SECTION 1 - H63-DEPARTMENT OF EDUCATION

- **1.19 AMEND** (Summer Exit Exam Cost) Authorizes funds appropriated in Part IA, Section III to be used to offset the cost of administering the Exit Exam in the summer and to expend the funds for costs related to developing, printing, shipping, scoring, and reporting assessment results. Authorize local school districts to absorb local administrative costs.
 - **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to change "III" to "IV." *To reflect correct budget program reference.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.
 - **1.19.** (SDE: Summer Exit Exam Cost) Funds appropriated in Part IA, Section 1, III <u>IV</u> may be used to offset the costs of the summer administration of the Exit Examination. These funds may be expended to cover the costs related to developing, printing, shipping, scoring, and reporting the results of the assessments. Local school districts may absorb local costs related to administration.
- **1.25 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 statewide accountability assessment.
 - **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to delete the requirement that assessment funds be used to pay for administering PSAT or PLAN tests to 10th grade students. Instead for the current fiscal year, suspend the PSAT/PLAN and direct savings generated from the suspension to the EFA. Fiscal Impact: PENDING. Requested by Department of Education. *Companion to EIA 1A.25*.
 - **1.25.** (SDE: PSAT/PLAN Reimbursement <u>Assessment</u>) 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. <u>For the current fiscal year PSAT/PLAN shall be suspended and savings generated from suspension of PSAT/PLAN Reimbursement shall be <u>allocated to the Education Finance Act.</u> SDE <u>The department</u> 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 statewide accountability assessment.</u>
- **1.30 AMEND** (Buses, Parts, and/or Fuel) Authorizes the department, for FY 10-11, to use other operating funds in the Bus Shops and Buses programs to purchase buses, fuel, parts or other school bus related items. Authorizes bus fuel, parts/supplies, maintenance, and bus purchase funds to be carried forward and used to support bus transportation services.
 - **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to change "FY 2010-11" to "current fiscal year." Fiscal Impact: No impact on the General Fund. Requested by Department of Education.
 - **1.30.** (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. 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 2010-11 the current fiscal year to support bus transportation services.

1.40 AMEND (School Districts and Special Schools Flexibility) Provides guidelines and requirements for school districts and special schools to have the ability 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. Prohibits school districts from transferring debt service or bonded indebtedness funds. Authorizes school districts and the department to purchase the most economical type of bus fuel.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change references to "Fiscal Year 2010-11" to "current fiscal year." Direct that the purchase of textbooks beyond that required for replacement "may" rather than "must" be suspended. Delete the requirement that savings generated from suspension of the writing assessment and new textbooks adoptions be allocated to school districts based on the EFA formula and instead direct that they be allocated based on the number of weighted pupil units in each district. *Change in methodology for distributing funds generated from the savings from suspended programs ensures that all districts receive funds generated from the savings.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education. *Companion to EIA 1A.22*.

1.40. (SDE: School Districts and Special Schools Flexibility) All school districts and special schools of this State may transfer and expend funds among appropriated state general fund revenues, Education Improvement Act funds, Education Lottery Act funds, and funds received from the Children's Education Endowment Fund for school facilities and fixed equipment assistance, to ensure the delivery of academic and arts instruction to students. However, a school district may not transfer funds 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 seventy 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 seventy 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 *current* school year ending June 30, 2011. Salaries of on-site principals must be included in the calculation of the district's per pupil expenditures.

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

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

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

Prior to implementing the flexibility authorized herein, school districts must provide to public charter schools the per pupil allocation due to them for each categorical program.

Quarterly throughout the <u>2010-11 current</u> 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 2010-11 the current fiscal year, Section 59-21-1030 is suspended. Writing assessments in grades three, four, six, and seven, formative assessments for grades one, two, and nine, the foreign language program assessment, financial literacy, and the physical education assessment must be suspended. Textbook purchases beyond that required for replacement of instructional material currently on the state adopted textbook list must may be suspended. School districts and the Department of Education are granted permission to purchase the most economical type of bus fuel.

For Fiscal Year 2010-11 the current fiscal year, savings generated from the suspension of the writing assessments and the suspension of new textbooks adoptions enumerated above must be allocated to school districts based on the Education Finance Act formula number of weighted pupil units in each district.

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.

1.46 AMEND (National Board Certification Incentive Surplus) Directs that National Board Certification Incentive appropriation excess of all obligations, including salary supplements, related fringe, loan principal amount and interest forgiven, and the administration funds necessary for the Center of Educator Recruitment, Retention, and Advancement and the Department of Education be distributed to school districts and allocated based on the EFA Formula.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *No surplus of funds are expected.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

- 1.46. (SDE: National Board Certification Incentive Surplus) National Board Certification Incentive appropriation excess of all obligations to include the national board certification incentive salary supplement, related fringe, loan principal amount and interest forgiven, and the administration funds necessary for the Center for Educator Recruitment, Retention, and Advancement (CERRA-South Carolina) and the Department of Education shall be distributed to school districts and allocated based on the Education Finance Act Formula.
- **1.58 AMEND** (Physical Education Teachers) Requires school district's allocations from Part IA, Section 1, Program III are to be used to increase the number of physical education teachers to the extent possible.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change "III" to "V." *To reflect correct budget program reference.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

- **1.58.** (SDE: Physical Education Teachers) A school district's allocation from the funds appropriated in Part IA, Section 1, Program $\frac{HI}{V}$ are to be used to increase the number of physical education teachers to the extent possible.
- AMEND (Residential Treatment Facilities Student Enrollment and Funding) Directs 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"); that such facility school district shall be responsible for providing appropriate educational programs and services for these students, with and without disabilities; and provides guidelines and certain program and funding requirements. Directs that a task force be convened to research and make recommendations to the Superintendent of Education by December 1, 2010 on oversight of educational programs provided to RTF students.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to also authorize the RTF to provide parents/guardians with the option to enroll their child in a virtual charter school authorized by the SC Charter School District. Direct that if the parent/guardian chooses to enroll their child in a virtual charter school the SC Charter School District shall assume the responsibility of the facility school district. Require the RTF and parent/guardian to identify a learning coach prior to enrolling the student in a virtual charter school. Require that the learning coach be identified in collaboration with the SC Charter School District and that the be responsible for monitoring and assisting the child's learning experience. Encourage the facility school district, when appropriate, to use course offerings provided by the Department of Education through its South Carolina Virtual School Program. Delete the requirement that the state appropriate 100% of the base student cost to provide for the education of the students referred or placed by the State in an RTF. Direct that facility school districts are entitled to

receive the base student cost multiplied by the EFA pupil weighting for "Homebound pupils of 2.10." Direct that the reimbursement rate may not exceed \$45 per student per day. Authorize the department to withhold the equivalent amount of EFA funds and transfer those funds to the facility school district if a resident school district fails to distribute the entitled funding to the facility school district. Direct that out-of-state students provided educational services by a facility school district are not eligible for funding through the EFA. Delete the task force provision. Fiscal Impact: PENDING.

1.66. (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") or the RTF may choose to provide to parents/guardians of students residing in the RTF the option to enroll their child in a virtual charter school authorized by the South Carolina Charter School District. parent/guardian choose to enroll their child in a virtual charter school, the South Carolina Charter School District shall assume the responsibilities of the facility school district for each child enrolled in a virtual charter school. Prior to the enrolling in a virtual charter school, the RTF and the parent/guardian must identify a learning coach for each student enrolled. The individual to serve as the learning coach will be identified in collaboration with the South Carolina Charter School District. The learning coach shall be responsible for monitoring and assisting in the child's educational experience with the virtual charter school. 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 comparable adequate space for the educational programs and services consistent with all federal and state least restrictive environment requirements. Adequate space shall include appropriate electrical support and Internet accessibility. Unless the parent or legal guardian of the student seeks to continue the student's enrollment in the resident school district under a medical homebound instruction program and the district approves, if appropriate, then, under these circumstances, the facility school district shall enroll the student and assume full legal and financial responsibility for the educational services including 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. When appropriate, the facility school district is encouraged to utilize course offerings provided by the Department of Education through its South Carolina Virtual School Program.

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. If the facility school district determines the educational program being offered by the RTF does not meet the educational standards outlines in the contract, the facility district shall be justified in terminating the contract.

The State shall appropriate one hundred 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 for Homebound pupils of 2.10, as set forth in Section 59-20-40 of the 1976

Code and any eligible categorical and 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 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. However, the reimbursement rate may not exceed \$45 per student per day. Should the facility school district be unable to reach agreement with the resident school district regarding reasonable costs differences, the facility school district shall notify the Department of Education's Office of General Counsel. The Department of Education shall facilitate a resolution of the dispute between the facility school district and the resident school district. If the issue of reasonable cost differences should remain unresolved, the case shall be referred to the Administrative Law Court for a final decision. Should a resident school district fail to distribute the entitled funding to the facility school district, the Department of Education is authorized to withhold the equivalent amount of EFA funds and transfer those funds to the facility school district.

If a child from out of state is placed in a RTF by an out-of-state school district or agency, the child's home state remains responsible for the educational services. The facility school district may choose to provide the educational program to the child and, upon choosing to do so, shall contract with the appropriate entity for payment of educational serviced provided to the child. <u>Out-of-state students provided educational services by a facility school district shall not be eligible for funding through the Education Finance Act.</u>

If a child is placed in a RTF by the child's parent or guardian, the facility school district may choose to provide the educational program to the child, and upon doing so, must negotiate with the resident school district for services through medical homebound procedures. A facility school district is responsible for compliance with all child find requirements under Section 504 of the Rehabilitation Act of 1973 and IDEA.

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 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. The performance of students residing in a RTF who receive their educational program on site at the RTF must be reflected on a separate line on the facility school district's report card and must not be included in the overall performance ratings of the facility school district. The Department of Education shall examine the feasibility of issuing report cards for RTFs. For the 2010-11 school year, a facility school district shall not have the district's state accreditation rating negatively impacted by deficiencies related to the delivery of an educational program at a RTF.

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. The Department of Education, in collaboration with state placing agencies, RTFs, facility school districts, and resident school districts, shall implement a system to follow the release of students from a RTF and re-enrollment in public, private, or special schools to ensure these students, when appropriate, are not recorded as dropouts.

The Department of Education shall convene a task force to research and make recommendations to the State Superintendent of Education by December 1, 2010, regarding oversight of the educational programs provided to students residing in a RTF. Recommendations may include, but not be limited to, implementing a system of state oversight, state standards for an appropriate educational program for students residing in a RTF, and requirements for collaboration between the Department of Health and Environmental Control and the Department of Education regarding educational program requirements when new RTFs are licensed. The task force shall include, but not be limited to, representation of the following groups: state placing agencies, RTFs, facility school districts, resident school districts, Department of Health and Environmental Control, and other interested entities. The report shall be made available to the General Assembly no later than January 1, 2011.

- **DELETE** (Prohibit Use of ARRA for Administration) Prohibits the department and school districts from using American Recovery and Reinvestment Act of 2009 funds for administrative salary increases, bonuses, retirement incentives, or severance packages. Requires the department provide a list of federal stimulus expenditures to the General Assembly. **SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. *All ARRA funds have been*
 - **SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. *All ARRA funds have been appropriated.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.
 - **1.68.** (SDE: Prohibit Use of ARRA for Administration) The department and school districts are prohibited from using funds received from the American Recovery and Reinvestment Act of 2009 for state department or school district administrative salary increases, bonuses, retirement incentives, or severance packages. The department shall provide to the General Assembly a list of federal stimulus expenditures.
- **1.69 AMEND** (Special Schools Flexibility) Authorizes special schools, for FY 2010-11, to transfer funds among funding categories, including capital funds.
 - **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to change "Fiscal Year 2010-11" to "current fiscal year." Fiscal Impact: No impact on the General Fund. Requested by Department of Education.
 - **1.69.** (SDE: Special Schools Flexibility) For Fiscal Year 2010-11 the current fiscal year, the special schools are authorized to transfer funds among funding categories, including capital funds.
- **1.70 AMEND** (High School Driver Education) Suspends, for FY 10-11, the requirement that high schools offer driver education, but allow schools to continue to offer the course if they so choose. Directs the department to survey school districts and collect information on the cost of the program, the number of participants, and recommendations regarding continuing the program. Directs the department to submit a report by January 1, 2011, to the Chairmen of the Senate Finance Committee and the House Ways and Means Committee outlining the findings of the survey and the recommended changes to the course. Directs the department to work with DMV in collecting and reporting driver education input.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change "Fiscal Year 2010-11" to "current fiscal year" and delete reference to the survey. Survey has been issued. Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

- **1.70.** (SDE: High School Driver Education) For Fiscal Year 2010-11 the current fiscal year, the requirement for high schools to provide a course in driver education is suspended however, high schools may continue to offer driver education courses if they choose to do so. The Department of Education is directed to survey school districts and collect information concerning, but not limited to, the costs of delivering the driver education program, the number of students participating in the program, and recommendations regarding continuation of the program. The department shall submit a report outlining the survey findings and recommended changes to the public school driver education course to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by January 1, 2011. The Department of Education shall work with the Department of Motor Vehicles in collecting and reporting driver education input.
- 1.71 **DELETE** (Background Checks for Substitute Teachers) Requires all substitute teachers to undergo a SLED name based criminal records search and requires SLED to provide the records without charge to the district or the substitute teacher. Requires school districts to develop a written policy and requires the department to provide training and adopt a model policy. SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Codified in Act 168 of 2010. Fiscal Impact: No impact on the General Fund. Requested by Department of Education.
 - 1.71. (SDE: Background Checks for Substitute Teachers) Each individual hired by a local board of trustees to serve as a substitute teacher must undergo a name based South Carolina eriminal records search conducted by the local school district using records maintained by the State Law Enforcement Division (SLED). SLED shall provide these records without charge to the school district or the substitute teacher. District school boards of trustees must adopt a written policy outlining this requirement as well as how the information received from the background check will impact hiring decisions. The policy must include, at a minimum, hiring recommendations relative to felony convictions and relevant "just cause" examples cited in Section 59-25-160 of the 1976 Code. SLED, working with the Department of Education, shall provide training to appropriate school district personnel regarding appropriate use of the information provided in background checks. The Department of Education shall adopt a model policy.
- **AMEND** (Program Reports) Requires all programmatic reports required by the General Assembly be electronically submitted. Directs the department develop a template outlining a triennial reporting cycle for all reports required by the General Assembly except for the Accountability Report or other required annual budget preparation reports. SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change "Fiscal Year 2010-11" to "current fiscal year" and delete the template requirement. Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

1.72

1.72. (SDE: Program Reports) For Fiscal Year 2010-11 the current fiscal year, all programmatic reports required by the General Assembly shall be submitted electronically. By December 1, 2010, the department shall develop a template outlining a triennial reporting cycle for all reports required by the General Assembly except for the Accountability Report or other reports required specifically for annual budget preparation.

DELETE (AED Study) Authorizes the department to coordinate a study to determine if all public and private high school instructional and administrative staff should have training on the proper use of an automated external defibrillators. Directs the department, if the study is conducted, to report their findings to the Chairmen of the Senate Finance and House Ways and Means Committees by January 31, 2011.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Study has been conducted.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

- 1.75. (SDE: AED Study) The Department of Education may coordinate a study to determine if training on the proper use of an automated external defibrillator (AED) should be required of all public and private high school instructional and administrative staff. In the event the study is conducted, the department shall report the findings of the study to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee no later than January 31, 2011.
- 1.76 AMEND (Carry Forward Authorization) Authorizes the department to carry forward and expend any balance in their General Funds for school bus transportation.
 SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change "Fiscal Year 2010-11" to "current fiscal year." Fiscal Impact: No impact on the General Fund. Requested by Department of Education.
 - **1.76.** (SDE: Carry Forward Authorization) For Fiscal Year 2010-11 the current fiscal <u>year</u>, the Department of Education is authorized to carry forward and expend any General Fund balances for school bus transportation.
- **1.78 AMEND** (Effectiveness of Strategies for Teaching Reading) Directs the department to coordinate \$106,790 appropriated in Section XI.A.1 Other Entities to provide evidence of the effectiveness of strategies for teaching reading.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct the funds to the EFA.

- **1.78.** (SDE: Effectiveness of Strategies for Teaching Reading) Funds appropriated in Section XIII.A. in the amount of \$34,911 shall be coordinated by the Department of Education to provide evidence of the effectiveness of strategies for the teaching of reading. <u>allocated to the Education Finance Act</u>
- 1.79 **DELETE** (ITA Study Committee) Establishes an Index of Taxpaying Ability Study Committee from the funds appropriated to or authorized for the department. Directs the study committee to examine the index of taxpaying ability and its relationship to EFA resources available to individual school districts. Directs that the committee examine how the index is calculated and the impact of property tax measures on the calculation. Directs the committee also examine how funds should be distributed to school districts that receive less than 40% of state support as computed by Section 59-20-40(1) [EFA DETERMINATION OF ANNUAL ALLOCATIONS] and to consider whether the amount each district receives should be determined according to the number of weighted students, adjusted for student attendance. Requires a report and recommendations be issued by January 1, 2011.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Report has been issued.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

1.79. (SDE: Index of Taxpaying Ability Study Committee) From the funds appropriated or authorized for the Department of Education, there is created the Index of Taxpaying Ability Study Committee. The committee shall examine the index of taxpaying ability and its relationship to Education Finance Act resources available to the individual school districts in support of the education foundation program required by the State. The committee shall also examine the manner in which the index is calculated and the impact of property tax measures on the calculation.

The committee shall also examine how funds should be distributed to school districts that receive less than forty percent of state support as computed in Section 59-20-40(1) of the 1976 Code, taking into consideration whether each district's amount should be determined in accordance with the district's number of weighted students, subject to adjustment for student attendance.

The committee shall be composed of fourteen members, which shall be appointed as follows:

- (1) four members appointed by the President Pro Tempore of the Senate, and four members appointed by the Speaker of the House of Representatives. Appointees must possess experience in business, school district finance, or economics, and must include representatives from the Department of Education, the Department of Revenue, and the Budget and Control Board Office of Research and Statistics as well as members of the business and education communities:
- (2) one member of the Senate appointed by the Senate President Pro Tempore; one member of the Senate appointed by the Senate Majority Leader; and one member of the Senate appointed by the Senate Minority Leader; and
- (3) three members of the House appointed by the Speaker of the House of Representatives, one of which must be a member of the minority caucus.

The members shall elect a chairman at the first meeting of the committee.

No later than January 1, 2011, the committee shall prepare and deliver a report and recommendation to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, the Chairman of the Senate Education Committee, and the Chairman of House Education and Public Works Committee.

Members of the study committee shall serve without compensation for per diem, mileage, and subsistence.

- **DELETE** (Application of Reductions) Authorizes the department to proportionately apply 38% of their FY 10-11 agency base reduction among the other state entities and non-flow thru appropriations that are housed within their budget, with the remaining 62% being proportionately applied throughout the department's budget, while first exempting the EFA and EFA Employer Contributions. Limits the two Governor's School's base reduction to no more than 5% each.
 - **SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. *Applied to reductions taken for FY 10-11.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.
 - 1.81. (SDE: Application of Reductions) The department is authorized to proportionately apply 38% of the Fiscal Year 2010-11 agency base reductions among the other state entities and non-flow thru appropriations housed within the department's budget with the remaining 62% of the Fiscal Year 2010-11 agency base reduction first exempting the EFA and EFA Employer Contributions prior to being proportionately applied throughout the department's budget. The Governor's School for the Arts and the Humanities and the Governor's School for Science and Mathematics base reduction shall be limited to no more than 5%.

- **1.gsa ADD** (Governor's Schools Residency Requirement) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to require a parent or guardian of a student attending either the Governor's School for Arts and Humanities or the Governor's School for Science and Mathematics to legally reside in South Carolina at the time the student applies to the school and while they attend the school. Prohibit either Governor's School from admitting students whose parent(s) or guardian(s) is not a legal resident of this state. Fiscal Impact: No impact on the General Fund.
 - 1.gsa. (SDE: Governor's Schools Residency Requirement) Any parent(s) or guardian(s) of a student attending either the Governor's School for the Arts and the Humanities or the Governor's School for Science and Mathematics must prove that they are a legal resident of the state of South Carolina at the time of application and must remain so throughout time of attendance. The Governor's School for the Arts and the Humanities and Governor's School for Science and Mathematics may not admit students whose parent(s) or guardian(s)s are not legal residents of South Carolina.
- **1.hf ADD** (Holocaust Funds) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to prohibit SC Council on Holocaust funds from being used for any other purpose or transferred to any other program. Direct that if the department is required to implement a budget reduction, SC Council on Holocaust funds may not be reduced. Fiscal Impact: No impact on the General Fund. \$31,174 budgeted.
 - 1.hf. (SDE: Holocaust Funds) Funds appropriated to the Department of Education for the SC Council on Holocaust shall not be used for any other purpose nor transferred to any other program. In addition, in the event the department is required to implement a budget reduction, SC Council on Holocaust funds may not be reduced.

SECTION 1A - H63-DEPARTMENT OF EDUCATION-EIA

- **1A.3 AMEND** (Half Day Program for Four-Year-Olds) Directs that funds appropriated for half-day programs for 4-year-olds shall be distributed based on the prior year number of students in kindergarten eligible for free and reduce price lunch. Directs, however, that no district shall receive less than 90% the amount it received in the prior fiscal year.
 - **SUBCOMMITTEE RECOMMENDATION:** AMEND provise to delete the requirement that no district receive less than 90% the amount it received in the prior fiscal year. *Deletion will provide for allocations to be based solely on the prior year number of eligible students and the amount of funds appropriated for this purpose.* Fiscal Impact: No impact on the General Fund. Requested by Department of Education.
 - **1A.3.** (SDE-EIA: XI.B Half Day Program for Four-Year-Olds) Funds appropriated in Part IA, Section 1, XI.B. for half-day programs for four-year-olds shall be distributed based on the prior year number of students in kindergarten eligible for free and reduce price lunch, however, no district shall receive less than 90 percent of the amount it received in the prior fiscal year.
- **1A.6 AMEND** (Teacher Salaries/SE Average) Projects the Southeastern average teacher salary to be \$48,725 for FY 10-11. States that the statewide minimum teacher salary schedule used in FY 08-09 will continue to be used in FY 10-11. Specifies what positions are to receive Teacher Salary Supplements.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change "\$48,725" to "\$49,007" and change "Fiscal Year "2010-11" to "2011-12" pertaining to using the same statewide minimum teacher salary schedule used in FY 08-09. Fiscal Impact: \$85,843,212 (\$49,007-\$47,642) x 1.2094 x 52,000 + EFA restoration.

1A.6. (SDE-EIA: XI.C.2.-Teacher Salaries/SE Average) The projected Southeastern average teacher salary shall be the average of the average teachers salaries of the southeastern states as projected by the Division of Budget and Analyses. For the current school year the Southeastern average teacher salary is projected to be \$48,725 \$49,007. The statewide minimum teacher salary schedule used in Fiscal Year 2008-09 will continue to be used in Fiscal Year 2010-11 2011-12. The General Assembly remains desirous of raising the average teacher salary in South Carolina through incremental increases over the next few years so as to make such equivalent to the national average teacher salary.

Funds appropriated in Part IA, Section 1, XI.C.2. for Teacher Salaries must be used to increase salaries of those teachers eligible pursuant to Section 59-20-50 (b), to include classroom teachers, librarians, guidance counselors, psychologists, social workers, occupational and physical therapists, school nurses, orientation/mobility instructors, and audiologists in the school districts of the state.

1A.16 AMEND (Teacher Supplies) Provides guidelines for distributing teacher supply reimbursement of up to \$275 each school year to offset the expenses they have incurred for teaching supplies and materials.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change "FY 2010-11" to "Fiscal Year 2011-12." Fiscal Impact: No impact on the General Fund. Requested by Department of Education.

1A.16. (SDE-EIA: XI.C.2-Teacher Supplies) For FY 2010-11 Fiscal Year 2011-12 a local school board, in a public school board meeting prior to the first contract day of the school year, by majority vote may decide to retain the school district's allocation for Teacher Supply funds and instead of disbursing the funds to all certified public school teachers, certified special school classroom teachers, certified media specialists, and certified guidance counselors may utilize the school district's allocation for the purposing of funding teacher salaries either to avoid or decrease the impact of a teacher furlough imposed by the school board or to avoid the elimination of a teaching position as determined by the school board. A school district may not utilize this provision to increase district or school level administrators or teacher salaries. A school board utilizing this provision must notify the certified public school teacher, certified special school classroom teachers, certified media specialists, and certified guidance counselors in written communication on or before the first contract day of the school year of the school board's decision not to provide the teacher supply reimbursement along with the school board's purpose in utilizing the reimbursement funds. All certified public school teachers, certified special school classroom teachers, certified media specialists, and certified guidance counselors who are employed by a school district or a charter school as of November thirtieth of the current fiscal year, based on the public decision of the school board may receive reimbursement of up to two hundred seventy-five dollars each school year to offset expenses incurred by them for teaching supplies and materials. Funds shall be disbursed by the department to School districts by July fifteenth based on the last reconciled Professional Certified Staff (PCS) listing from the previous year. With remaining funds for this program, any deviation in the PCS and actual teacher count will be reconciled by December thirty-first or as soon as practicable thereafter. Based on the public decision of the school district these funds shall be disbursed in a manner separate and distinct from their payroll check on the first day teachers, by contract, are

required to be in attendance at school for the current contract year. This reimbursement shall not be considered by the state as taxable income. Special schools include the Governor's School for Science and Math, the Governor's School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Felton Lab, Department of Juvenile Justice, and Palmetto Unified School District. Funds distributed to school districts or allocated to schools must not supplant existing supply money paid to teachers from other sources. If a school district requires receipts for tax purposes the receipts may not be required before December thirty-first. Districts that do not wish to require receipts may have teachers retain the receipts and certify for the district they have received the allocation for purchase of teaching supplies and/or materials and that they have purchased or will purchase supplies and/or materials during the fiscal year for the amount of the allocation. Districts shall not have an audit exception related to non-retention of receipts in any instances where a similar instrument is utilized. Any district requiring receipts must notify any teacher from whom receipts have not been submitted between November twenty-fifth and December sixth that receipts must be submitted to the district. Districts may not add any additional requirement not listed herein related to this reimbursement. School districts utilizing this provision to retain the teaching supplies funding for purposes other than reimbursement to the teacher must publicly display on the school district's website the number of jobs saved through the use of these funds and to electronically forward the report on jobs saved to the Department of Education no later than December 31 of the current fiscal year to be compiled in a report for electronic presentation to the General Assembly by January 15 of the current fiscal year.

1A.22 AMEND (School Districts and Special Schools Flexibility) Provides guidelines and requirements for school districts and special schools to have the ability 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. Prohibits school districts from transferring debt service or bonded indebtedness funds. Authorizes school districts and the department to purchase the most economical type of bus fuel.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change references to "Fiscal Year 2010-11" to "current fiscal year." Delete the requirement that savings generated from suspension of the writing assessment and new textbooks adoptions be allocated to school districts based on the EFA formula and instead direct that they be allocated based on the number of weighted pupil units in each district. Change in methodology for distributing funds generated from the savings from suspended programs ensures that all districts receive funds generated from the savings. Fiscal Impact: No impact on the General Fund. Requested by Department of Education. EIA Companion to 1.40

1A.22. (SDE-EIA: School Districts and Special Schools Flexibility) All school districts and special schools of this State may transfer and expend funds among appropriated state general fund revenues, Education Improvement Act funds, Education Lottery Act funds, and funds received from the Children's Education Endowment Fund for school facilities and fixed equipment assistance, to ensure the delivery of academic and arts instruction to students. However, a school district may not transfer funds 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 seventy 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 seventy 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 *current* school year ending June 30, 2011. Salaries of on-site principals must be included in the calculation of the district's per pupil expenditures.

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

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

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

Prior to implementing the flexibility authorized herein, school districts must provide to public charter schools the per pupil allocation due to them for each categorical program.

Quarterly throughout the 2010-11 *current* 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 2010-11 the current fiscal year, Section 59-21-1030 is suspended. Writing assessments in grades three, four, six, and seven, formative assessments for grades one, two, and nine, the foreign language program assessment, financial literacy, and the physical education assessment must be suspended. Textbook purchases beyond that required for replacement of instructional material currently on the state adopted textbook list must be suspended. School districts and the Department of Education are granted permission to purchase the most economical type of bus fuel.

For Fiscal Year 2010-11 the current fiscal year, savings generated from the suspension of the writing assessments and the suspension of new textbooks adoptions enumerated above must be allocated to school districts based on the Education Finance Act formula number of weighted pupil units in each district.

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.

1A.25 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 statewide accountability assessment.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete the requirement that assessment funds be used to pay for administering PSAT or PLAN tests to 10th grade students. Fiscal Impact: PENDING. Requested by Department of Education. *Companion to* 1.25.

- **1A.25.** (SDE-EIA: PSAT/PLAN Reimbursement Assessment) 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 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 statewide accountability assessment.
- **1A.41 AMEND** (Education Oversight Committee Transfer) Directs the EOC to transfer \$250,000 to Teacher Supplies and to transfer EOC 4-Year Old Evaluation funds to the Office of First Steps to be used only in the CDEPP program.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change the amount transferred to teacher supplies from "\$250,000" to "\$200,000" and delete the requirement that EOC 4-Year Old Evaluation funds be transferred to the Office of First Steps. Fiscal Impact: No impact on the General Fund. Requested by Education Oversight Committee.

1A.41. (SDE-EIA: Education Oversight Committee Transfer) For Fiscal Year—2010—11 2011-12 the Education Oversight Committee is directed to transfer \$250,000 \$200,000 to Teacher Supplies. The Education Oversight Committee is further directed to transfer the funds for the EOC 4 Year Old Evaluation to the Office of First Steps only for use in the CDEPP program.

- **1A.42 DELETE** (Effectiveness of Strategies for Teaching Reading) Directs the department to coordinate \$106,790 appropriated in Section XI.A.1 Other Entities to provide evidence of the effectiveness of strategies for teaching reading.
 - **SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. *Evaluation will be complete by the end of the fiscal year*. Fiscal Impact: No impact on the General Fund. Requested by Department of Education.
 - **1A.42.** (SDE-EIA: Effectiveness of Strategies for Teaching Reading) Funds appropriated in Section XI.A.1. Other Entities in the amount of \$106,790 shall be coordinated by the Department of Education to provide evidence of the effectiveness of strategies for the teaching of reading.
- **1A.44 DELETE** (First Steps-CDEPP Program) Requires First Steps to only use the funds transferred from the EOC to serve students in the CDEPP program and to report to the Chairmen of the Senate Finance and Ways and Means Committees by January 10, 2011, the number of students served.
 - **SUBCOMMITTEE RECOMMENDATION:** DELETE proviso. Fiscal Impact: No impact on the General Fund.
 - **1A.44.** (SDE-EIA: First Steps-CDEPP Program) For Fiscal Year 2010-11 the Office of First Steps is directed to utilize the funds transferred from the Education Oversight Committee only to serve students in the CDEPP program and shall report the number of students served to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by January 10, 2011.
- **1A.45 AMEND** (Child Development Education Pilot Program) Establishes the South Carolina Child Development Pilot Program (CDEPP); directs that the program be available on a voluntary basis for the 2010-11 school year; and directs that the program focus on developmental and learning support that children must have to be ready for school and to incorporate parenting education. Directs that pilot program first provide four-year old kindergarten services to at-risk children in the 8 trial districts and if any funds remain, to expand the program to the remaining plaintiff districts in the Abbeville County School District and then to eligible children in school districts with a poverty index of 90% or greater. Authorizes unexpended funds to be carried forward and remain in the program. Directs that the funded cost per child is \$4,218 increased annually by the rate of inflation.
 - **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to change "2010-11" references to "current" year. Fiscal Impact: No impact on the General Fund. Requested by Department of Education.
 - **1A.45.** (SDE-EIA: Child Development Education Pilot Program) There is created the South Carolina Child Development Education Pilot Program (CDEPP). This program shall be available for the 2010-11 *current* school year on a voluntary basis and shall focus on the developmental and learning support that children must have in order to be ready for school and must incorporate parenting education.
 - (A) For the <u>2010-11</u> <u>current</u> school year, with funds appropriated by the General Assembly, the South Carolina Child Development Education Pilot Program shall first be made available to eligible children from the following eight trial districts in Abbeville County School District et. al. vs. South Carolina: Allendale, Dillon 2, Florence 4, Hampton 2, Jasper, Lee, Marion 7, and Orangeburg 3. With any remaining funds available, the pilot shall be expanded to the remaining plaintiff school districts in Abbeville County School District et. al. vs. South

Carolina and then expanded to eligible children residing in school districts with a poverty index of 90% or greater. Priority shall be given to implementing the program first in those of the plaintiff districts which participated in the pilot program during the 2006-2007 school year, then in the plaintiff districts having proportionally the largest population of underserved at-risk four-year-old children.

Unexpended funds from the prior fiscal year for this program shall be carried forward and shall remain in the program. In rare instances, students with documented kindergarten readiness barriers may be permitted to enroll for a second year, or at age five, at the discretion of the Department of Education for students being served by a public provider or at the discretion of the Office of South Carolina First Steps to School Readiness for students being served by a private provider.

(B) Each child residing in the pilot districts, who will have attained the age of four years on or before September first, of the school year, and meets the at-risk criteria is eligible for enrollment in the South Carolina Child Development Education Pilot Program for one year.

The parent of each eligible child may enroll the child in one of the following programs:

- (1) a school-year four-year-old kindergarten program delivered by an approved public provider; or
- (2) a school-year four-year-old kindergarten program delivered by an approved private provider.

The parent enrolling a child must complete and submit an application to the approved provider of choice. The application must be submitted on forms and must be accompanied by a copy of the child's birth certificate, immunization documentation, and documentation of the student's eligibility as evidenced by family income documentation showing an annual family income of 185% or less of the federal poverty guidelines as promulgated annually by the U.S. Department of Health and Human Services or a statement of Medicaid eligibility.

In submitting an application for enrollment, the parent agrees to comply with provider attendance policies during the school year. The attendance policy must state that the program consists of 6.5 hours of instructional time daily and operates for a period of not less than 180 days per year. Pursuant to program guidelines, noncompliance with attendance policies may result in removal from the program.

No parent is required to pay tuition or fees solely for the purpose of enrolling in or attending the program established under this provision. Nothing in this provision prohibits charging fees for childcare that may be provided outside the times of the instructional day provided in these programs.

If by October 1 of the school year at least 75% of the total number of eligible CDEPP children in a district or county are projected to be enrolled in CDEPP, Head Start or ABC Child Care Program as determined by the Department of Education and the Office of First Steps, CDEPP providers may then enroll pay-lunch children who score at or below the 25th national percentile on two of the three DIAL-3 subscales and may receive reimbursement for these children if funds are available.

(C) Public school providers choosing to participate in the South Carolina Four-Year-Old Child Development Kindergarten Program must submit an application to the Department of Education. Private providers choosing to participate in the South Carolina Four-Year-Old Child Development Kindergarten Program must submit an application to the Office of First Steps. The application must be submitted on the forms prescribed, contain assurances that the provider meets all program criteria set forth in this provision, and will comply with all reporting and assessment requirements.

Providers shall:

- (1) comply with all federal and state laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, gender, national origin, religion, ancestry, or need for special education services;
 - (2) comply with all state and local health and safety laws and codes;
- (3) comply with all state laws that apply regarding criminal background checks for employees and exclude from employment any individual not permitted by state law to work with children:
- (4) be accountable for meeting the education needs of the child and report at least quarterly to the parent/guardian on his progress;
- (5) comply with all program, reporting, and assessment criteria required of providers;
- (6) maintain individual student records for each child enrolled in the program to include, but not be limited to, assessment data, health data, records of teacher observations, and records of parent or guardian and teacher conferences;
- (7) designate whether extended day services will be offered to the parents/guardians of children participating in the program;
 - (8) be approved, registered, or licensed by the Department of Social Services; and
- (9) comply with all state and federal laws and requirements specific to program providers.

Providers may limit student enrollment based upon space available. However if enrollment exceeds available space, providers shall enroll children with first priority given to children with the lowest scores on an approved pre-kindergarten readiness assessment. Private providers shall not be required to expand their programs to accommodate all children desiring enrollment. However, providers are encouraged to keep a waiting list for students they are unable to serve because of space limitations.

- (D) The Department of Education and the Office of First Steps to School Readiness shall:
 - (1) develop the provider application form;
 - (2) develop the child enrollment application form;
- (3) develop a list of approved research-based preschool curricula for use in the program based upon the South Carolina Content Standards, provide training and technical assistance to support its effective use in approved classrooms serving children;
- (4) develop a list of approve pre-kindergarten readiness assessments to be used in conjunction with the program, provide assessments and technical assistance to support assessment administration in approved classrooms serving children;
 - (5) establish criteria for awarding new classroom equipping grants;
 - (6) establish criteria for the parenting education program providers must offer;
- (7) establish a list of early childhood related fields that may be used in meeting the lead teacher qualifications;
- (8) develop a list of data collection needs to be used in implementation and evaluation of the program;
- (9) identify teacher preparation program options and assist lead teachers in meeting teacher program requirements;
 - (10) establish criteria for granting student retention waivers; and
 - (11) establish criteria for granting classroom size requirements waivers.
- (E) Providers of the South Carolina Child Development Education Pilot Program shall offer a complete educational program in accordance with age-appropriate instructional practice and a research based preschool curriculum aligned with school success. The program must focus on the developmental and learning support children must have in order to be ready for school. The provider must also incorporate parenting education that promotes the school

readiness of preschool children by strengthening parent involvement in the learning process with an emphasis on interactive literacy.

Providers shall offer high-quality, center-based programs that must include, but shall not be limited to, the following:

- (1) employ a lead teacher with a two-year degree in early childhood education or related field or be granted a waiver of this requirement from the Department of Education or the Office of First Steps to School Readiness;
- (2) employ an education assistant with pre-service or in-service training in early childhood education;
- (3) maintain classrooms with at least ten four-year-old children, but no more than twenty four-year-old children with an adult to child ratio of 1:10. With classrooms having a minimum of ten children, the 1:10 ratio must be a lead teacher to child ratio. Waivers of the minimum class size requirement may be granted by the South Carolina Department of Education for public providers or by the Office of First Steps to School Readiness for private providers on a case-by-case basis;
- (4) offer a full day, center-based program with 6.5 hours of instruction daily for one hundred eighty school days;
- (5) provide an approved research-based preschool curriculum that focuses on critical child development skills, especially early literacy, numeracy, and social/emotional development;
- (6) engage parents' participation in their child's educational experience that shall include a minimum of two documented conferences per year; and
 - (7) adhere to professional development requirements outlined in this article.
- (F) Every classroom providing services to four-year-old children established pursuant to this provision must have a lead teacher with at least a two-year degree in early childhood education or related field and who is enrolled and is demonstrating progress toward the completion of a teacher education program within four years. Every classroom must also have at least one education assistant per classroom who shall have the minimum of a high school diploma or the equivalent, and at least two years of experience working with children under five years old. The teaching assistant shall have completed the Early Childhood Development Credential (ECD) 101 or enroll and complete this course within twelve months of hire. Providers may request waivers to the ECD 101 requirement for those assistants who have demonstrated sufficient experience in teaching children five years old and younger. The providers must request this waiver in writing to their designated administrative agency (First Steps or the Department of Education) and provide appropriate documentation as to the qualifications of the teaching assistant.
- (G) The General Assembly recognizes there is a strong relationship between the skills and preparation of pre-kindergarten instructors and the educational outcomes of students. To improve these education outcomes, participating providers shall require all personnel providing instruction and classroom support to students participating in the South Carolina Child Development Education Pilot Program to participate annually in a minimum of fifteen hours of professional development to include teaching children from poverty. Professional development should provide instruction in strategies and techniques to address the age-appropriate progress of pre-kindergarten students in developing emergent literacy skills, including but not limited to, oral communication, knowledge of print and letters, phonemic and phonological awareness, and vocabulary and comprehension development.
- (H) Both public and private providers shall be eligible for transportation funds for the transportation of children to and from school. Nothing within this provision prohibits providers from contracting with another entity to provide transportation services provided the entities adhere to the requirements of Section 56-5-195. Providers shall not be responsible for

transporting students attending programs outside the district lines. Parents choosing program providers located outside of their resident district shall be responsible for transportation. When transporting four-year-old child development students, providers shall make every effort to transport them with students of similar ages attending the same school. Of the amount appropriated for the program, not more than \$185 per student shall be retained by the Department of Education for the purposes of transporting four-year-old students. This amount must be increased annually by the same projected rate of inflation as determined by the Division of Research and Statistics of the Budget and Control Board for the Education Finance Act.

- (I) For all private providers approved to offer services pursuant to this provision, the Office of First Steps to School Readiness shall:
 - (1) serve as the fiscal agent;
 - (2) verify student enrollment eligibility;
- (3) recruit, review, and approve eligible providers. In considering approval of providers, consideration must be given to the provider's availability of permanent space for program service and whether temporary classroom space is necessary to provide services to any children;
- (4) coordinate oversight, monitoring, technical assistance, coordination, and training for classroom providers;
- (5) serve as a clearing house for information and best practices related to four-year-old kindergarten programs;
- (6) receive, review, and approve new classroom grant applications and make recommendations for approval based on approved criteria;
- (7) coordinate activities and promote collaboration with other private and public providers in developing and supporting four-year-old kindergarten programs;
 - (8) maintain a database of the children enrolled in the program; and
 - (9) promulgate guidelines as necessary for the implementation of the pilot program.
- (J) For all public school providers approved to offer services pursuant to this provision, the Department of Education shall:
 - (1) serve as the fiscal agent;
 - (2) verify student enrollment eligibility;
- (3) recruit, review, and approve eligible providers. In considering approval of providers, consideration must be given to the provider's availability of permanent space for program service and whether temporary classroom space is necessary to provide services to any children:
- (4) coordinate oversight, monitoring, technical assistance, coordination, and training for classroom providers;
- (5) serve as a clearing house for information and best practices related to four-yearold kindergarten programs;
- (6) receive, review, and approve new classroom grant applications and make recommendations for approval based on approved criteria;
- (7) coordinate activities and promote collaboration with other private and public providers in developing and supporting four-year-old kindergarten programs;
 - (8) maintain a database of the children enrolled in the program; and
 - (9) promulgate guidelines as necessary for the implementation of the pilot program.
- (K) The General Assembly shall provide funding for the South Carolina Child Development Education Pilot Program. For the 2010-11 *current* school year, the funded cost per child shall be \$4,218 increased annually by the rate of inflation as determined by the Division of Research and Statistics of the Budget and Control Board for the Education Finance Act. Eligible students enrolling with private providers during the school year shall be funded

on a pro-rata basis determined by the length of their enrollment. Private providers transporting eligible children to and from school shall be eligible for a reimbursement of \$550 per eligible child transported. Providers who are reimbursed are required to retain records as required by their fiscal agent. Providers enrolling between one and six eligible children shall be eligible to receive up to \$1,000 per child in materials and equipment grant funding, with providers enrolling seven or more such children eligible for grants not to exceed \$10,000. Providers receiving equipment grants are expected to participate in the program and provide high-quality, center-based programs as defined herein for a minimum of three years. Failure to participate for three years will require the provider to return a portion of the equipment allocation at a level determined by the Department of Education and the Office of First Steps to School Readiness. Funding to providers is contingent upon receipt of data as requested by the Department of Education and the Office of First Steps.

- (L) Pursuant to this provision, the Department of Social Services shall:
 - (1) maintain a list of all approved public and private providers; and
- (2) provide the Department of Education and the Office of First Steps information necessary to carry out the requirements of this provision.
- (M) The Office of First Steps to School Readiness shall be responsible for the collection and maintenance of data on the state funded programs provided through private providers.

1A.ras ADD (SC Reading Achievement Systemic Initiative) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to create a policy panel to guide the S.C. Reading Achievement Systemic Initiative funded from Department of Education and EOC appropriated or authorized funds. Direct that the panel be composed of 25 members appointed by the Governor, the Superintendent of Education, and Chairmen of specific Senate and House Committees, of the State Board of Education, and of the EOC. Direct the panel to focus on child physical health, language development and school learning policies, practices, and funding. Direct that the panel is to be staffed through a collaborative among the Department of Education, SC KidsCount, and EOC with those entities sharing the cost of panel expenses. Direct the panel to provide a report to the Senate Education Commission, the House Education and Public Works Committee, the State Board of Education, and the EOC by January 15, 2012. Fiscal Impact: No impact on the General Fund. Requested by Education Oversight Committee.

1A.ras. (SDE-EIA: SC Reading Achievement Systemic Initiative) From the funds appropriated or authorized for the Department of Education and the Education Oversight Committee, there is created a policy panel to guide the South Carolina Reading Achievement Systemic Initiative. The panel will be composed of twenty-five members, which shall be appointed as follows:

The Governor shall appoint to the panel:

- (1) one business leader;
- (2) one parent;
- (3) one representative of the Board of Trustees of the Office of First Steps to School Readiness;
 - (4) one representative of the State Library Board;
 - (5) one pediatrician; and
 - (6) two representatives of community foundations or literacy organizations.

The State Superintendent of Education shall appoint to the panel:

- (1) one business leader;
- (2) one parent;
- (3) one parent educator;
- (4) one researcher in reading;

- (5) two literacy coaches;
- (6) two district early childhood or academic leaders;
- (7) two principals, one representing elementary schools and one representing middle schools; and
- (8) four teachers of students with needs for interventions to promote reading proficiency to include students with learning disabilities, student in poverty and students not mastering concepts.

<u>The Chairman of the Senate Education Committee shall appoint one member of the Senate Education Committee to the panel.</u>

The Chairman of the House Education and Public Works Committee shall appoint one member of the House Education and Public Works Committee to the panel.

The Chairman of the State Board of Education shall appoint one member of the State Board of Education to the panel.

The Chairman of the Education Oversight Committee shall appoint one member of the Education Oversight Committee to the panel.

The panel is directed to define the focus and priorities for state actions to improve the level of reading achievement among the state's young people including building upon the work of LiteracySC and the state literacy team organized to support the Striving Readers Comprehensive Literacy Grant. The panel should address factors contributing to or impeding progress including, but not limited to, the physical health, language development and quality of instruction provided in the state's schools. The panel should examine data, follow progress of the LiteracySC academies and pilots, recommend changes in practice and funding and provide for a longitudinal evaluation and establish a statewide policy for the teaching of reading, including particular attention to the lowest achieving students.

The panel is to be staffed through a collaborative among the Department of Education, SC Kids Count and the Education Oversight Committee. Expenses of the panel are to be shared among the collaborating entities.

<u>The panel shall report to the General Assembly through the House Committee on Education and Public Works and the Senate Education Committee and to the State Board of Education and the Education Oversight Committee by January 15, 2012.</u>

SECTION 4 - H75-SCHOOL FOR THE DEAF AND THE BLIND

4.11 AMEND (Sale of Property) Authorizes the school, after receiving B&C Board approval to sell property, to retain revenues associated with the sale of property titled to or used by the school. Directs that these funds be spent on capital improvements approved by JBRC and the B&C Board. Authorizes the school, for FY 10-11, to use revenue retained from the sale of donated property for educational and other operating purposes.

SUBCOMMITTEE RECOMMENDATION: AMEND "Fiscal Year 2010-11" to "the current fiscal year." Fiscal Impact: No impact on the General Fund. Requested by

4.11.(SDB: Sale of Property) After receiving approval from the Budget and Control Board for the sale of property, the school may retain revenues associated with the sale of property titled to or utilized by the school. These funds shall be expended on capital improvements approved by the Joint Bond Review Committee and the Budget and Control Board. For Fiscal Year 2010 11 the current fiscal year, the school is authorized to use the retained revenue from the sale of donated property for educational and other operating purposes.