviso provides that the State

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shall appropriate 100% of the cost, the local match of 30% must be included in calculating total EFA requirement. $660 \times \$2,687 \text{ bsc} \times .30$ local portion not currently covered by the state for these children = \$532,026.

HOU: AMEND new proviso to require a facility school district to provide necessary educational programs and services directly to the student at the RTF's facility, provided the facility provides and maintains adequate space for the programs and services consistent with the least restrictive environment requirements. Allow a facility school district to choose to provide educational programs and services by contracting with the RTF if the RTF agrees to provide the services. Sponsors: Reps. J.R. Smith and White.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso as amended.

1.77. (SDE: Residential Treatment Facilities Student Enrollment and Funding) Each South Carolina resident of lawful school age residing in licensed residential treatment facilities (RTFs) for children and adolescents as defined under Section 44-7-130 of the 1976 Code, ("students") shall be entitled to receive educational services from the school district in which the RTF is located ("facility school district"). The responsibility for providing appropriate educational programs and services for these students, both with and without disabilities, who are referred or placed by the State is vested in the facility school districts.

A facility school district must provide the necessary educational programs and services directly to the student at the RTF's facility, provided that the RTF facility provides and maintains adequate space for the educational programs and services consistent with the least restrictive environment requirements. Under these circumstances, the facility school district may choose to enroll the student and assume full legal and financial responsibility for the educational services, or it may choose to provide the educational services and serve as the educational and fiscal agent of the school district in which the student's legal guardian resides ("resident school district") for purposes of enrolling the student, approving the student's entry into a medical homebound instructional program, if appropriate, and receiving and expending funds, unless the resident school district undertakes to carry out its educational responsibilities for the student directly.

Alternatively, a facility school district may choose to provide the necessary educational programs and services by contracting with the RTF provided that the RTF agrees to provide educational services to the student at the RTF's facility. Under these circumstances, the facility school district must enroll the student and pay the RTF for the educational services provided.

The State shall appropriate 100 percent of the base student cost to provide for the education of the students referred or placed by the State in an RTF. The facility school districts are entitled to receive the base student cost multiplied by the appropriate Education Finance Act pupil weighting, as set forth in Section 59-20-40 of the 1976 Code and any eligible federal funds. These funds may be retained by the facility school districts for the purpose of providing the educational programs and services directly to students referred or placed by the State or the facility school districts may use these funds to reimburse RTF's for the educational programs and services provided directly by the RTFs. A facility school district is entitled to reimbursement from a resident school district for the difference between (1) the reasonable costs expended for the educational services provided

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directly by the facility school district or the amount paid to the RTF and (2) the aggregate amount of federal and state funding received by the facility school district for that student.

All students enrolled in the facility school districts shall have access to the facility school districts' general education curriculum, which will be tied to the South Carolina academic standards in the core content areas. All students with disabilities who are eligible for special education and related services under the Individuals with Disabilities Education Act (IDEA), as amended, and the State Board of Education (SBE) regulations, as amended, shall receive special education and related services in the least restrictive environment by appropriately certified personnel. Students in an RTF will at all times be eligible to receive the educational credits (e.g., Carnegie Units) earned through their educational efforts.

With respect to students enrolled in the facility school districts, for accountability purposes, the assessment and accountability measures for students residing in RTFs shall be attributed to a specific school only if the child physically attends the school. All assessment and accountability measures of students not physically attending a specific school shall be disaggregated and reported separately in the facility school districts' accountability calculations.

RTFs shall notify the facility school district as soon as practical, and before admission to the RTF if practical, of a student's admission to the RTF. RTFs, the facility school districts and the Department of Education shall use their best efforts to secure and/or exchange information, including documents and records necessary to provide appropriate educational services and/or related services as necessary to assist the facility school district in determining the resident school district.

- 1.78 AMEND NEW PROVISO** (Transparency) **HOU:** ADD new proviso to require the department to publish a listing on its homepage of all programs funded with Federal Stimulus Funds during the current fiscal year. Direct that the list include program name, location, starting date, funding level and contact person with telephone number. Require the listing to be updated monthly to allow the public to easily identify how the funds are used. Sponsor: Rep. Robert Brown.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to specify that the department is to provide "a link" on its homepage to the information.

1.78. (SDE: Transparency) The department must publish **a link** on its homepage to a listing of all programs funded during the current fiscal year with Federal Stimulus Funds to include program name, location, starting date, funding level and contact person with telephone number. This listing must be updated monthly to allow the public to easily identify how these funds are being used.

- 1.80 AMEND NEW PROVISO** (~~Governor's *Special* Schools and South Carolina School for the Deaf and Blind~~ Flexibility) **HOU:** ADD new proviso to authorize the Governor's Schools for Math and Science and Arts and Humanities and the School for the Deaf and Blind to transfer funds among funding categories, including capital funds. Sponsors: Reps. Bingham and Cooper.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to delete specific reference to the Governor's Schools for Math and Science and Arts and Humanities and the School for the Deaf and Blind and instead reference "special schools."

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~~1.80. (SDE: Governor's Special Schools and South Carolina School for the Deaf and Blind Flexibility) For Fiscal Year 2009-10 the Governor's School for Math and Science, the Governor's School for the Arts and the Humanities and the South Carolina School for the Deaf and Blind special schools are authorized to transfer funds among funding categories, including capital funds.~~

SECTION 1A - H63 - DEPARTMENT OF EDUCATION-EIA

- 1A.2 DELETE** (Advanced Placement) Directs that no more than \$500,000 of Advanced Placement funds may be made available on a flat rate per class basis to schools that offer "singleton" Advanced Placement classes with student/teacher ration equal to or less than 10:1. Directs the State Board of Education to develop distribution guidelines. Directs that remaining AP funds must be distributed to school districts based on the 135 day count of AP students served. Authorizes AP funds to be used to defray school districts International Baccalaureate Program testing costs. Authorizes high schools to receive funding for the allowable costs associated with 9th and 10th grade students taking Advanced Placement courses. Authorizes Advanced Placement funds to be carried forward and expended for the same purpose.
WMC: DELETE proviso. *See new proviso 1A.61 for consolidation of artistically and academically gifted students.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. There will be a reallocation of funds pursuant to proviso 1A.61. Requested by Education Oversight Committee.
HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.2. (SDE-EIA: XI.A.1-Advanced Placement) Of the funds appropriated in Part IA, Section 1, XI.A.1. for Advanced Placement, no more than \$500,000 must be made available on a flat rate per class basis to schools offering "singleton" Advanced Placement classes with a student/teacher ratio equal to or less than ten to one. The State Board of Education shall develop guidelines for the distribution of these "singleton" funds. The remaining AP funds must be distributed to the school districts of the state based upon the 135 day count of AP students served. AP funds may be used to defray the testing costs of the International Baccalaureate Program which are incurred by school districts at the same per test reimbursement rate provided for Advanced Placement examinations. High schools may receive funding for the allowable costs associated with ninth and tenth grade students taking Advanced Placement courses. Funds provided for Advanced Placement may be carried forward into the current fiscal year to be expended for the same purpose.~~

- 1A.3 DELETE** (Gifted & Talented) Requires at least 12% of gifted and talented program state funds be set-aside to serve artistically gifted and talented students in grades 3-12 and provides distribution guidelines. Authorizes these funds to be carried forward and used for the same purpose.
WMC: DELETE proviso. *See new proviso 1A.61 for consolidation of artistically and academically gifted students.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. There will be a reallocation of funds pursuant to proviso 1A.61. Requested by Education Oversight Committee.
HOU: ADOPT deletion of proviso.

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SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.3. (SDE-EIA: XI.A-Gifted & Talented) Notwithstanding the provisions for Section 59-29-170, at least twelve percent (12%) of the total state dollars appropriated annually for gifted and talented programs shall be set aside for serving artistically gifted and talented students in grades 3-12. School districts shall service students identified as artistically gifted and talented by utilizing approved state guidelines in one or more of the following visual and performing arts areas: dance, drama, music and visual arts areas. Districts may contract with other entities to provide services to students identified as artistically gifted and talented if personnel or facilities are not available in the school district for that service. Of the remaining state dollars appropriated for gifted and talented programs, not more than \$1,000,000 may be used to provide testing and teacher training. Each district receiving funds for the gifted and talented program shall include an accelerated component as a part of its academically gifted and talented program. EIA-Gifted and Talented funds may be carried forward and expended for the same purpose in the current fiscal year.~~

- 1A.5 DELETE** (Junior Scholars) Directs that Jr. Scholars program eligibility is open to any student who meets program requirements whether they attend a public or private school. Directs that private school students are responsible for paying the cost of the qualifying exam and at the option of the department, any other costs associated with the program.
WMC: DELETE proviso. *See new proviso 1A.61 for consolidation of artistically and academically gifted students.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. There will be a reallocation of funds pursuant to proviso 1A.61. Requested by Education Oversight Committee.
HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.5. (SDE-EIA: XI.A.1-Junior Scholars) Eligibility for the Junior Scholars program is open to any student who meets the requirements of the program, whether the student attends public school or private school; provided however, any private school student is responsible for paying the cost of the qualifying examination and, at the option of the Department of Education, any other costs associated with the program.~~

- 1A.6 DELETE** (Academic Assistance/Carry Forward) Authorizes Academic Assistance funds to be carried forward by school districts and be spent to operate programs in accordance with their academic assistance long range plans.
WMC: DELETE proviso. *See new proviso 1A.62 for consolidation of programs for students at risk of school failure.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. There will be a reallocation of funds pursuant to proviso 1A.62. Requested by Education Oversight Committee.
HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.6. (SDE-EIA: XI.A.4-Academic Assistance/Carry Forward) Any unexpended balance from the prior fiscal year in the EIA appropriations in Part IA, Section 1, XI.A.4. for Academic Assistance may be carried forward to the current fiscal year by school districts to be expended to operate programs in accordance with their academic assistance long range plans.~~

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- 1A.7 DELETE** (Academic Assistance/Curriculum Development) Requires the department to use Act 135 Other Operating funds to provide schools and school districts with technical assistance on curriculum development, including implementing grade-by-grade academic standards and instructional improvement in keeping with the intent of Act 135.
WMC: DELETE proviso. *See new proviso 1A.62 for consolidation of programs for students at risk of school failure.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. There will be a reallocation of funds pursuant to proviso 1A.62. Requested by Education Oversight Committee.
HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.7. (SDE-EIA: XI.A.4-Academic Assistance/Curriculum Development) Funds appropriated in Part IA, Section 1, XI.A.4. for Act 135 of 1993 Other Operating must be used by the Department of Education to provide schools and school districts with technical assistance on curriculum development, including implementing the grade by grade academic standards, and instructional improvement in keeping with the intent of Act 135 of 1993 (Sections 59-139-05 and 59-139-10 of the SC Code of Laws) as provided in regulations promulgated by the State Board of Education.~~

- 1A.8 DELETE** (Academic Assistance/Early Child Development) Authorizes a portion of Academic Assistance 4-12 appropriations to be used to support components for the K-3 academic assistance if the change promotes better coordination of state and federal program funds. Requires districts requesting this waiver to demonstrate how the use of these funds is in keeping with their long range plan and how the students' needs will be met.
WMC: DELETE proviso. *See new proviso 1A.62 for consolidation of programs for students at risk of school failure.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. There will be a reallocation of funds pursuant to proviso 1A.62. Requested by Education Oversight Committee.
HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.8. (SDE-EIA: XI.A.4-Academic Assistance/Early Child Development) A portion of the funds appropriated in Part IA, Section 1, XI.A.4. for Academic Assistance 4-12 may be used to support components for the K-3 academic assistance if such change promotes better coordination of state and federal funds provided for programs for these students. Districts requesting this waiver from the State Board of Education must demonstrate how the use of these funds is in keeping with their long range plan and how the needs of the students in grades 4-12 will be met.~~

- 1A.9 DELETE** (Academic Assistance/Formula Funding & Distribution) Specifies that total funding for the 4-12 Academic Assistance component of Act 135 of 1993 is based on a derived free and reduced lunch eligibility count for grades 4-12 obtained by applying the state percentage of K-3 students eligible for free and reduced lunch to the 4-12 ADM. Provides that funding for individual districts shall be based on two equally weighted factors: the district's derived lunch percentage for grades 4-12 and its 4 year average for the number of 3-8 students Below Basic on the statewide grade level assessments in English language arts and students failing any portion of HSAP.

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WMC: DELETE proviso. *See new proviso 1A.62 for consolidation of programs for students at risk of school failure.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. There will be a reallocation of funds pursuant to proviso 1A.62. Requested by Education Oversight Committee.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.9. (SDE-EIA: XI.A.4-Academic Assistance/Formula Funding & Distribution) The total funding in Part IA, Section 1, XI.A.4. for the 4-12 Academic Assistance component of Act 135 of 1993 shall be based on a derived free and reduced lunch eligibility count for grades 4-12 obtained by applying the state percentage of K-3 students eligible for free and reduced lunch to the 4-12 average daily membership; and funding for individual districts shall be based on two equally weighted factors; the district's derived lunch percentage for grades 4-12 and its four year average for the number of 3-8 students scoring Below Basic on the statewide grade level assessments in English language arts and students failing any portion of HSAP.~~

1A.10 DELETE (Academic Assistance/Reading Recovery) Directs that \$3,200,000 of Academic Assistance Act 135 funds be used for Reading Recovery programs throughout the state. Directs that \$50,000 of these funds be used to pilot alternative teaching methods for reading.

WMC: DELETE proviso. *See new proviso 1A.60 for consolidation of reading appropriations.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. There will be a reallocation of funds pursuant to proviso 1A.60. Requested by Education Oversight Committee.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.10. (SDE-EIA: XI.A-Academic Assistance/Reading Recovery) Of the EIA funds appropriated herein for the Academic Assistance Act 135, \$3,200,000 shall be used for the Reading Recovery programs throughout the State. Of the funds provided for Reading Recovery, up to \$50,000 shall be used for piloting alternative teaching methods for reading.~~

1A.11 DELETE (Academic Assistance/Remedial Adult Education) Directs that an amount not to exceed \$1,000,000 of Academic Assistance funds must be used for either adult education students who are failing one or more sections of the HSAP Exit Exam or students preparing for the GED Exam at a weight of .114 of the base student cost.

WMC: DELETE proviso. *See new proviso 1A.62 for consolidation of programs for students at risk of school failure.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. There will be a reallocation of funds pursuant to proviso 1A.62. Requested by Education Oversight Committee.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.11. (SDE-EIA: XI.A.4-Academic Assistance/Remedial Adult Education) Of funds appropriated in Part IA, Section 1, XI.A.4. for Academic Assistance an amount not to exceed \$1,000,000 must be used for either adult education students failing one or more sections of the~~

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~~HSAP Exit Examination or students preparing for the GED examination at a weight of .114 of the base student cost as defined in the Education Finance Act.~~

- 1A.14 DELETE** (Course Reimbursement/Teachers) Requires EIA-Critical Teacher funds be used for courses that support instructional techniques and strategies in keeping with the professional development plans. Authorizes these funds to be used for courses that support the education of students with disabilities or special needs in the regular classroom. Allows school districts to require and collect a deposit from teachers who enroll in courses that support the areas identified above. Require the deposit to be returned to the teacher once the course has been completed.

WMC: DELETE proviso. *See new proviso 1A.63 for consolidation of professional development programs.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. There will be a reallocation of funds pursuant to proviso 1A.63. Requested by Education Oversight Committee.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.14. (SDE-EIA: XI.C.3-Course Reimbursement/Teachers) Funds appropriated for EIA-Critical Teacher needs must be used for courses which support instructional techniques and strategies in keeping with the professional development plans. These funds may be used for courses which support the education of students with disabilities or special needs in the regular classroom. School districts may require and collect a deposit from teachers enrolling in courses that support the areas identified above. Upon completion of the course any deposit collected shall be returned to the teacher having made the deposit.~~

- 1A.15 DELETE** (Critical Teaching Needs/Roper Mountain) Directs the department to disburse \$250,000 of Critical Teaching Needs funds to the Roper Mountain Center for public school science teachers summer workshops and authorizes these funds to be carried forward.

WMC: DELETE proviso. *See new proviso 1A.63 for consolidation of professional development programs.* Fiscal Impact: OSB indicates the department and EOC estimate no direct fiscal impact. Deletion of the proviso would eliminate \$250,000 in EIA appropriations for Roper Mountain Science Center. Requested by Education Oversight Committee.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.15. (SDE-EIA: XI.C.2-Critical Teaching Needs/Roper Mountain) Of the funds appropriated in Part IA, Section 1, XI.C.2. for Critical Teaching Needs, \$250,000 shall be disbursed to the Roper Mountain Science Center for summer workshops for public school science teachers. Funds disbursed to the Roper Mountain Science Center may be carried forward.~~

- 1A.22 AMEND FURTHER** (CHE/Teacher Recruitment) Directs distribution of Teacher Recruitment Program funds as follows: \$5,404,014 to CERRA-South Carolina, of which \$4,200,000 must be used for the Teaching Fellows Program and \$166,302 must be used to recruit minority teachers; and \$467,000 to SC State to be used only for the minority teacher recruitment program. Directs CERRA, working with districts with an absolute rating of Unsatisfactory or Below Average, to provided shared initiatives to recruit and retain teachers

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and report to the EOC and the department annually by October 1 of the success of these efforts. Directs CHE to make sure that funds used to promote teacher recruitment statewide ensure continued coordination efforts among the three teacher recruitment projects, review the use of funds, and have prior program and budget approval. Directs the SC State program, in consultation with CHE, to extend beyond the geographic area it currently serves. Directs CHE to annually evaluate the effectiveness of the teacher recruitment projects and report its findings and budget recommendations to the House and Senate Education Committees, the State Board of Education and the EOC by Oct 1st.

WMC: AMEND proviso to change “\$5,404,014” to “\$4,421,171.” Change “\$4,200,000” to “at least \$3,360,000” and direct that that amount must be used for Teaching Fellows Program “specifically to provide scholarships for future teachers of which \$100,000 may be expended on the Teacher Cadet Program.” Change “\$467,000” to “\$392,000.” Change the reference pertaining to the districts that CERRA is directed to work with from “unsatisfactory” to “At-Risk.” *Conform to amount of funds on the line.* Fiscal Impact: No impact on the General Fund.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to convert specific funding amounts to percentages: 92% for CERRA and 8% for SC State. Direct that of the 92% for CERRA, 78% be used for Teaching Fellows Program and 22% be used for other aspects of the state teacher recruitment program including the Teacher Cadet Program (delete specific reference to \$100,000 for the Teacher Cadet Program).

1A.22. (SDE-EIA: XI.F.2-CHE/Teacher Recruitment) Of the funds appropriated in Part IA, Section 1, XI.F.2. for the Teacher Recruitment Program, the S.C. Commission on Higher Education shall distribute a total of \$5,404,014 ~~\$4,102,860~~ 92% to the Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) for a state teacher recruitment program, of which \$4,200,000 ~~at least \$3,360,000~~ 78% must be used for the Teaching Fellows Program specifically to provide scholarships for future teachers, and of which \$100,000 may be expended on 22% must be used for other aspects of the state teacher recruitment program, including the Teacher Cadet Program and ~~of which~~ \$166,302 which must be used for specific programs to recruit minority teachers; and shall distribute \$467,000 ~~\$356,770~~ 8% to S.C. State University to be used only for the operation of a minority teacher recruitment program and therefore shall not be used for the operation of their established general education programs. Working with districts with an absolute rating of ~~Unsatisfactory~~ At-Risk or Below Average, CERRA will provide shared initiatives to recruit and retain teachers to schools in these districts. CERRA will report annually by October 1 to the Education Oversight Committee and the Department of Education on the success of the recruitment and retention efforts in these schools. The S.C. Commission on Higher Education shall ensure that all funds are used to promote teacher recruitment on a statewide basis, shall ensure the continued coordination of efforts among the three teacher recruitment projects, shall review the use of funds and shall have prior program and budget approval. The S.C. State University program, in consultation with the Commission on Higher Education, shall extend beyond the geographic area it currently serves. Annually, the Commission on Higher Education shall evaluate the effectiveness of each of the teacher recruitment projects and shall report its findings and its program and budget recommendations to the House and Senate Education Committees, the State Board of Education and the Education Oversight Committee by October 1 annually, in a format agreed upon by the Education Oversight Committee and the Department of Education.

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- 1A.25 DELETE** (Parenting/Family Literacy) Authorizes school districts to retain and expend Parenting/Family Literacy Programs funds allocated to the school districts for parenting projects. Directs that the funds must be allocated only to school districts that provide comprehensive family literacy programs that address intergenerational cycles of poverty. Directs that any school district that does not provide evaluation information necessary to determine effective use is not eligible to receive additional funding until the requested data is provided. Directs that the minimum amount allocated to a district shall be \$35,000.
WMC: DELETE proviso. *See new proviso 1A.62 for consolidation of programs for students at risk of school failure.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. There will be a reallocation of funds pursuant to proviso 1A.62. Requested by Education Oversight Committee.
HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.25. (SDE-EIA: XI.B-Parenting/Family Literacy) Funds appropriated in Part IA, Section 1, XI.B. for the Parenting/Family Literacy Programs and allocated to the school districts for parenting projects in the prior fiscal year may be retained and expended by the school districts for the same purpose during the current fiscal year. These funds must be allocated only to school districts that provide comprehensive family literacy programs which address intergenerational cycles of poverty through adult education, early childhood education and/or parenting programs. Furthermore, any school district that does not provide the evaluation information necessary to determine effective use as required by Section 59-139-10(A)(1) and by regulation is not eligible to receive additional funding until the requested data is provided. The minimum amount allocated to a district shall be \$35,000.~~

- 1A.26 AMEND FURTHER** (National Board Certification Incentive) Provides guidelines for an annual \$7,500 salary supplement to be paid to public school classroom teachers or classroom teachers who work with classroom teachers who are certified by the State Board of Education and by the National Board for Professional Teaching Standards for the length of the national certificate and to teachers employed at the special schools. Directs CERRA to develop guidelines and administer a loan program for teachers who are U.S. citizens or permanent resident aliens applying for National Board certification. Directs that teachers who begin the application process after 7/1/07 are eligible for full loan forgiveness if at the time the teacher applies to the National Board they are teaching in a school with a below average or unsatisfactory rating. Directs that forgiveness be at the rate of 33% for each year of full time teaching in the same school regardless of whether the school exceeds a below average or unsatisfactory rating during the forgiveness period or for each year teaching full time in another school with a below average or unsatisfactory rating.
WMC: AMEND proviso to direct that beginning with 2009 applicants, the \$7,500 salary supplement shall be paid beginning July 1 in the year following the year of achieving certification. Direct that the \$7,500 salary supplement shall only be paid for the initial 10 year certification. Direct that up to 1,100 loan applications shall be processed annually. Authorize funds collected from educators who are in default of the loan to be retained and carried forward for National Board purposes. Change reference to “unsatisfactory” to “at-risk.” *Conform to Act 282 of 2008.* Fiscal Impact: OSB indicates that the department and EOC report a fiscal impact of \$3.2 million for FY 2010 over and above the FY 2010 base (EIA and General Fund). Cost consists of 1,100 new applicants with a \$2,500 loan in addition to 5,806 National Board Certified teachers with a salary and fringe of \$9,040. According to the department, the default

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loan collection amounts average \$450,000 annually, which will help offset program costs. Requested by Department of Education. See 1.48 for general education companion proviso.

HOU: AMEND FURTHER to delete the restriction that the \$7,500 salary supplement shall only be paid for the initial 10 year certification. Sponsor: Rep. J.E. Smith.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.26. (SDE-EIA: XI.C.2-National Board Certification Incentive) Public school classroom teachers or classroom teachers who work with classroom teachers who are certified by the State Board of Education and who have been certified by the National Board for Professional Teaching Standards shall be paid a \$7,500 salary supplement ~~in the year of achieving certification~~ beginning July 1 in the year following the year of achieving certification, beginning with 2009 applicants. Teachers employed at the special schools shall be eligible for this \$7,500 salary supplement. The special schools include the Governor's School for Science and Math, Governor's School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Felton Lab, Department of Juvenile Justice and Palmetto Unified School District 1. The \$7,500 salary supplement shall be added to the annual pay of the teacher for the length of the national certificate. However, the \$7,500 supplement shall be adjusted on a pro rata basis for the teacher's FTE and paid to the teacher in accordance with the district's payroll procedure. The Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) shall develop guidelines and administer the programs whereby teachers who are United States citizens or permanent resident aliens, and who are applying to the National Board for Professional Teaching Standards for certification may receive a loan equal to the amount of the application fee. Up to eleven hundred loan applications shall be processed annually. One-half of the loan principal amount and interest shall be forgiven when the required portfolio is submitted to the national board. Teachers attaining certification within three years of receiving the loan will have the full loan principal amount and interest forgiven. Teachers who previously submitted a portfolio to the National Board for Professional Teaching Standards for certification under previous appropriation acts, shall receive reimbursement of their certification fee as prescribed under the provisions of the previous appropriation act. Funds collected from educators who are in default of the National Board loan shall be retained and carried forward for National Board purposes. Of the funds appropriated in Part IA, Section 1, XIII.A. for National Board Certification, the State Department of Education shall transfer to the Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) the funds necessary for the administration of the loan program. In addition, teachers who are certified by the National Board for Professional Teaching Standards shall enter a recertification cycle for their South Carolina certificate consistent with the recertification cycle for national board certification. National board certified teachers moving to this State who hold a valid standard certificate from their sending state are exempted from initial certification requirements and are eligible for a professional teaching certificate and continuing contract status. Their recertification cycle will be consistent with national board certification.

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

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

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

- 1A.27 DELETE** (CSO Mathematics and Science Unit) Directs that Mathematics and Science Centers funds be used to support improvements in math and science through resources and professional development in instructional techniques and strategies, use of technology in the classroom, leadership, content in subject areas and assessment. Direct that these efforts be coordinated with programs such as Tech Prep Consortia using applied learning techniques that will improve classroom instruction in math and science.

WMC: DELETE proviso. *See new proviso 1A.63 for consolidation of professional development programs.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. There will be a reallocation of funds pursuant to proviso 1A.63. Requested by Education Oversight Committee.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.27. (SDE-EIA: XI.C.3-CSO Mathematics and Science Unit) The funds appropriated in Part IA, Section 1, XI.C.3. shall be used for Mathematics and Science Centers which support improvements in mathematics and science through resources and professional development in instructional techniques and strategies, use of technology in the classroom, leadership, content in subject areas and assessment. These efforts will be coordinated with programs such as Tech Prep Consortia using applied learning techniques which will improve classroom instruction in mathematics and science.~~

- 1A.32 DELETE** (Principal Executive/Leadership Institute Carry Forward) Authorizes Principal Executive/Leadership Institute funds to be carried forward and used for the same purpose. Requires the Institute and all principal evaluation and induction programs include training for the key role principals have in supervising the teaching of reading.

WMC: DELETE proviso. *See new proviso 1A.63 for consolidation of professional development programs.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. There will be a reallocation of funds pursuant to proviso 1A.63. Requested by Education Oversight Committee.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.32. (SDE-EIA: XI.E.1-Principal Executive/Leadership Institute Carry Forward) Prior fiscal year funds appropriated in Part IA, Section 1, XI.E.1. for the Principal Executive/Leadership Institute may be carried forward into the current fiscal year and expended for the same purpose. The Institute and all principal evaluation and induction programs must include training for the key role that principals have in supervising the teaching of reading and instilling the importance of literacy in public schools.~~

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- 1A.36 DELETE** (Institute of Reading) Requires Institute of Reading appropriations be used to implement a comprehensive approach to improving the reading ability of middle grades students and accelerating learning of the students who read below grade level with strategies based on best practice and provide targeted assistance shown by research to help these students read at grade level. Authorizes funds to also be used in the same manner for high school grades.

WMC: DELETE proviso. *See new proviso 1A.60 for consolidation of reading appropriations.*
Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. There will be a reallocation of funds pursuant to proviso 1A.60. Requested by Education Oversight Committee.

HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~**1A.36.** (SDE-EIA: XI.A.3-Institute of Reading) The funds appropriated for the Institute of Reading must be used to implement a comprehensive approach to improving the reading abilities of students in the middle grades and accelerating the learning of middle grade students reading below grade level with strategies based on best practice and providing targeted assistance shown by research to help these students to read at grade level. Funds may also be used in the same manner for high school grades.~~

- 1A.37 AMEND** (EOC) Authorizes the EOC to collect, retain, expend, and carry forward revenue from conference registration fees, charges for materials supplied to local school districts or other entities, and from other activities or functions sponsored by the committee including public awareness campaign activities. Authorizes the EOC to use this revenue to fund programs that promote teaching economic education in the state.

WMC: AMEND proviso to delete the authorization to use the funds to promote teaching economic education. *A separate line item is recommended for the Council on Economic Education.* Fiscal Impact: OSB indicates the EOC estimates no impact on the EIA Fund.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

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

- 1A.38 DELETE** (Professional Development) Provides for the development and dissemination of the S.C. Professional Development Standards, the establishment of an accountability system and requires training.

WMC: DELETE proviso. *See new proviso 1A.60 for consolidation of reading appropriations.*
Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. Requested by Education Oversight Committee.

HOU: ADOPT deletion of proviso.

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SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.38. (SDE-EIA: Professional Development) With the funds appropriated for professional development, the Department of Education must disseminate the South Carolina Professional Development Standards, establish a professional development accountability system, and provide training to school leadership on the professional development standards, also training must be provided to educators on assessing student mastery of the content standards. The State Department of Education shall revise professional development activities and programs, including professional development on the standards, the SC Reading Initiative, and programs for administrators, to include emphasis on strategies and services for students at risk of retention.~~

1A.40 AMEND (Proviso Allocations) Authorizes the department to reduce any allocation designated by a proviso by up to 10% if the BEA declares an official EIA revenue shortfall. Prohibits allocations for teacher salaries from being reduced.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct that if the BEA officially declares an EIA revenue shortfall, the department may reduce any Section 1A allocation designated by proviso in accordance with the lower estimate as directed by the Office of State Budget.

~~1A.40. (SDE-EIA: Proviso Allocations) The State In the event an official EIA revenue shortfall is declared by the Board of Economic Advisors, the Department of Education may reduce ~~by up to 10%~~, any allocation in Section 1A specifically designated by proviso ~~in the event an official EIA revenue shortfall is declared by the BEA~~ in accordance with the lower Board of Economic Advisors revenue estimate as directed by the Office of State Budget. No allocation for teacher salaries shall be reduced as a result of this proviso.~~

1A.41 AMEND FURTHER (School Districts and Special Schools Flexibility) Authorizes school districts and special schools to transfer up to 100% of funds between programs to any instructional program provided the funds are used for direct classroom instruction; directs the department to establish a procedure for reviewing these transfers and to provide members of the General Assembly details on the transfers if so requested; authorizes school districts and special schools to carry forward unexpended funds; requires the transfers to be completed by May 1st; authorizes all school districts and special schools to spend Children's Education Endowment Fund monies received for school facilities and fixed equipment assistance, for any instructional program; directs the EOC to review the use of the flexibility proviso to determine how it enhances or detracts from achieving the goals of the educational accountability system; directs the department to report to the EOC on the transfers for the comprehensive review which shall be provided annually to the General Assembly; prohibits grants or technical assistance funds awarded to individual schools from being reduced or reallocated within the school district and requires that these funds must be spent by the receiving school only according to the guidelines governing the funds. Directs that prior to implementing the authorized flexibility, school districts must provide Public Charter Schools with the per pupil allocation they are due for each categorical program. *See proviso 1.43 for general education companion proviso.*

WMC: AMEND proviso to require the comprehensive review be provided to the General Assembly "biennially" rather than "annually." *Results from year to year do not show significant changes. Evaluations over time would provide more information for policy makers.*

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Fiscal Impact: OSB indicates the department and EOC estimate no impact on the EIA Fund. Requested by Education Oversight Committee.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to delete the previous flexibility except for the carry forward authority, the requirement that school districts provide Public Charter Schools the per pupil allocation, and maintaining the suspension of Section 59-21-1030 for FY 09-10 and instead mirror H.3352 to allow school districts and special schools to transfer and expend funds among general fund revenues, EIA funds, Lottery funds, and Children's Education Endowment Fund for school facilities and fixed equipment assistance to ensure the delivery of academic and arts instruction. Prohibit school districts from transferring debt service or bonded indebtedness funds. Allow school districts to suspend professional staffing ratios and expenditure regulations and guidelines at the sub-function and service area level, except for 4-year old programs. Require at least 65% of the school district's per pupil expenditures be used within the In\$ite categories of instruction, instructional support, and non-instruction pupil services in order for the school district to take advantage of these flexibility provisions. Prohibit any of the 65% from being used for business services, debt service, capital outlay, program management or leadership services as defined by In\$ite. Require school districts to report the actual percentage of per pupil expenditures for classroom instruction, instructional support and non-instruction pupil services for the school year ending June 30, 2010. Define In\$ite as the financial analysis model for education programs used by the department. Encourage school districts to reduce expenditures by limiting the number of courses with low enrollment, reducing travel, reducing and limiting activities that require dues and memberships, reduce extracurricular and academic competitions transportation costs and expanding virtual instruction. Require the chairman of each school district's board and each superintendent to quarterly certify where non-instructional or non-essential programs have been suspended and specific flexibility action taken. Direct that the certification be signed and delivered electronically to the Superintendent of Education and the chairmen of the Senate Finance, Senate Education, House Ways and Means, and House Education and Public Works Committees. Direct the certification be presented publicly at a regular school board meeting and be posted on the school district's website. Suspend formative assessments for grades 1, 2, and 9, and foreign language and physical education programs assessments. Allow new textbook adoptions to be suspended. Authorize school districts and the department to purchase the most economical type of bus fuel. Require school districts to maintain a transaction register that includes a complete record of all funds expended over \$100 and to prominently post the register on the district's internet website for public viewing and downloading. Require the register include the transaction amount, name of the payee, and detailed description of the expenditure. Prohibit the register from including an entry for an individual employee's salary, wage, or other compensation or any information that could be used to identify an employee. Require the register be searchable and updated at least monthly. Require each school district to maintain on its website, a copy of each monthly credit card statement for cards issued to its officers and employees. Require the credit card number be removed from the statement prior to posting and provide the timeframe for posting. Require the Comptroller General to establish and maintain a website to contain the information required in this provision for school districts that do not maintain their own website, require those school districts to provide the information to the Comptroller General; and direct the Comptroller General to distribute to the districts a methodology and resources for compliance. Direct the Comptroller General to reimburse districts for documented expenses incurred resulting from compliance if they use the

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methodology and that reimbursement be made from the Comptroller General's budget. Direct that this provision does not alter FOIA provisions.

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

In order for a school district to take advantage of the flexibility provisions, at least sixty-five percent of the school district's per pupil expenditures must be utilized within the In\$ite categories of instruction, instructional support, and non-instruction pupil services. No portion of the sixty-five percent may be used for 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 non-instruction pupil services for the school year ending June 30, 2010.

"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, and expanding virtual instruction.

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

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

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Quarterly throughout the 2009-10 fiscal year, the chairman of each school district's board and the superintendent of each school district must certify where non-instructional or non-essential 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 posted on the internet website maintained by the school district.

For Fiscal Year ~~2008-2009~~ 2009-10, Section 59-21-1030 is suspended.

Formative assessments for grades one, two, and nine, the foreign language program assessment, and the physical education assessment must be suspended. New textbook adoptions may be suspended. Nothing in this provision suspends, amends, modifies, or otherwise authorizes changes in the manner in which textbooks are purchased. School districts and the Department of Education are granted permission to purchase the most economical type of bus fuel.

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 Comptroller General shall distribute to the districts a methodology and resources for compliance. If a district complies with the methodology, it shall be reimbursed for any documented expenses incurred as a result of compliance. Reimbursement must be from the budget of the Comptroller General.

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.

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- 1A.43 DELETE** (EAA Summer School, Grades 3-8) Provides guidelines for allocating summer school funds to each local public school district. Directs the department, working with and through the SC Afterschool Alliance to provide \$250,000 to produce a model of voluntary quality standards for out of school time programs, to develop a technical assistance directory, and to identify gaps in service.
- WMC:** DELETE proviso. *See new proviso 1A.62 for consolidation of programs for students at risk of school failure.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. There will be a reallocation of funds pursuant to proviso 1A.62. Requested by Education Oversight Committee.
- HOU:** ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.43. (SDE-EIA: EAA Summer School, Grades 3-8) Funds appropriated for summer school shall be allocated to each local public school district based on the number of academic subject area scores below the basic on the prior year Spring PACT administration for students in grades three through eight and on the number of students entering ninth grade who score below proficient in reading. Individual student scores on the PACT shall not be the sole criterion used to determine whether a student on an academic plan the prior year will be placed on probation or retained. Individual student scores on the PACT shall not be the sole criterion for requiring students to attend summer school. School districts may consider other factors such as student performance, teacher judgment, and social, emotional, and physical development in placing students on academic probation or requiring summer school attendance. Students may not be placed on academic probation or retained based solely on the PACT scores. The State Department of Education working with the Education Oversight Committee must develop a method to supplement the PACT with diagnostic training and materials aligned to the content standards. Current year appropriations may be expended for prior year EAA summer school purposes. Local public school districts shall utilize these funds in accordance with the requirements of Section 59-18-500 of the 1976 Code. The State Department of Education is directed to utilize PACT-like tests aligned with standards to be administered to students on academic probation required to attend summer school. The test shall be a determinate in judging whether the student has the skills to succeed at the next grade level. The State Board of Education shall establish regulations to define the extenuating circumstances including death of an immediate family member or severe long term student illness, under which the requirements of Section 59-18-900(D) may be waived. Furthermore, the Department of Education, working with and through the SC Afterschool Alliance, will provide \$250,000 to produce a model of voluntary quality standards for out of school time programs, develop a directory of technical assistance, and identify gaps of service.~~

- 1A.44 DELETE** (Alternative School Waiver Requirement) Authorizes alternative schools to receive funding if they meet the standards to qualify for a waiver from the Department of Education established in Section 59-63-1310 for site requirements.
- WMC:** DELETE proviso. *See new proviso 1A.62 for consolidation of programs for students at risk of school failure.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. There will be a reallocation of funds pursuant to proviso 1A.62. Requested by Education Oversight Committee.
- HOU:** ADOPT deletion of proviso.

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SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.44. (SDE-EIA: Alternative School Waiver Requirement) Alternative schools may receive funding if they meet the standards to qualify for a waiver from the Department of Education established in Section 59-63-1310 for site requirements for the current fiscal year.~~

- 1A.45 DELETE** (Class Size Reduction-Grade One) Directs that school districts that choose to reduce class size to 15:1 in grades one through three are eligible for funding for the reduced pupil-teacher ratios from funds provided by the General Assembly for this purpose.
WMC: DELETE proviso. *See new proviso 1A.62 for consolidation of programs for students at risk of school failure.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds. There will be a reallocation of funds pursuant to proviso 1A.62. Requested by Education Oversight Committee.
HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.45. (SDE-EIA: Class Size Reduction-Grade One) School districts which choose to reduce class size to fifteen to one in grades one through three shall be eligible for funding for the reduced pupil-teacher ratios from funds provided by the General Assembly for this purpose.~~

- 1A.47 AMEND** (PSAT/PLAN Reimbursement) Directs that assessment appropriations be used to pay for administering PSAT or PLAN tests to 10th grade students to include the testing and report fees. Authorizes the department to carry forward prior year assessment funds to pay for state assessment activities not completed by the end of the fiscal year including scoring the spring PACT assessment.
WMC: AMEND proviso to change “PACT” reference to “statewide accountability” assessment. *PACT will no longer be administered. Conform to Section 59-18-340 of Act 282 of 2008.* Fiscal Impact: OSB indicates the department estimates no impact on the EIA Fund. Requested by Department of Education. See 1.27 for general education companion proviso.
HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

1A.47. (SDE-EIA: PSAT/PLAN Reimbursement) Funds appropriated for assessment shall be used to pay for the administration of the PSAT or PLAN test to tenth grade students to include the testing fee and report fee. The department is authorized to carry forward into the current fiscal year, prior year state assessment funds for the purpose of paying for state assessment activities not completed by the end of the fiscal year including the scoring of the spring ~~PACT~~ statewide accountability assessment.

- 1A.54 DELETE** (Formative Reading Assessment) Authorizes school districts to use their state, local, and federal funds for other formative reading assessments that have been approved by the department instead of using the State Board approved developmental appropriate formative reading assessment for grades 1 and 2. Directs that districts be required to inform the department by August 1, 2008 what assessment they will use.
WMC: DELETE proviso. *The requirement for the program is not included in Act 282 of 2008.* Fiscal Impact: OSB indicates no impact on the EIA Fund. Requested by Department of Education. See 1.69 for general education companion proviso.

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HOU: ADOPT deletion of proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT deletion of proviso.

~~1A.54. (SDE-EIA: Formative Reading Assessment) School districts may utilize their state, local, and federal funding for other formative reading assessments that have been approved for use by a Department of Education program in lieu of using the State Board approved developmental appropriate formative reading assessment for grades one and two. By August 1, 2008, districts shall be required to inform the Department of Education what assessment for grades one and two will be used.~~

1A.58 AMEND NEW PROVISO FURTHER (One-Year Suspension of EIA Programs) WMC: ADD new proviso to temporarily suspend the following EIA programs for FY 09-10 and instead to allocate the funds appropriated to them to teacher salaries and fringe benefits: competitive teacher grants, Palmetto Gold and Silver program and external review teams. Direct that schools will still be recognized as Palmetto Gold and Silver recipients in 2009-10, but will not receive funding for such recognition. Require the department to review the state's textbook adoption program to establish a transition plan to use electronic instructional materials. Direct that the transition plan should address content area, grades or courses including, teacher professional development, and state, district and student responsibility. Direct the department to present the plan to the Senate Education, Senate Finance, House Education and Public Works, and House Ways and Means Committees, the State Board of Education and the EOC by October 1, 2009. *Suspend these programs for one year due to declining EIA revenues.* Fiscal Impact: OSB indicates the department and EOC report no fiscal impact. Funds will be redirected to use for teacher salaries and fringe benefits. The amount of funds redirected will be \$3,983,591. The EOC states through the December 2008 EIA revenue reductions, the temporary suspension of these programs totals \$24.4 million. Requested by Education Oversight Committee.

HOU: AMEND new proviso to also allow funds to be allocated to the National Board Certification Incentive salary supplements and the Teaching Fellows Program administered by CERRA. Sponsor: Rep. J.R. Smith. Sponsor: Rep. Ott.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND FURTHER to specify that funds administered by CERRA be used "to hold the funding level to maintain fellowships for existing cohorts of participants in the Teacher Fellows Program. Delete the requirement that the department review the state's textbook adoption program to establish a transition plan to use electronic instructional materials.

1A.58. (SDE-EIA: One Year Suspension of EIA Programs) The following programs funded with EIA revenues will be temporarily suspended for Fiscal Year 2009-10 and funds appropriated to these programs allocated to teacher salaries and fringe benefits and National Board Certification Incentive salary supplements and the Teaching Fellows Program administered by CERRA to hold the funding level to maintain fellowships for existing cohorts of participants in the Teacher Fellows Program: competitive teacher grants, Palmetto Gold and Silver program and external review teams. Schools will still be recognized as Palmetto Gold and Silver recipients in 2009-10 but will not receive financial compensation. In the current fiscal year the Department of Education must review the state's textbook adoption program to establish a transition plan to the use of electronic instructional materials. The transition plan should address the content area, grades or courses included, teacher

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~~*professional development, and state, district and student responsibility. The Department of Education must present the plan to the Senate Education Committee, the Senate Finance Committee, the House Education and Public Works Committee, the House Ways and Means Committee, the State Board of Education and the Education Oversight Committee no later than October 1, 2009.*~~

- 1A.60** **ADD (Reading) WMC:** ADD new proviso to require the department to allocate a minimum of 25% of funds appropriated for reading to school districts based on the number of weighted pupil units in each school district in proportion to the statewide weighted pupil units using the 135 day count of the prior school year. Require districts to spend the funds on teaching teachers how to teach reading at all levels and across all content areas. Direct the department to retain the remaining funds to implement a comprehensive plan to improve reading, including the use of Reading Recovery and other reading initiatives and to increase the number of students scoring at met and exemplary levels on state assessments. *Consolidates reading provisos 1A.10, 1A.36, and 1A.38.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds due to consolidation of existing line items. Requested by Education Oversight Committee.
HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

1A.60. (SDE-EIA: Reading) Of the funds appropriated for reading, the Department of Education must allocate a minimum of twenty-five percent of these funds to school districts based on the number of weighted pupil units in each school district in proportion to the statewide weighted pupil units using the 135 day count of the prior school year. Districts must expend the funds on teaching teachers how to teach reading at all levels and across all content areas. The remaining funds are retained by the Department of Education to implement a comprehensive plan to improve reading, including the use of Reading Recovery and other reading initiatives and to increase the number of students scoring at met and exemplary levels on state assessments.

- 1A.61** **AMEND NEW PROVISO (Artistically and Academically High-Achieving Students) WMC:** ADD new proviso to direct that EIA funds appropriated for high achieving students must be allocated to districts based on the number of students served in academic and artistically gifted and talented programs based on the prior year's 135-day count of ADM adjusted for the current year's 45-day count and the number of students taking Advanced Placement or International Baccalaureate (IB) exams in the prior year. Require that at least 85% of funds appropriated for each student so classified must be spent for instruction and instructional support for students who generated the funds. Authorize up to \$500,000 of the funds to be retained by the department for teacher endorsement activities. *Consolidates artistically and academically gifted students provisos 1A.2, 1A.3, and 1A.5.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds due to consolidation of existing line items. Requested by Education Oversight Committee.
HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to separate out the number of students "identified" as artistically gifted and talented from the number of academic gifted and talented which are based specific day counts. Direct that 12% of the funds be set-aside to serve artistically gifted and talented students in grades 3-12. Suspend, for the 09-10

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school year, endorsement criteria established by the State Board of Education for teachers assigned to teach gifted and talented and advanced placement classes.

1A.61. (SDE-EIA: Artistically and Academically High-Achieving Students) EIA funds appropriated for high achieving students must be allocated to districts based on two factors: (1) the number of students served in academic ~~and artistically~~ gifted and talented programs based on the prior year's 135-day count of average daily membership adjusted for the current year's 45-day count **and the number of students identified as artistically gifted and talented;** and (2) the number of students taking Advanced Placement or International Baccalaureate (IB) exams in the prior year. At least eighty-five percent of the funds appropriated for each student classified herein must be spent for instruction and instructional support for students who generated the funds. Up to \$500,000 of the funds may be retained by the Department of Education for teacher endorsement activities. **Twelve percent of the funds shall be set-aside for serving artistically gifted and talented students in grades 3-12.**

Endorsement criteria established by the State Board of Education for teachers assigned to teach gifted and talented and advanced placement classes shall be suspended for the 2009-10 school year.

1A.62 AMEND NEW PROVISO (Students at Risk of School Failure) WMC: ADD new proviso to require, for FY 09-10, that EIA funds appropriated for students at academic risk of school failure, which includes funds for Act 135 Academic Assistance, summer school, reduce class size, alternative schools, parent support and family literacy, be allocated to school districts based on the poverty index of the district as documented on the most recent district report card and on the number of students not in poverty or eligible for Medicaid but who fail to meet state standards on state standards-based assessments in either reading or math. Require that at least 85% of funds allocated for students classified as at academic risk be spent on instruction and instructional support for students who generated the funds. Direct that instructional support may include family literacy and parenting programs to students at-risk for school failure and their families. Define students at academic risk as students who are at risk of not graduating from high school because they failed the English language arts or mathematics portion of the High School Assessment Program on their first attempt and who score not met on grades 3 through 8 in reading and math state assessments. *Consolidates students at risk of school failure provisos 1A.6, 1A.7, 1A.8, 1A.9, 1A.11, 1A.25, 1A.43, 1A.44, and 1A.45.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds due to consolidation of existing line items. Requested by Education Oversight Committee.

HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: AMEND new proviso to require public charter schools, the Palmetto Unified School District, and DJJ to also receive a proportionate per pupil allocation based on the number of students at academic risk of school failure served.

1A.62. (SDE-EIA: Students at Risk of School Failure) For Fiscal Year 2009-10, EIA funds appropriated for students at academic risk of school failure, which include funds for Act 135 Academic Assistance, summer school, reduce class size, alternative schools, parent support and family literacy, must be allocated to school districts based two factors: (1) the poverty index of the district as documented on the most recent district report card, which measures student eligibility for the free or reduced price lunch program and Medicaid; and (2) the number of students not in poverty or eligible for Medicaid but who fail to meet state standards on state standards-based assessments in either reading or mathematics. At least eighty-five

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percent of the funds allocated for students classified as at academic risk must be spent on instruction and instructional support for these students who generated the funds. Instructional support may include family literacy and parenting programs to students at-risk for school failure and their families. Students at academic risk are defined as students who are at risk of not graduating from high school because they failed either the English language arts or mathematics portion of the High School Assessment Program on first attempt and who score not met on grades 3 through 8 in reading and mathematics state assessments. **Public charter schools, the Palmetto Unified School District, and the Department of Juvenile Justice must also receive a proportionate per pupil allocation based on the number of students at academic risk of school failure served.**

- 1A.63** **ADD** (Professional Development) **WMC:** ADD new proviso to require professional development funds be allocated to districts based on the number of weighted pupil units in each school district in proportion to the statewide weighted pupil units using the 135 day count of the prior school year. Require the funds be spent on professional development for certificated instructional and instructional leadership personnel in grades K-12 across all content areas, including teaching in and through the arts. Direct that no more than 25% of professional development funds may be retained by the department for administration and provision of professional development services. Require the department to provide professional development on assessing student mastery of the content standards through classroom, formative, and end-of-year assessments. Require the department to post the South Carolina Professional Development Standards on the agency's Web site and provide training to school leadership on the professional development standards through telecommunication methods. *Consolidates professional development provisos 1A.14, 1A.15, 1A.27, and 1A.32.* Fiscal Impact: OSB indicates the department and EOC estimate no impact on EIA funds due to consolidation of existing line items. Requested by Education Oversight Committee.
HOU: ADOPT new proviso.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT new proviso.

1A.63. (SDE-EIA: Professional Development) EIA funds appropriated for professional development must be allocated to districts based on the number of weighted pupil units in each school district in proportion to the statewide weighted pupil units using the 135 day count of the prior school year. The funds must be expended on professional development for certificated instructional and instructional leadership personnel in grades kindergarten through 12 across all content areas, including teaching in and through the arts. No more than twenty-five percent of the funds appropriated for professional development may be retained by the Department of Education for the administration and provision of professional development services. The Department of Education must provide professional development on assessing student mastery of the content standards through classroom, formative and end-of-year assessments. The Department of Education also must post on the agency's Web site the South Carolina Professional Development Standards and provide training through telecommunication methods to school leadership on the professional development standards.

- 1A.agt** **CONFORM TO FUNDING / ADD** (Assessments-Gifted & Talented, Advanced Placement, & International Baccalaureate Exams) **SFC SUBCOMMITTEE RECOMMENDATION:** CONFORM TO FUNDING / ADD new proviso to direct that up to \$2,455,000 of assessment funds 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.

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1A.agt. (SDE-EIA: Assessments-Gifted & Talented, Advanced Placement, & International Baccalaureate Exams) Of the funds appropriated and/or authorized for assessment, up to \$2,455,000 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.

SECTION 29 - H87 - STATE LIBRARY

29.bmd ADD (Books and Materials Disposal) SFC SUBCOMMITTEE RECOMMENDATION: ADD new proviso to authorize the State Library to sell or dispose of books and other library materials that the library deems no longer have value to the state or the library..Authorize funds received from the sale of books and materials to be retained, expended, and carried forward to purchase new materials for the collection. *Sale of outdated books and materials will make room for new relevant materials.* Fiscal Impact: The agency estimates approximately \$5,000 would be generated from the sale of these materials. Requested by State Library.

29.bmd. (LIB: Books and Materials Disposal) The State Library may sell or otherwise dispose of books and other library materials that are deemed by the State Library as no longer of value to the State of South Carolina and the State Library's collection. Funds received from the sale of books and materials shall be retained and expended to purchase new materials for the collection. Unexpended funds may be carried forward from the prior fiscal year into the current fiscal year and be used for the same purpose.

29.lend ADD (SCLENDS) SFC SUBCOMMITTEE RECOMMENDATION: ADD new proviso to allow the State Library to accept money for the South Carolina Library Evergreen Network Delivery System (SCLENDS), a consortium that provides patrons access to more library materials. Direct that the consortium shall allow South Carolina libraries the ability to share resources and provide a forum for sharing expertise in technical areas such as systems administration and cataloging. Direct that funds received for SCLENDS be placed in a special account and only be used to pay for items related to SCLENDS. Authorize unexpended funds to be carried forward and be used for the same purpose.

29.lend. (LIB: SCLENDS) The State Library may accept money for the South Carolina Library Evergreen Network Delivery System (SCLENDS), a consortium providing patrons access to more library materials. The consortium shall allow South Carolina libraries the ability to share resources and provide a forum for sharing expertise in technical areas such as systems administration and cataloging. Funds received by the State Library for SCLENDS shall be placed in a special account and shall only be utilized to pay for items related to SCLENDS. Unexpended funds may be carried forward from the prior fiscal year into the current fiscal year and be used for the same purpose.

SECTION 31 - H95 - STATE MUSEUM

31.6 AMEND (Across-the-Board Cut Exemption) Exempts the amount of rent paid to General Services for retirement of General Revenue Bonds from the museum's base budget in the calculation of any across-the-board cut mandated by the B&C Board or General Assembly.

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WMC: AMEND proviso to delete reference to “retirement of General Revenue Bonds.”
Fiscal Impact: OSB indicates approximately \$1.8 million would be exempt from calculation of any across the board reductions during FY 09-10.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

31.6. (MUSM: Across-the-Board Cut Exemption) In the calculation of any across-the-board cut mandated by the Budget and Control Board or General Assembly, the amount of the museum’s rent which the commission pays to General Services ~~for the retirement of General Revenue Bonds~~ shall be excluded from the museum’s base budget.

SECTION 89 - X90 - GENERAL PROVISIONS

89.34 **AMEND** (School Technology Initiative) Authorizes K-12 technology initiative funds to be used by the Department of Education, in consultation with the B&C Board’s Chief Information Officer, the State Library, and ETV to administer the K-12 technology initiative funds. Directs that the funds are to provide technology, encourage effective use of technology in K-12 public schools, conduct cost/benefit analyses of the various technologies and to involve public-private sector collaborative efforts. Authorizes funds to be used to establish pilot projects for new technologies with selected school districts. Authorizes the funds to be retained and carried forward to be used for the same purpose.

WMC: AMEND proviso to change “Chief Information Office” to “Division of State Information Technology.” *Technical name change.* Fiscal Impact: No impact on the General Fund. Requested by Budget and Control Board.

HOU: ADOPT proviso as amended.

SFC SUBCOMMITTEE RECOMMENDATION: ADOPT proviso as amended.

89.34. (GP: School Technology Initiative) From the funds appropriated/authorized for the K-12 technology initiative, the Department of Education, in consultation with the Budget and Control Board’s ~~Chief Information Office~~ *Division of State Information Technology*, the State Library and Educational Television Commission shall administer the K-12 technology initiative funds. These funds are intended to provide technology, encourage effective use of technology in K-12 public schools throughout the state, conduct cost/benefit analyses of the various technologies and should, to the maximum extent possible, involve public-private sector collaborative efforts. Funds may also be used to establish pilot projects for new technologies with selected school districts as part of the evaluation process. K-12 technology initiative funds shall be retained and carried forward to be used for the same purpose.

89.112 **DELETE NEW PROVISO** (Cultural Agencies Financial and Human Resource Functions Consolidation) **WMC:** ADD new proviso to direct the State Museum, Arts Commission, State Library and Department of Archives and History to develop a plan to consolidate financial and human resources functions, where possible, between the agencies. Require that the plan, including an estimate of the cost savings, be submitted to the Chairmen of the Senate Finance and House Ways and Means Committees by December 31, 2009. Fiscal Impact: No impact on the General Fund.

HOU: ADOPT new proviso.

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SFC SUBCOMMITTEE RECOMMENDATION: DELETE new proviso.

~~89.112. (GP: Cultural Agencies Financial and Human Resource Functions Consolidation Plan) The State Museum Commission, Arts Commission, State Library, and Department of Archives and History are directed to develop a plan to consolidate financial and human resources functions, where possible, between the agencies. This plan, including an estimate of the cost savings, must be submitted to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee no later than December 31, 2009.~~