

Pursuant to Court's Instructions the Record on Appeal in this matter was condensed. Pages were not renumbered, therefore it appears there are missing pages, however, counsel has confirmed all pertinent information is included in the condensed record.

THE STATE OF SOUTH CAROLINA
In The Supreme Court

APPEAL FROM LEE COUNTY
Court of Common Pleas

Thomas W. Cooper, Jr., Circuit Court Judge

Case No. 93-CP-31-169

Abbeville County School District, Allendale County School District, Bamberg County School District 1, Bamberg County School District 2, Barnwell County School District 19, Barnwell County School District 29, Barnwell County School District 45, Berkeley County School District, Chesterfield County School District, Clarendon County School District 1, Clarendon County School District 2, Clarendon County School District 3, Dillon County School District 1, Dillon County School District 2, Dillon County School District 3, Florence County School District 1, Florence County School District 2, Florence County School District 3, Florence County School District 4, Florence County School District 5, Hampton County School District 1, Hampton County School District 2, Jasper County School District, Laurens County School District 55, Laurens County School District 56, Lee County School District, Lexington County School District 4, Marion County School District 1, Marion County School District 2, Marion County School District 7, Marlboro County School District, McCormick County School District, Orangeburg Consolidated School District 3, Orangeburg Consolidated School District 5, Saluda County School District and Williamsburg County School District; (*caption continued on second page*)

RECORD ON APPEAL (CONDENSED),
VOL. XI OF XXVIII

Lena Manning, individually, and as a taxpayer residing in Allendale County and as Guardian ad Litem of Courtney V.; Courtney V., a minor, by and through Lena Manning, as Guardian ad Litem; William L. Mills, individually, and as a Taxpayer residing in Allendale County and as Guardian ad Litem of Waylon P.; Waylon P., a minor, by and through William Mills, as Guardian ad Litem; Betty Bagley, individually, and as a taxpayer residing in Bamberg County and as a parent and Guardian ad Litem of Tyler B.; Tyler B., a minor, by and through Betty Bagley, as Guardian ad Litem, Evert Comer, Jr., individually, and as a taxpayer residing in Bamberg County and as parent and Guardian ad Litem of Kimberly C.; Kimberly C., a minor, by and through Evert Comer, Jr., as Guardian ad Litem; Marla Q. Jameson, individually, and as a taxpayer residing in Barnwell County, and as a parent and Guardian ad Litem of Eleanor J.; Eleanor J., a minor, by and through Marla Q. Jameson, as Guardian ad Litem; Victor M. Lancaster, Sr., individually, and as a taxpayer residing in Barnwell County, and as parent and Guardian ad Litem of Christie L.; Christie L., a minor, by and through Victor M. Lancaster, Sr., as Guardian ad Litem; Dr. Charles Clark, individually, and as a taxpayer residing in Chesterfield County, and as parent and Guardian ad Litem of Candace C., a minor, by and through Dr. Charles Clark, as Guardian ad Litem; Colonel Larry Coker, individually, and as a taxpayer residing in Clarendon County, and as a parent and Guardian ad Litem of Corrie C.; Corrie C., a minor, by and through Colonel Larry Coker, as Guardian ad Litem; Pamela Williams, individually, and as a taxpayer residing in Dillon County, and as parent and Guardian ad Litem of Katisha W.; Katisha W., a minor, by and through Pamela Williams as Guardian ad Litem; Eddie Wright, individually, and as a taxpayer residing in Florence County, and as parent and Guardian ad Litem of Brandon F.; Brandon F., a minor, by and through Eddie Wright as Guardian ad Litem; John Whiteside, individually, and as a

taxpayer residing in Florence County and as Parent and Guardian ad Litem of Joel W.; Joel W., a minor, by and through John Whiteside as Guardian ad Litem; Dr. Francis Mills, individually, and as a taxpayer residing in Hampton County and as a parent and Guardian ad Litem of Amy M.; Amy M., a minor, by and through Dr. Francis Mills, as Guardian ad Litem; Brenda Brooks, individually, and as a taxpayer residing in Hampton County, and as parent and Guardian ad Litem of Tyrin B.; Tyrin B., a minor, by and through Brenda Brooks as Guardian ad Litem; Marva Tigner, individually, and as a taxpayer residing in Jasper County, and as parent and Guardian ad Litem of Bryan T. and Bradley T.; Bryan T., a minor, by and through Marva Tigner as Guardian ad Litem; Bradley T., a minor, by and through Marva Tigner as Guardian ad Litem; Robert Elisha Short, individually, and as a taxpayer residing in Laurens County and as parent and Guardian ad Litem of Robert B. S.; Robert B. S., a minor, by and through Robert Elisha Short, as Guardian ad Litem; Dr. Keith A. Bridges, individually, and as a taxpayer residing in Laurens County and as parent and Guardian ad Litem of Jorgana Ranson B.; Jorgana Ranson B., a minor, by and through Dr. Keith A. Bridges, as Guardian ad Litem; Gail Y. Harriott, individually, and as a taxpayer residing in Lee County and as parent and Guardian ad Litem of Rashade H.; Rashade H., a minor, by and through Gail Y. Harriott, as Guardian ad Litem; Linda Carraway, individually, and as a taxpayer residing in Marion County, and as parent and Guardian ad Litem of Kimberly W.; Kimberly W., a minor, by and through Linda Carraway as Guardian ad Litem; Dr. John Nobles, individually, and as a taxpayer residing in Marlboro County and as parent and Guardian ad Litem of Erin N.; Erin N., a minor, by and through Dr. John Nobles, as Guardian ad Litem; Patricia Hampton, individually, and as a taxpayer residing in McCormick County and as parent and Guardian ad Litem of Krystle H.;

Krystle H., a minor, by and through Patricia Hampton, as Guardian ad Litem; Bernice Profit, individually, as a taxpayer residing in Orangeburg County and as parent and Guardian ad Litem of Russell H.; Russell H., a minor, by and through Bernice Profit, as Guardian ad Litem; Matlin P. Brown, individually, and as a taxpayer residing in Orangeburg County and as parent and Guardian ad Litem of Tanisha P. B.; Tanisha P. B., a minor, by and through Matlin P. Brown, as Guardian ad Litem; James Berry, individually, and as a taxpayer residing in Orangeburg County and as parent and Guardian ad Litem of Dondrea B.; Dondrea B., a minor, by and through James Berry, as Guardian ad Litem; Gerald Smith, individually, and as a taxpayer residing in Orangeburg County and as parent and Guardian ad Litem of Brenda S.; Brenda S., a minor, by and through Gerald Smith, as Guardian ad Litem; Thomas Shealy, individually, and as a taxpayer residing in Saluda County and as parent and Guardian ad Litem of Thomas S., Jr.; Thomas S., Jr., a minor, by and through Thomas Shealy, as Guardian ad Litem;

Of whom:

Allendale County School District,
Dillon County School District 2,
Florence County School District 4,
Hampton County School District 2,
Jasper County School District,
Lee County School District,
Marion County School District 7,
Orangeburg School District 3,
Lena Manning, individually, and as a taxpayer residing in Allendale County and as Guardian ad Litem of Courtney V.; Courtney V., a minor, by and through Lena Manning, as Guardian ad Litem; Pamela Williams, individually, and as a taxpayer residing in Dillon County, and as parent and Guardian ad Litem of Katisha W.; Katisha W., a minor, by and through Pamela Williams as

Plaintiffs,

Guardian ad Litem; Eddie Wright, individually,
 and as a taxpayer residing in Florence County,
 and as parent and Guardian ad Litem of Brandon
 F.; Brandon F., a minor, by and through Eddie
 Wright as Guardian ad Litem; Brenda Brooks,
 individually, and as a taxpayer residing in
 Hampton County, and as parent and Guardian ad
 Litem of Tyrin B.; Tyrin B., a minor, by and
 through Brenda Brooks as Guardian ad Litem;
 Marva Tigner, individually, and as a taxpayer
 residing in Jasper County, and as parent and
 Guardian ad Litem of Bryan T. and Bradley T.;
 Bryan T., a minor, by and through Marva Tigner
 as Guardian ad Litem; Bradley T., a minor, by
 and through Marva Tigner as Guardian ad Litem;
 Gail Y. Harriott, individually, and as a taxpayer
 residing in Lee County and as parent and
 Guardian ad Litem of Rashade H.; Rashade H., a
 minor, by and through Gail Y. Harriott, as
 Guardian ad Litem; Linda Carraway,
 individually, and as a taxpayer residing in Marion
 County, and as parent and Guardian ad Litem of
 Kimberly W.; Kimberly W., a minor, by and
 through Linda Carraway as Guardian ad Litem;
 Bernice Profit, individually, and as a taxpayer
 residing in Orangeburg County and as parent and
 Guardian ad Litem of Russell H.; Russell H., a
 minor, by and through Bernice Profit, as
 Guardian ad Litem, are

Appellants-
 Respondents,

v.

Glenn F. McConnell, as President *Pro Tempore*
 of the Senate and as a representative of the South
 Carolina Senate; Robert W. Harrell, Jr., as
 Speaker of the House of Representatives
 and as a representative of the South Carolina
 House of Representatives,.....
 and

Respondents-
 Appellants,

The State of South Carolina; Mark C. Sanford, as
 Governor of the State of
 South Carolina, ...

Respondents.

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Evidence indicates that inflation will continue and, consequently, the expected cost of the foundation program will rise along with the costs of other programs. This will necessitate increasing the amount of money provided to support each weighted pupil unit in proportion to the inverse ratio of the purchasing power of the dollar. The alternative will be a lowering of the quality of education the school districts are able to provide for its children and youth. This alternative is unacceptable, consequently, it is proposed that an adjustment be built into the Foundation Program level of support for each year the inflation continues. This may require annual adjustments but appears to be the only way to guarantee that school districts across the state can provide educational programs of a quality at least as good as that provided in the past. It is even more essential to have an inflation adjustment if improvements in programs are to be a primary goal in public education; and certainly all will agree that continuous improvement is one of our major goals in finance reform efforts. This may also affect the timetable of implementation, but should not do so materially.

The above has dealt primarily with the state's share of the funding of the equalized Foundation Program. Since such a program is to be financed by a fiscal partnership between the school districts and the state, the school district's share of revenue also affects the program funding and the timetable for its implementation. It is expected that a substantial amount of revenue in support of the Foundation Program will be raised at the local level beyond what is now being raised in those districts, which are making less than the required local effort. This amount of revenue will obviously be a part of

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the equalization program funds and will help move the total plan toward fruition.

So long as the overall state-local-share ratio is kept relatively constant, the statewide overall local share will tend to rise as the state's share rises, whether this be to offset inflationary costs, to implement the full program, or to improve it. This increase in local revenue must come from increased assessment or increased local tax levy. This does not mean that all districts must raise their tax levy, but those districts not making an average effort will be so affected. It may mean in extreme cases a shift in taxes from "above the required effort" to "required tax effort" in districts making more than their required effort.

The first step in the implementation of the proposed plan is the adoption of legislation by the General Assembly establishing the legal framework for planning the shift in budget appropriations and consequently in budget requests by various agencies affected by the plan. Internally, the first step in the implementation of the plan is to convert the requests for funds from the categorical flat grant aid, based generally on enrollment and/or ADA, to general aid for the children to be educated, and based on the average daily membership and the applied weighting ratio factor to pupils according to their particular classification.

It would be much easier and simpler to shift from one plan of financing education to a different one at one time. Since this is not possible, it is necessary to calculate what each district will be entitled to receive

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at each step of the changeover. Perhaps the easiest way to calculate what each district will be entitled to receive at each step is to apply the formula in operation when the first step of implementing the new plan is taken, since no district will receive less than this. Then to this amount will be added the equalizing amount due a district made possible through the money from the state relegated to the equalization program. A district's revenue will also be affected by the additional effort in those districts not now making the effort required in the Foundation Program. Although the amount from the state will not be less per pupil in any district than the amount being received when the plan is adopted, all districts receiving more state money than they are entitled to receive in the Foundation Program plan will continue to receive the amount of state funds they would be allocated on the basis of the old formula until the new program in its timetable of implementation or improvement catches up with their level of funding. However, the money will be general support rather than categorical aid as the existing plan provides.

IV. Financing Plan for Current Operational Costs Other Than Equalization Program

It has previously been proposed that the state and local school districts continue to support those necessary elements of the educational programs not included in the equalized Foundation Program plan. It is recommended that the state money for such be appropriated and allocated in a manner similar to the existing plan. The local funds to support local programs or elements of programs not included in the Foundation Program or for increased quality in elements of the Defined Minimum Program in a specific district must generally come from local

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property tax revenue or fees placed on children and youth. Although there is no law at present prohibiting levying of fees on pupils, it is proposed that fees be eliminated because of the unfair burden placed on parents. If fees are permitted, they should be held to a minimum. The property tax revenue, for those purposes listed above, must be over and above the revenue required for full participation in the Foundation Program.

As pointed out earlier, it is proposed that there be no state determined limit placed on local school districts and, consequently, those districts desiring better education for their children than their neighboring districts and who are willing to support such, should not be handicapped in their efforts to improve their children's education. In other words, it is recommended that local school districts be permitted to tax themselves for current operations above the required Foundation Program local effort.

V. Incentive Plan for Encouraging Local School Districts to Improve Their Education Program

Beyond that point in time when the Foundation Program is fully implemented, there is apparently justifiable concern on the part of many for the children in poorer districts whose parents and their district neighbors are unable to achieve significantly higher quality education for their children than the Foundation Program provides, regardless of the local tax effort they are willing to make. There is also concern for the children in those districts in which the adults are not desirous of improving the education of their children beyond the level provided in the Foundation Program to the extent of taxing themselves

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to do so. Therefore, it seems appropriate to devise and adopt a type of incentive plan to help overcome those concerns.

One incentive plan to encourage poorer districts to make more effort is to provide a "guaranteed yield" for the weighted pupil unit of need in the district for each mill of tax levied beyond the required effort of the Foundation Program. This is a process by which the State guarantees a given amount of money for each weighted child to be educated in a district for each voluntary mill of tax effort made for current operations. As an incentive plan in South Carolina, this would apply only to the tax levy beyond the local share of the Foundation Program. To push this plan to the point of having it apply to all districts and to all current-operational money beyond the equalized level would put an extreme burden on the state revenue, perhaps to the extent of curtailing other needed services. If the incentive plan is designed, as is done in some states, to force the wealthier districts to provide some of the revenue for "guaranteed yield" money for poorer districts, it will curtail the efforts of the wealthier districts which tend to be the "light-house" school systems. Such an alternative appears to be unacceptable. Therefore, a plan is proposed that will act as an incentive to encourage poorer districts to make greater effort but at the same time will not discourage districts of greater wealth from also making greater effort.

In addition to this, there are other potential negatives that must be guarded against in the overall finance design. One of the primary objectives of the proposed Foundation Program is to bring the level of financial support for children's education in poorer districts up to the point at which all can be provided acceptable quality education. Since it is

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impossible to bring all school districts up to the ideal level of support at one time, there should be a built-in-plan to stimulate efforts toward continued improvement of the Foundation Program. Consequently, the incentive program and all other elements of the total financing plan must be kept in sensitive balance so that no one part of the program will be allowed to run rough shod over other equally important elements of the program or, in other words, no element of the total plan shall be overly supported at the expense of any other element.

When the Foundation Program is fully implemented and money becomes available for further improving education, it is proposed that those funds which can be used for stimulating local districts to do better be distributed on a partial-wealth-neutralizing-formula basis. The formula proposed is to divide this money on a partial-inverse ratio basis between the wealthier and poorer districts. The amount for which a district qualifies would be granted to that district if and when the district sets additional current operational mills of tax on itself above the foundation required levy. It is suggested that the first money be used in those districts in the lower wealth group, the number of districts or the percentage of districts in the state to be determined by the money available. It is proposed that the partial-wealth-neutralizing formula begin with, for example, the twenty-five percent of the districts which are the least financially able in the state. These districts would be guaranteed "x" number of dollars, depending on the amount available for incentive purposes, for each mill of tax effort made locally above the required effort in the Foundation Program for each weighted child to be educated. The other districts in the twenty-five percent group would receive relatively less state money

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for each dollar raised locally above the required local effort but would receive the same number of combined local and state dollars per weighted pupil to be educated per mill of tax effort made as other districts included in the group.

When more incentive money is available, more districts can be included and/or greater neutralizing dollars can be provided for poorer districts for the local tax effort made. However, the incentive grant in conjunction with local revenue for no district will provide for that district more funds per weighted child for each mill of tax levied than a mill of tax will bring in the next wealthier district above it. It is further proposed that a limit be placed on the local mills of tax effort that will be a part of the incentive plan. Such will depend on the amount of money available for this purpose, the need to spread it over a larger number of districts, and other needs in the total financing plan.

VI. Guarantee for Spending Integrity

Any legislative or other appropriating body as well as those paying the tax appropriated want assurance that the money appropriated will be used to achieve the purposes for which it is appropriated. One plan proposed to provide such assurance is that the General Assembly of South Carolina adopt legislation that would mandate that a minimum of 65 percent of the money appropriated be spent on the program designed to serve those children who generate the funds. For example, the deaf/blind handicapped child classification carries a weighting factor of 2.64. If there are 100 such children in the district and the foundation cost per weighted unit is \$718, there would be $100 \times 2.64 \times \$718$ or

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\$189,552 appropriated for this group of children. If 85 percent is the minimum amount that must be spent on the program for those children who generate the money, then at least \$161,119.20 must be spent on the program for these physically handicapped children. Public knowledge growing out of such is in itself a control device. However, if spending fails to meet the percentage mandate, specific authorization to recalculate a district's earning in succeeding years can be granted to the State Department of Education by the legislature.

Another part of the overall operation that will help assure that money appropriated is achieving the purposes for which it is appropriated is the process of accreditation by the State Board of Education. It is proposed that the board consider in its accreditation of school systems whether or not a system meets the requirements of the Defined Minimum Program after the equalized Foundation Plan is fully implemented.

Still another factor in the plan for assuring that money is spent in ways and in areas that will achieve the purposes for which it is appropriated, is to implement an efficient and effective accounting and auditing system (such is currently being developed by the State Department of Education). The accounting system should also include a viable pupil accounting system.

VII. The Need for Economical School District Organization

One of the basic premises for providing comparable educational experiences for all boys and girls was that there would also be a fair and equitable tax effort made by all taxpayers of the state.

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to support such experiences. It would appear to be unfair to impose a tax on people and allow it to be spent in ways that cannot produce a reasonable amount or quality of education normally expected for it. An example of a possible case in point is the continued existence of some school districts which are overly expensive to operate if a quality school program is to be provided. If the instructional program is watered down to allow the district to operate within given dollar boundaries, then children suffer. Neither of these alternatives is acceptable, and consequently unduly small school districts should be organized with neighboring school districts. Exceptions should be allowed only when justified by extenuating circumstances.

No research has clearly delineated the minimum size school district that can operate effectively, efficiently and economically. In addition there are many influencing factors that must be brought to bear on district-consolidation decisions. There are indicators that lead to the opinion that the smaller side of the optimum range of school district size would not be less than 5000 or perhaps 6000 pupils. Where feasible small school districts should be consolidated to achieve such size. However, reasonable efficiency, effectiveness and economy in school district operation may be achieved under a given set of circumstances with less than 5000 students, perhaps with as little as 3000 in rare instances. It is recommended that school districts of the small size range, 500 to 2000 in particular, be reorganized to form larger districts. Special consideration may be made for single-county-unit systems with small enrollment.

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In some situations, rural isolation may prevent desirable district consolidation. In such cases consideration should be given to creating intermediate service districts in order to provide desired services to sparsely populated areas at a defensible cost level.

VIII. Continuous Evaluation and Improvement

Any plan for financing education which appears satisfactory today may not be satisfactory in a short period of time because of the unprecedented rate of change taking place in America at the present time. Consequently, in order to assure that the Foundation Program meets the educational needs of children and youth in South Carolina, it is proposed that provision be made for continuous evaluation of the plan. To effect this evaluation and to upgrade the plan, the committee proposes that the State Board of Education be charged with performing an annual review and evaluation. It is recommended that the Board report annually by October 1 to the Governor, the State Budget and Control Board, and appropriate committees of the House and Senate. This report should include an annual evaluation of the performance of the Equalized Foundation Program and proposed improvements in it.

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REC024010

APPENDIX I

Index of Taxpaying Ability

When a state apportions a foundation program fund on a basis which takes into consideration the relative taxpaying ability of local school districts, an equitable distribution formula must utilize an equitable measure of the local taxpaying ability of school districts. Since local school taxes in the United States are comprised almost entirely of property taxes, the relative ability of the school districts to pay property taxes is the best measure of local taxpaying ability for schools. If property in all school districts is assessed at the same percent of market value, there would be no problem because the assessed value of property would be an equitable measure of relative local taxpaying ability. However, in South Carolina, until the new law governing the assessment of property is fully implemented, the assessed valuation of the various school districts will not be compatible. Therefore, the Committee was forced to devise an alternative method of ascertaining relative taxpaying ability during this interim period.

The Committee working in cooperation with personnel from the Legislators' Education Action Project developed the following rational and procedures to derive an equalized assessed value for each school district.

1. All property assessed for taxing purposes is either assessed by the South Carolina Tax Commission or the local County Tax Assessor. The property assessed by the Tax Commission comprises over 50 percent of the state's total valuation and is assessed substantially equally throughout the state. The property assessed by the county officials varies in the relationship of assessed values to market values from county to county.

2. By determining through a survey the portion of assessed value in each school district that is assessed by each assessing body the portion which is not compatible among the counties can be isolated.
3. In order to make these isolated values compatible among districts, information from various independent sources on the relationship between the assessed value and market value for each county was correlated to derive a best estimated assessment ratio for each county. These values were used to equalize the relationship between assessed values and market values for each school district.
4. The final step in the process was to combine the determined values with the values assessed by the Tax Commission to derive a compatible property value for each school district. The actual index was calculated by dividing each district's value by the sum of the state's value, thus yielding the portion of the state's relative taxpaying ability which is confined in each school district.

The following table presents the actual assessed value for each school district reported for 1974-75 and the equalized assessed value calculated from the above process. The final column represents the index value for each district which is the percentage of the total state's property tax paying ability held by the district.

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1	ARBEVILLE	9912676	10600071	.00585
2	AIKEN	67660310	65553535	.03638
3	ALLEMDALE	5863405	6209023	.00345
4	ANDERSON-1	12736145	11795063	.00655
5	ANDERSON-2	8852895	8156332	.00453
6	ANDERSON-3	7757510	5662238	.00314
7	ANDERSON-4	5653131	5644962	.00313
8	ANDERSON-5	33441865	37414426	.02076
9	BARBERG-1	3419280	3276679	.00188
10	BARBERG-2	3501460	3538090	.00196
11	BARNWELL-19	2383020	1967832	.00109
12	BARNWELL-29	2724084	2341014	.00130
13	BARNWELL-45	6250000	5811446	.00323
14	BEAUFORT	37438650	34037003	.01511
15	BERKELEY	31719000	36686163	.02036
16	CALHOUN	9925570	9666869	.00537
17	CHARLESTON	140567865	141239353	.07839
18	CHEROKEE	25537305	26011326	.01444
19	CHESTER	19543660	19038378	.01057
20	CHESTERFIELD	16404920	16266725	.00903
21	CLARENDON-1	3200440	2824884	.00157
22	CLARENDON-2	6353000	6076307	.00337
23	CLARENDON-3	2036970	1768267	.00095
24	COLLETON	16309160	16877535	.00937
25	DARLINGTON	41256710	41427471	.02299
26	DILLON-1	2266400	1993897	.00111
27	DILLON-2	9094990	8405644	.00467
28	DILLON-3	2613820	2252539	.00125
29	DORCHESTER-1	2761190	3852398	.00214
30	DORCHESTER-2	12730320	19522111	.01083
31	DORCHESTER-3	6500000	4498144	.00250
32	EDGEFIELD	8932825	9012128	.00500
33	FAIRFIELD	11975278	12075636	.00670
34	FLORENCE-1	36056968	42332611	.02349
35	FLORENCE-2	3207498	3689296	.00205
36	FLORENCE-3	7632843	9676037	.00538
37	FLORENCE-4	2015566	2438422	.00155
38	FLORENCE-5	3386240	3768702	.00209
39	GEORGETOWN	26934030	30653516	.01701
40	GREENVILLE	173226667	197813401	.10979
41	GREENWOOD-50	26808000	27346934	.01518
42	GREENWOOD-51	4140840	3801665	.00214
43	GREENWOOD-52	10600000	9663045	.00536
44	HAMPTON-1	7762520	7974666	.00443
45	HAMPTON-2	3845920	3444397	.00191
46	HERRY	57934200	64355466	.03578

Column 1 - Assessed Value 1974-75
Column 2 - Estimated Equalized Assessed 1974-75
Column 3 - Index Value

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47 JASPER	6544726	5569215	.00309
48 KERSHAW	37679020	39109875	.02171
49 LANCASTER	24593720	26095540	.01442
50 LAURENS 55	12271124	15993191	.00338
51 LAURENS 56	8742430	10259330	.00569
52 LEE	7079595	7261266	.00403
53 LEXINGTON 1	14428863	15676448	.00270
54 LEXINGTON 2	26268739	28507559	.01582
55 LEXINGTON 3	5968559	6433342	.00357
56 LEXINGTON 4	2169254	2343783	.00130
57 LEXINGTON 5	26920606	32075662	.01720
58 MCCORMICK	4807071	4364499	.00242
59 MARION 1	8023470	7774501	.00431
60 MARION 2	6964000	6797715	.00377
61 MARION 3	1383000	1306403	.00073
62 MARION 4	821980	779426	.00043
63 MARLBORO	11789014	11786700	.00654
64 NEWBERRY	16375706	20131074	.01117
65 OCONEE	39062710	39409373	.02187
66 ORANGEBURG 1	2326380	2543680	.00141
67 ORANGEBURG 2	1555910	1624969	.00094
68 ORANGEBURG 3	5522868	5068344	.00337
69 ORANGEBURG 4	2530120	2771861	.00154
70 ORANGEBURG 5	19383300	21225021	.01178
71 ORANGEBURG 6	1844700	2039503	.00113
72 ORANGEBURG 7	1470520	1554910	.00086
73 ORANGEBURG 8	1246300	1370150	.00076
74 PICKENS	46534821	61516512	.03414
75 RICHLAND-1	149460240	129736720	.07200
76 RICHLAND-2	28674878	22534877	.01251
77 SALUDA	4240472	6085075	.00336
78 SPARTANBURG 1	8553431	8707745	.00483
79 SPARTANBURG 2	13116957	12824280	.00712
80 SPARTANBURG 3	19756000	21552446	.01196
81 SPARTANBURG 4	47559332	7923332	.00440
82 SPARTANBURG 5	43103715	13974590	.00776
83 SPARTANBURG 6	25910465	26820047	.01498
84 SPARTANBURG 7	35575177	38602056	.02142
85 SUMTER 2	14880866	12221829	.00678
86 SUMTER 17	27935460	22107749	.01231
87 UNION	47461530	16924010	.00939
88 WILLIAMSBURG	15764430	15374457	.00853
89 YORK 1	6755576	9004723	.00500
90 YORK 2	6685929	9119270	.00506
91 YORK 3	37945248	47516709	.02637
92 YORK 4	7260653	9416671	.00523

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OFFICE OF SCHOOL FACILITIES

STATE DEPARTMENT OF EDUCATION

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Statewide School District Facilities Capital Needs Analysis

- Introduction
- Statewide Capital Needs Analysis: 1998
- Statewide Capital Needs Report: 2001
- Capital Needs Comparison 1998 and 2001
- School Building Funds Spent July 1999 Through July 2001

PLAINTIFF'S
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School Facilities Needs and Costs by District

Microsoft Word Format

Abbeville-Horry

Jasper-York 4

Adobe Acrobat Format

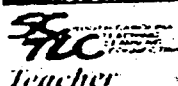
Abbeville-Horry

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INTRODUCTION

Quality The Public School Facilities Assistance Act of 1996, Section 59-144-130, Report to the General Assembly states as follows:

Rankings
of Counties and
School Districts

"Every three years by December first beginning with the year 1998, the State Board of Education shall report to the General Assembly the projected five-year school facilities requirements reported by the school districts, the needs identified since the last report, and those previously identified needs addressed since the last report."



discus

This report is in response to that mandate. It contains four essential parts, including:

- A brief summary of the last school capital needs report prepared by the Department in 1998 and titled "Capital Needs, 1998 Statewide Summary;
- A current (December 2001) summary of the five-year capital

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needs reported by school districts and including that part which is funded and the funding shortfall, by district and for the entire state;

- A comparison between the Capital Needs Analysis of 1998 and 2001; and
- A list of how school funds were spent between July 1999 and July 2001.

STATEWIDE CAPITAL NEEDS ANALYSIS: 1998

This report presented school facilities capital needs proposed by school districts for the school years 1997/98 through 2002/03. Costs are represented in 1998 dollars with no adjustment for inflation. The information was developed by the school districts in response to a Department survey.

The following Table I represents the statewide summation of these reports.

TABLE I: CAPITAL NEEDS, 1998 STATEWIDE SUMMARY

Status:

Student Population	649,965*
Projected five-year student Increase (1997/98-2002/03)	69,034
Existing Teacher Stations	40,778
Students/Station	10.94
Relocatable Classrooms	4,002
Percent Relocatable	10.19

Additional Teaching Stations Needed Through 2002/03:

B.

	Needed	Cost
1. New Schools	7,135	\$1,808,652,100
2. Renovations	7,892	\$668,731,700
3. Additions	5,646	\$916,084,300
4. Relocatable Units	432	\$22,927,000

Other Facility Needs:

	New	Renovation
1. Gymnasiums	60	78
2. Cafeterias	55	90
3. Auditorium	24	18
4. Media Center	119	119
5. Administrative Area	67	71
6. Teacher Work Area	148	48
7. Miscellaneous	152	533

ESTIMATED COST OF NEW/RENOVATED FACILITIES: \$3,998,975,400

Scheduled or Planned Funding for Capital Improvements (local/state):

B.

1998/99	\$464,107,900
1999/00	\$339,056,200
2000/01	\$243,519,700
2001/02	\$190,686,800
2002/03	<u>\$187,588,000</u>
TOTAL	\$1,424,958,600

Funding Shortfall (line D minus E):\$2,574,016,800

* End of year 1997/98 data was requested by this survey. Department of Education records indicate a total of 644,478 students.

2001 STATEWIDE CAPITAL NEEDS REPORT

The capital needs of each individual school district, as reported to the Office of School Facilities, are presented on a single

summary sheet for each district in the appendix to this report. All costs are in 2001 dollars with no attempt to adjust for inflation. The following Table II represents the statewide summation of these reports.

TABLE II: 2001 STATEWIDE CAPITAL NEEDS REPORTS

1. 1998 Capital Needs Estimate \$3,998,975,400
2. Capital Improvement Expenditures (1996/97 - 2001/02) \$2,633,004,265
3. 2001/02 Student Population 663,308
4. Projected Five-Year Student Increase (2001/02 - 2006/07) 44,856
5. Existing Teacher Stations 43,155
6. Students/Station 15.37
7. Existing Relocatables 3,661
8. Percent Relocatables 8.48
9. Additional Teaching Stations Needed Through 2006/07

	Needed	Costs
New Schools	6,333	\$2,117,006,439
Renovations	4,483	\$983,912,716
Additions	4,051	\$834,907,943
Relocatable Units	445	\$13,975,000

10. Other Facility Needs	New	Renovations
Gymnasiums	80	72
Cafeterias	76	167
Auditoriums	54	23
Media Centers	77	115
Administrative Areas	81	129
Teacher Work Areas	201	184
Miscellaneous	79	414

11. Total Estimated Cost

New and Renovated Facility Requirements
\$4,824,667,299

12. Scheduled or Planned Funding for Capital Improvements:

(local and state funds)

2001/01	\$848,551,722
2002/03	\$502,836,468
2003/04	\$280,104,823
2004/05	\$194,075,702
2005/06	\$216,556,963
TOTAL	\$2,042,125,678

13. **Funding Shortfall** (line 11 minus line 12): **\$2,782,541,621**

CAPITAL NEEDS COMPARISON

TABLE III: CAPITAL NEEDS COMPARISON 1998 AND 2001

<u>Item</u>	<u>1997/98</u>	<u>2000/01</u>
Student Population	649,965*	663,308
Teaching Stations	40,778	43,155
Students/Station	15.93	15.37
Relocatable Classrooms	4,002	3,661
Percent Relocatable	10.19	8.48

Additional Stations Needed

New	7,135	6,333
Renovations	7,892	4,483
Additions	5,646	4,051
Relocatable Units	432	445

Other Facility Needs

	<u>1997/98</u>		<u>2000/01</u>	
	New	Renovations	New	Renovations
Gymnsiums	60	78	80	72
Cafeterias	55	90	76	167
Auditoriums	25	18	54	23
Media Centers	119	119	77	115
Administration Areas	67	71	81	129
Teacher Work Areas	148	48	201	184
Miscellaneous	152	533	79	414

	<u>1997/98</u>	<u>2000/01</u>
TOTAL ESTIMATED CAPITAL NEEDS	\$3,998,975,400	\$4,824,667,299
Plan/Scheduled Capital Improvements	\$1,424,958,600	\$2,042,125,678
SHORTFALL IN CAPITAL	\$2,574,016,800	\$2,782,541,621

*End of year 1997/98 data was requested for this survey.
State Department of Education records indicate a total of 644,478 students.

I. SCHOOL BUILDING FUNDS SPENT JULY 1999 THROUGH JULY 2001

EIA State

Public School Building Barnwell Bond Local

Building Funds Funds Funds Funds Funds Funds

1998/99 13,909,086 -0- 75,151,954 -0- 521,982,110

1999/00 13,111,612 8,976,270 18,730,297 332,769,495

484,581,543

2000/01 8,021,535 -0- 3,730,016 285,170,398

Total \$35,042,233 \$8,976,270 \$97,612,267 \$484,581,543

\$1,139,922,003

In the time span between July 1999 (when the State Bond Act funds started) and July 2001, \$1,766,134,316 of combined state and local building funds were spent. Between July 1996 and October 1998 the total building funds spent were over \$371,000,000, only 21 percent of this contemporary total.

Prepared By

OFFICE OF SCHOOL FACILITIES

Alex C. James, Director

Angelia S. Hawes, Administrative Assistant

Inge S. Gardner, Administrative Specialist

Jacqueline R. Shull, Administrative Specialist

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**2001 STATEWIDE CAPITAL NEEDS REPORT
ABBEVILLE COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$30,075,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$4,845,629
3.	2001/02 Student Population			3,842
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			60
5.	Teaching Stations (Total)			284
6.	Relocatable Classrooms			18
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	34		\$8,125,000
	Renovations	7		\$1,492,800
	Additions	20		\$7,058,300
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$2,000,000
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	1	\$300,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$150,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$19,126,700
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$13,500,000		
	2002/03	\$100,000		
	2003/04	\$100,000		
	2004/05	\$100,000		
	2005/06	\$100,000		
11.	Funding Short Fall (line 9 minus line 10)			\$5,226,700
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
AIKEN COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$91,048,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$60,404,000
3.	2001/02 Student Population			25,329
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			200
5.	Teaching Stations (Total)			1,523
6.	Relocatable Classrooms			165
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	180		\$70,000,000
	Renovations	421		\$30,000,000
	Additions	230		\$20,240,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	2	\$2,000,000
	Cafeterias	0	9	\$8,000,000
	Auditorium	0	4	\$2,500,000
	Library/Media Center	0	4	\$2,000,000
	Administrative Area	0	6	\$2,500,000
	Teacher Work Area	0	7	\$500,000
	Other Miscellaneous	0	17	\$10,000,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$147,740,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$17,534,377		
	2002/03	\$16,157,918		
	2003/04	\$9,765,000		
	2004/05	\$7,600,000		
	2005/06	\$7,200,000		
11.	Funding Short Fall (line 9 minus line 10)			\$89,482,705
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
ALLENDALE COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$8,730,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$854,483
3.	2001/02 Student Population			1,952
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			0
5.	Teaching Stations (Total)			156
6.	Relocatable Classrooms			11
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	0		\$0
	Renovations	103		\$8,400,000
	Additions	20		\$4,000,000
	Relocatable Units	4		\$100,000
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	3	\$1,500,000
	Cafeterias	0	3	\$2,000,000
	Auditorium	0	0	\$0
	Library/Media Center	0	3	\$1,000,000
	Administrative Area	0	3	\$1,500,000
	Teacher Work Area	0	3	\$400,000
	Other Miscellaneous	0	3	\$1,914,460
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$20,814,460
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$0		
	2002/03	\$2,900,000		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (Line 9 minus line 10)			\$17,914,460
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
ANDERSON COUNTY SCHOOL DISTRICT #1**

1.	1998 Capital Needs Estimate			\$20,621,200
2.	Capital Improvements Expenditures 1996/97-2000/01			\$28,240,000
3.	2001/02 Student Population			7,740
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			968
5.	Teaching Stations (Total)			539
6.	Relocatable Classrooms			12
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	70		\$20,000,000
	Renovations	0		\$0
	Additions	0		\$0
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$20,000,00
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$0		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$20,000,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
ANDERSON COUNTY SCHOOL DISTRICT #2**

1.	1998 Capital Needs Estimate			\$29,700,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$6,998,565
3.	2001/02 Student Population			3,520
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			150
5.	Teaching Stations (Total)			227
6.	Relocatable Classrooms			12
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	0		\$0
	Renovations	174		\$7,350,000
	Additions	64		\$11,182,859
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	2	\$3,950,000
	Cafeterias	2	3	\$3,500,000
	Auditorium	1	0	\$1,800,000
	Library/Media Center	4	2	\$3,400,000
	Administrative Area	0	6	\$1,750,000
	Teacher Work Area	5	0	\$160,000
	Other Miscellaneous	0	2	\$1,750,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$34,842,859
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$0		
	2002/03	\$0		
	2003/04	\$950,000		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$33,892,859
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
ANDERSON COUNTY SCHOOL DISTRICT #3**

1.	1998 Capital Needs Estimate			\$21,900,100
2.	Capital Improvements Expenditures 1996/97-2000/01			\$1,601,034
3.	2001/02 Student Population			2,580
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			270
5.	Teaching Stations (Total)			174
6.	Relocatable Classrooms			13
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	20		\$4,800,000
	Renovations	160		\$5,550,000
	Additions	37		\$4,830,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	2	1	\$1,601,000
	Cafeterias	0	1	\$195,000
	Auditorium	0	0	\$0
	Library/Media Center	0	1	\$100,000
	Administrative Area	0	1	\$125,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	1	1	\$750,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$17,951,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$12,801,000		
	2002/03	\$350,000		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$4,800,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
ANDERSON COUNTY SCHOOL DISTRICT #4**

1.	1998 Capital Needs Estimate			\$6,584,567
2.	Capital Improvements Expenditures 1996/97-2000/01			\$2,641,524
3.	2001/02 Student Population			2,804
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			570
5.	Teaching Stations (Total)			192
6.	Relocatable Classrooms			3
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	55		\$10,000,000
	Renovations	0		\$0
	Additions	33		\$6,214,000
	Relocatable Units	3		\$260,000
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$2,100,000
	Cafeterias	0	3	\$1,500,000
	Auditorium	1	0	\$1,200,000
	Library/Media Center	0	0	\$0
	Administrative Area	2	0	\$240,000
	Teacher Work Area	2	0	\$200,000
	Other Miscellaneous	3	2	\$1,486,090
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$23,200,090
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$4,200,000		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$19,000,090
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
ANDERSON COUNTY SCHOOL DISTRICT #5**

1.	1998 Capital Needs Estimate			\$21,292,440
2.	Capital Improvements Expenditures 1996/97-2000/01			\$7,758,883
3.	2001/02 Student Population			11,101
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			895
5.	Teaching Stations (Total)			800
6.	Relocatable Classrooms			43
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	84		\$10,605,600
	Renovations	0		\$0
	Additions	44		\$4,498,200
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	3	1	\$3,996,000
	Cafeterias	3	1	\$745,200
	Auditorium	1	0	\$845,208
	Library/Media Center	1	1	\$1,101,600
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$58,351,934
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$80,143,742
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$6,725,816		
	2002/03	\$20,177,447		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$53,240,479
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
BAMBERG COUNTY SCHOOL DISTRICT #1**

1.	1998 Capital Needs Estimate			\$11,461,800
2.	Capital Improvements Expenditures 1996/97-2000/01			\$2,367,753
3.	2001/02 Student Population			1,795
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			40
5.	Teaching Stations (Total)			131
6.	Relocatable Classrooms			9
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	70		\$4,000,000
	Additions	22		\$5,000,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	1	\$100,000
	Cafeterias	0	4	\$320,000
	Auditorium	0	0	\$0
	Library/Media Center	0	3	\$265,000
	Administrative Area	0	2	\$125,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$9,810,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$100,000		
	2002/03	\$20,000		
	2003/04	\$20,000		
	2004/05	\$20,000		
	2005/06	\$20,000		
11.	Funding Short Fall (line 9 minus line 10)			\$9,630,000
12.	Estimated Date and Amount of Any Planned Referendums:			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
BAMBERG COUNTY SCHOOL DISTRICT #2**

1.	1998 Capital Needs Estimate			\$6,700,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$820,080
3.	2001/02 Student Population			1,077
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			50
5.	Teaching Stations (Total)			127
6.	Relocatable Classrooms			11
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	0		\$0
	Additions	20		\$1,500,000
	Relocatable Units	0		\$
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	2	\$500,000
	Cafeterias	0	2	\$250,024
	Auditorium	1	0	\$1,526,000
	Library/Media Center	0	1	\$150,000
	Administrative Area	1	0	\$180,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	1	0	\$4,750,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$7,356,024
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$589,639		
	2002/03	\$589,639		
	2003/04	\$120,554		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (Line 9 minus line 10)			\$6,056,193
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
BARNWELL COUNTY SCHOOL DISTRICT #19**

1.	1998 Capital Needs Estimate			\$6,719,500
2.	Capital Improvements Expenditures 1996/97-2000/01			\$6,056,189
3.	2001/02 Student Population			1,026
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			20
5.	Teaching Stations (Total)			88
6.	Relocatable Classrooms			6
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	3		\$3,763,600
	Additions	0		\$0
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	1	\$350,000
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	1	1	\$295,500
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$4,409,100
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$552,000		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$3,857,100
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
BARNWELL COUNTY SCHOOL DISTRICT #29**

1.	1998 Capital Needs Estimate			\$2,090,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$885,495
3.	2001/02 Student Population			1,035
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			0
5.	Teaching Stations (Total)			70
6.	Relocatable Classrooms			1
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	0		\$681,000
	Additions	4		\$529,200
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$766,000
	Cafeterias	0	0	\$40,000
	Auditorium	0	0	\$280,900
	Library/Media Center	1	0	\$425,000
	Administrative Area	1	0	\$0
	Teacher Work Area	0	0	\$385,000
	Other Miscellaneous	0	0	\$
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$3,107,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$1,299,346		
	2002/03	\$119,751		
	2003/04	\$100,000		
	2004/05	\$100,000		
	2005/06	\$100,000		
11.	Funding Short Fall (line 9 minus line 10)			\$1,387,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
BARNWELL COUNTY SCHOOL DISTRICT #45**

1.	1998 Capital Needs Estimate			\$7,189,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$2,103,335
3.	2001/02 Student Population			2,788
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			150
5.	Teaching Stations (Total)			191
6.	Relocatable Classrooms			0
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	40		\$10,000,000
	Renovations	0		\$1,000,000
	Additions	4		\$2,000,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$0
	Cafeterias	1	0	\$0
	Auditorium	1	0	\$0
	Library/Media Center	1	0	\$0
	Administrative Area	1	0	\$0
	Teacher Work Area	1	0	\$0
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$13,000,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$534,105		
	2002/03	\$3,500,000		
	2003/04	\$3,549,219		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$5,416,676
12.	Estimated Date and Amount of Any Planned Referendums:			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
BEAUFORT COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$188,926,500
2.	Capital Improvements Expenditures 1996/97-2000/01			\$161,961,698
3.	2001/02 Student Population			17,333
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			2,400
5.	Teaching Stations (Total)			1,300
6.	Relocatable Classrooms			96
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	204		\$127,000,000
	Renovations	15		\$4,000,000
	Additions	120		\$31,000,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	1	0	\$5,000,000
	Library/Media Center	0	0	\$0
	Administrative Area	1	0	\$5,000,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	1	1	\$3,500,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$175,500,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$7,000,000		
	2002/03	\$34,000,000		
	2003/04	\$32,000,000		
	2004/05	\$29,000,000		
	2005/06	\$18,000,000		
11.	Funding Short Fall (line 9 minus line 10)			\$55,500,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
BERKELEY COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$142,119,800
2.	Capital Improvements Expenditures 1996/97-2000/01			\$102,050,282
3.	2001/02 Student Population			26,256
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			4,518
5.	Teaching Stations (Total)			1,708
6.	Relocatable Classrooms			324
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	1,607		\$176,860,269
	Renovations	229		\$14,664,300
	Additions	232		\$58,030,400
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	3	3	\$4,803,750
	Cafeterias	10	5	\$6,322,500
	Auditorium	4	0	\$4,250,000
	Library/Media Center	12	1	\$6,195,000
	Administrative Area	8	5	\$2,860,000
	Teacher Work Area	13	2	\$1,395,000
	Other Miscellaneous	11	1	\$3,990,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$240,165,519
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$141,629,065		
	2002/03	\$24,233,612		
	2003/04	\$2,097,242		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$72,205,600
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
CALHOUN COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate.			\$9,216,500
2.	Capital Improvements Expenditures 1996/97-2000/01			\$8,922,810
3.	2001/02 Student Population			1,982
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			250
5.	Teaching Stations (Total)			179
6.	Relocatable Classrooms			29
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	40		\$30,000,000
	Renovations	0		\$0
	Additions	20		\$2,500,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$1,000,000
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	10	\$2,500,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$36,000,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$50,000		
	2002/03	\$50,000		
	2003/04	\$50,000		
	2004/05	\$50,000		
	2005/06	\$4,000,000		
				\$31,800,000
11.	Funding Short Fall (line 9 minus line 10)			
12.	Estimated Date and Amount of Any Planned Referendums.			
		<u>Date</u>	<u>Amount</u>	
		00/00/00	\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
CHARLESTON COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$355,200,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$185,300,000
3.	2001/02 Student Population			45,530
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			-840
5.	Teaching Stations (Total)			2,982
6.	Relocatable Classrooms			426
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	464		\$78,184,000
	Renovations	1,396		\$141,493,850
	Additions	204		\$33,833,400
	Relocatable Units	55		\$2,500,000
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	8	12	\$82,432,000
	Cafeterias	11	32	\$55,892,750
	Auditorium	5	5	\$28,475,000
	Library/Media Center	13	35	\$57,702,000
	Administrative Area	11	35	\$34,255,000
	Teacher Work Area	73	58	\$33,732,000
	Other Miscellaneous	N/A	N/A	\$48,000,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$596,500,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$166,700,000		
	2002/03	\$60,600,000		
	2003/04	\$48,680,000		
	2004/05	\$40,100,000		
	2005/06	\$83,500,000		
11.	Funding Short Fall (line 9 minus line 10)			\$197,000,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	11/07/04	\$200,000,000		

**2001 STATEWIDE CAPITAL NEEDS REPORT
CHEROKEE COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$43,931,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$65,990,320
3.	2001/02 Student Population			9,138
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			950
5.	Teaching Stations (Total)			632
6.	Relocatable Classrooms			13
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	50		\$19,100,000
	Renovations	0		\$20,000,000
	Additions	35		\$4,000,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	3	6	\$2,300,000
	Auditorium	1	1	\$500,000
	Library/Media Center	0	1	\$200,000
	Administrative Area	2	0	\$200,000
	Teacher Work Area	5	0	\$400,000
	Other Miscellaneous	3	16	\$14,400,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$61,158,241
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$500,000		
	2002/03	\$6,500,000		
	2003/04	\$600,000		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$48,000,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
CHESTER COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$4,050,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$23,417,480
3.	2001/02 Student Population			6,645
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			300
5.	Teaching Stations (Total)			525
6.	Relocatable Classrooms			8
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	36		\$10,500,000
	Renovations	10		\$4,955,355
	Additions	0		\$0
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	1	0	\$1,500,000
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$16,955,355
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$4,191,623		
	2002/03	\$4,191,622		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$8,572,019
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
CHESTERFIELD COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$12,886,100
2.	Capital Improvements Expenditures 1996/97-2000/01			\$11,699,290
3.	2001/02 Student Population			8,033
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			193
5.	Teaching Stations (Total)			534
6.	Relocatable Classrooms			55
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	90		\$30,000,000
	Renovations	0		\$46,000,000
	Additions	80		\$42,000,000
	Relocatable Units	0		\$
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	2	\$1,000,000
	Cafeterias	0	0	\$0
	Auditorium	1	0	\$5,000,000
	Library/Media Center	0	0	\$0
	Administrative Area	0	1	\$1,000,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$10,000,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$102,000,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$34,379,604		
	2002/03	\$33,449,732		
	2003/04	\$9,797,680		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$24,372,984
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
CLARENDON COUNTY SCHOOL DISTRICT #1**

1.	1998 Capital Needs Estimate			\$1,818,400
2.	Capital Improvements Expenditures 1996/97-2000/01			\$5,945,357
3.	2001/02 Student Population			1,226
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			50
5.	Teaching Stations (Total)			112
6.	Relocatable Classrooms			17
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	0		\$0
	Renovations	0		\$0
	Additions	2		\$400,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	1	\$7,000
	Cafeterias	1	0	\$375,000
	Auditorium	0	0	\$0
	Library/Media Center	1	0	\$200,000
	Administrative Area	1	0	\$125,000
	Teacher Work Area	1	0	\$125,000
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$1,232,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$0		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$1,232,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
CLARENDON COUNTY SCHOOL DISTRICT #2**

1.	1998 Capital Needs Estimate		\$13,309,000
2.	Capital Improvements Expenditures 1996/97-2000/01		\$13,237,850
3.	2001/02 Student Population		3,633
4.	Projected 5-year Student Increase (2001/02 - 2006/07)		216
5.	Teaching Stations (Total)		241
6.	Relocatable Classrooms		0
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>
	New Schools	18	\$2,682,500
	Renovations	20	\$2,500,000
	Additions	14	\$2,875,400
	Relocatable Units	0	\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>
	Gymnasium(s)	1	\$1,600,000
	Cafeterias		\$
	Auditorium		\$
	Library/Media Center	1	\$300,000
	Administrative Area	1	\$180,000
	Teacher Work Area		\$
	Other Miscellaneous		\$2,659,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:		\$12,796,000
10.	Scheduled or Planned Funding for Capital Improvements:		
	2001/02	\$2,830,037	
	2002/03	\$3,000,000	
	2003/04	\$0	
	2004/05	\$0	
	2005/06	\$0	
11.	Funding Short Fall (line 9 minus line 10)		\$6,966,863
12.	Estimated Date and Amount of Any Planned Referendums.		
	<u>Date</u>	<u>Amount</u>	
	00/00/00	\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
CLARENDON COUNTY SCHOOL DISTRICT #3**

1.	1998 Capital Needs Estimate			\$8,092,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$4,800,000
3.	2001/02 Student Population			1,226
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			20
5.	Teaching Stations (Total)			86
6.	Relocatable Classrooms			8
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	72		\$360,000
	Additions	1		\$100,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	1	\$1,500,000
	Cafeterias	0	0	\$0
	Auditorium	2	0	\$1,800,000
	Library/Media Center	1	0	\$500,000
	Administrative Area	2	0	\$500,000
	Teacher Work Area	1	0	\$100,000
	Other Miscellaneous	0	10	\$250,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$5,110,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$1,687,000		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$3,423,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	??/??/04	\$39,000,000		

**2001 STATEWIDE CAPITAL NEEDS REPORT
COLLETON COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$53,308,300
2.	Capital Improvements Expenditures 1996/97-2000/01			\$1,266,783
3.	2001/02 Student Population			6,721
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			100
5.	Teaching Stations (Total)			460
6.	Relocatable Classrooms			67
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	186		\$38,000,000
	Renovations	85		\$425,000
	Additions	0		\$0
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$694,000
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	14	\$630,000
	Administrative Area	0	2	\$31,500
	Teacher Work Area	14	0	\$72,000
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$39,000,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$0		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$39,000,000
12.	Estimated Date and Amount of Any Planned Referendums.	<u>Date</u>	<u>Amount</u>	
		00/00/00	\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
DARLINGTON COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$82,587,117
2.	Capital Improvements Expenditures 1996/97-2000/01			\$13,330,458
3.	2001/02 Student Population			11,250
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			300
5.	Teaching Stations (Total)			823
6.	Relocatable Classrooms			70
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	80		\$18,500,000
	Renovations	48		\$57,071,688
	Additions	0		\$0
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	3	0	\$3,654,000
	Cafeterias	2	3	\$2,633,648
	Auditorium	0	0	\$0
	Library/Media Center	3	0	\$1,123,857
	Administrative Area	2	4	\$1,262,520
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	2	4	\$8,334,305
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$92,580,018
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$2,500,000		
	2002/03	\$2,500,000		
	2003/04	\$1,500,000		
	2004/05	\$1,500,000		
	2005/06	\$2,000,000		
11.	Funding Short Fall (line 9 minus line 10)			\$82,580,018
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
DILLON COUNTY SCHOOL DISTRICT #1**

1.	1998 Capital Needs Estimate			\$680,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$1,307,203
3.	2001/02 Student Population			915
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			0
5.	Teaching Stations (Total)			65
6.	Relocatable Classrooms			0
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	0		\$0
	Renovations	0		\$0
	Additions	3		\$300,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	2	\$250,000
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	1	\$50,000
	Teacher Work Area	0	2	\$100,000
	Other Miscellaneous	0	1	\$150,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$850,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$200,000		
	2002/03	\$100,000		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$550,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
DILLON COUNTY SCHOOL DISTRICT #2**

1.	1998 Capital Needs Estimate			\$8,074,600
2.	Capital Improvements Expenditures 1996/97-2000/01			\$6,473,397
3.	2001/02 Student Population			3,864
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			200
5.	Teaching Stations (Total)			225
6.	Relocatable Classrooms			32
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	2		\$1,000,000
	Additions	25		\$5,000,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	1	\$300,000
	Cafeterias	0	2	\$1,200,000
	Auditorium	0	1	\$500,000
	Library/Media Center	0	1	\$200,000
	Administrative Area	0	1	\$250,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	2	0	\$300,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$8,750,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$3,000,000		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$		
11.	Funding Short Fall (line 9 minus line 10)			\$5,750,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
DILLON COUNTY SCHOOL DISTRICT #3**

1.	1998 Capital Needs Estimate			\$2,600,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$390,000
3.	2001/02 Student Population			1,501
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			-30
5.	Teaching Stations (Total)			130
6.	Relocatable Classrooms			0
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	47		\$8,000,000
	Renovations	0		\$1,000,000
	Additions	0		\$0
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$2,600,000
	Cafeterias	0	0	\$0
	Auditorium	1	0	\$2,600,000
	Library/Media Center	0	0	\$0
	Administrative Area	0	1	\$300,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	1	0	\$50,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$14,550,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$2,650,000		
	2002/03	\$100,000		
	2003/04	\$3,000,000		
	2004/05	\$100,000		
	2005/06	\$100,000		
11.	Funding Short Fall (line 9 minus line 10)			\$8,600,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
DORCHESTER COUNTY SCHOOL DISTRICT #2**

1.	1998 Capital Needs Estimate			\$57,745,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$52,763,593
3.	2001/02 Student Population			17,000
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			1,500
5.	Teaching Stations (Total)			1,016
6.	Relocatable Classrooms			72
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	262		\$91,000,000
	Renovations	0		\$0
	Additions	0		\$3,000,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	1	\$200,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	1	1	\$14,026,348
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$108,226,348
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$14,026,348		
	2002/03	\$600,000		
	2003/04	\$600,000		
	2004/05	\$400,000		
	2005/06	\$400,000		
11.	Funding Short Fall (line 9 minus line 10)			\$92,200,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
DORCHESTER COUNTY SCHOOL DISTRICT #4**

1.	1998 Capital Needs Estimate			\$18,947,700
2.	Capital Improvements Expenditures 1996/97-2000/01			\$22,110,809
3.	2001/02 Student Population			2,469
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			100
5.	Teaching Stations (Total)			185
6.	Relocatable Classrooms			7
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	0		\$0
	Additions	10		\$1,200,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	1	0	\$1,331,535
	Administrative Area	1	0	\$1,271,504
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	6	\$720,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$3,323,039
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$1,331,535		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$1,991,504
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
EDGEFIELD COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$14,680,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$2,983,021
3.	2001/02 Student Population			4,100
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			85
5.	Teaching Stations (Total)			309
6.	Relocatable Classrooms			3
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	45		\$12,200,000
	Renovations	1		\$750,000
	Additions	2		\$3,900,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$2,100,000
	Cafeterias	1	0	\$750,000
	Auditorium	1	0	\$3,400,000
	Library/Media Center	1	0	\$500,000
	Administrative Area	1	0	\$150,000
	Teacher Work Area	1	0	\$75,000
	Other Miscellaneous	1	0	\$400,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$24,225,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$3,425,000		
	2002/03	\$3,800,000		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$17,000,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
FAIRFIELD COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$6,410,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$5,812,829
3.	2001/02 Student Population			3,651
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			181
5.	Teaching Stations (Total)			16
6.	Relocatable Classrooms			0
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	50		\$8,260,000
	Renovations	15		\$3,000,000
	Additions	20		\$2,000,000
	Relocatable Units	10		\$100,000
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	1	0	\$1,000,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$14,360,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$200,000		
	2002/03	\$1,000,000		
	2003/04	\$4,600,000		
	2004/05	\$2,160,000		
	2005/06	\$200,000		
11.	Funding Short Fall (line 9 minus line 10)			\$6,200,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
FLORENCE COUNTY SCHOOL DISTRICT #1**

1.	1998 Capital Needs Estimate			\$1,773,500
2.	Capital Improvements Expenditures 1996/97-2000/01			\$15,000,000
3.	2001/02 Student Population			14,078
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			200
5.	Teaching Stations (Total)			840
6.	Relocatable Classrooms			95
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	0		\$0
	Additions	4		\$1,200,000
	Relocatable Units	10		\$260,000
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$350,000
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$1,810,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$250,000		
	2002/03	\$250,000		
	2003/04	\$250,000		
	2004/05	\$250,000		
	2005/06	\$250,000		
11.	Funding Short Fall (line 9 minus line 10)			\$560,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
FLORENCE COUNTY SCHOOL DISTRICT #2**

1.	1998 Capital Needs Estimate			\$11,000,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$10,700,000
3.	2001/02 Student Population			1,200
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			50
5.	Teaching Stations (Total)			100
6.	Relocatable Classrooms			0
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	0		\$500,000
	Additions	0		\$500,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	1	0	\$2,000,000
	Library/Media Center	1	0	\$1,000,000
	Administrative Area	1	0	\$300,000
	Teacher Work Area	0	1	\$750,000
	Other Miscellaneous	1	0	\$750,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$5,800,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$400,000		
	2002/03	\$363,000		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$5,037,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
FLORENCE COUNTY SCHOOL DISTRICT #3**

1.	1998 Capital Needs Estimate			\$8,887,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$9,272,764
3.	2001/02 Student Population			4,250
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			-300
5.	Teaching Stations (Total)			325
6.	Relocatable Classrooms			35
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	60		\$2,500,000
	Additions	14		\$2,200,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	1	\$40,000
	Cafeterias	0	2	\$250,000
	Auditorium	0	2	\$1,250,000
	Library/Media Center	0	1	\$250,000
	Administrative Area	0	1	\$125,000
	Teacher Work Area	0	1	\$50,000
	Other Miscellaneous	0	1	\$250,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$6,915,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$204,156		
	2002/03	\$4,000,000		
	2003/04	\$1,000,000		
	2004/05	\$0		
	2005/06	\$0		
				\$1,710,844
11.	Funding Short Fall (line 9 minus line 10)			
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
FLORENCE COUNTY SCHOOL DISTRICT #4**

1.	1998 Capital Needs Estimate			\$16,500,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$349,662
3.	2001/02 Student Population			1,125
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			50
5.	Teaching Stations (Total)			78
6.	Relocatable Classrooms			2
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	0		\$0
	Additions	8		\$2,125,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$500,000
	Cafeterias	0	1	\$15,000
	Auditorium	1	0	\$500,000
	Library/Media Center	0	0	\$0
	Administrative Area	1	0	\$40,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	1	0	\$80,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$3,260,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$350,000		
	2002/03	\$135,000		
	2003/04	\$1,775,000		
	2004/05	\$500,000		
	2005/06	\$500,000		
11.	Funding Short Fall (line 9 minus line 10)			\$2,910,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
FLORENCE COUNTY SCHOOL DISTRICT #5**

1.	1998 Capital Needs Estimate			\$1,514,600
2.	Capital Improvements Expenditures 1996/97-2000/01			\$8,025,000
3.	2001/02 Student Population			1,473
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			27
5.	Teaching Stations (Total)			110
6.	Relocatable Classrooms			5
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	0		\$0
	Renovations	1		\$1,300,000
	Additions	4		\$600,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	1	\$200,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$2,100,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$1,200,000		
	2002/03	\$600,000		
	2003/04	\$200,000		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$100,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
GEORGETOWN COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$160,000,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$113,375,199
3.	2001/02 Student Population			9,840
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			942
5.	Teaching Stations (Total)			832
6.	Relocatable Classrooms			68
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	0		\$5,000,000
	Additions	38		\$3,855,949
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	1	\$3,500,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$12,355,949
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$7,355,949		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$5,000,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
GREENVILLE COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$643,036,100
2.	Capital Improvements Expenditures 1996/97-2000/01			\$336,081,931
3.	2001/02 Student Population			61,183
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			4,300
5.	Teaching Stations (Total)			3,767
6.	Relocatable Classrooms			468
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	778		\$314,869,167
	Renovations	59		\$248,647,924
	Additions	700		\$200,000,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$756,000,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$51,000,000		
	2002/03	\$60,000,000		
	2003/04	\$60,000,000		
	2004/05	\$60,000,000		
	2005/06	\$70,000,000		
11.	Funding Short Fall (line 9 minus line 10)			\$301,000,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
GREENWOOD COUNTY SCHOOL DISTRICT #50**

1.	1998 Capital Needs Estimate			\$35,390,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$6,280,000
3.	2001/02 Student Population			9,203
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			400
5.	Teaching Stations (Total)			488
6.	Relocatable Classrooms			60
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	150		\$42,000,000
	Renovations	12		\$13,590,000
	Additions	50		\$7,214,000
	Relocatable Units	24		\$720,000
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$4,500,000
	Cafeterias	0	1	\$350,000
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$68,374,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$4,470,000		
	2002/03	\$6,330,000		
	2003/04	\$5,900,000		
	2004/05	\$6,100,000		
	2005/06	\$1,000,000		
11.	Funding Short Fall (line 9 minus line 10)			\$44,574,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	09/??/03	\$23,000,000		

**2001 STATEWIDE CAPITAL NEEDS REPORT
GREENWOOD COUNTY SCHOOL DISTRICT #51**

1.	1998 Capital Needs Estimate			\$2,798,900
2.	Capital Improvements Expenditures 1996/97-2000/01			\$568,921
3.	2001/02 Student Population			1,205
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			30
5.	Teaching Stations (Total)			95
6.	Relocatable Classrooms			6
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	10		\$100,000
	Additions	0		\$0
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$100,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$0		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$100,000
12.	Estimated Date and Amount of Any Planned Referendums			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
GREENWOOD COUNTY SCHOOL DISTRICT #52**

1.	1998 Capital Needs Estimate			\$5,368,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$2,002,993
3.	2001/02 Student Population			1,625
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			0
5.	Teaching Stations (Total)			105
6.	Relocatable Classrooms			0
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	0		\$0
	Additions	0		\$0
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	1	\$30,000
	Cafeterias	0	1	\$40,000
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	1	\$0
	Other Miscellaneous	0	1	\$1,335,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$1,405,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$6,000,000		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (Line 9 minus line 10)			\$1,405,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
HAMPTON COUNTY SCHOOL DISTRICT #1**

1.	1998 Capital Needs Estimate			\$8,968,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$1,162,684
3.	2001/02 Student Population			2,815
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			75
5.	Teaching Stations (Total)			211
6.	Relocatable Classrooms			33
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	0		\$0
	Additions	26		\$5,027,579
	Relocatable Units	9		\$270,000
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	1	\$300,000
	Cafeterias	0	1	\$300,000
	Auditorium	0	0	\$0
	Library/Media Center	0	1	\$300,000
	Administrative Area	0	1	\$250,000
	Teacher Work Area	0	0	\$
	Other Miscellaneous	0	0	\$
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$6,447,579
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$1,360,345		
	2002/03	\$881,473		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$4,205,761
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
HAMPTON COUNTY SCHOOL DISTRICT #2**

1.	1998 Capital Needs Estimate				\$325,000
2.	Capital Improvements Expenditures 1996/97-2000/01				\$806,390
3.	2001/02 Student Population				1,520
4.	Projected 5-year Student Increase (2001/02 - 2006/07)				50
5.	Teaching Stations (Total)				121
6.	Relocatable Classrooms				23
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>	
	New Schools	74			\$28,478,570
	Renovations	1			\$1,200,000
	Additions	1			\$1,957,500
	Relocatable Units	7			\$350,000
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>		<u>Costs</u>
	Gymnasium(s)	0	2		\$
	Cafeterias	0	2		\$
	Auditorium	0	3		\$
	Library/Media Center	0	3		\$
	Administrative Area	0	4		\$
	Teacher Work Area	0	3		\$
	Other Miscellaneous	0	2		\$
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:				\$31,986,070
10.	Scheduled or Planned Funding for Capital Improvements:				
	2001/02	\$561,070			
	2002/03	\$450,000			
	2003/04	\$0			
	2004/05	\$0			
	2005/06	\$0			
11.	Funding Short Fall (line 9 minus line 10)				\$30,975,000
12.	Estimated Date and Amount of Any Planned Referendums.				
	<u>Date</u>		<u>Amount</u>		
	00/00/00		\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
HORRY COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$94,560,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$3,000,000
3.	2001/02 Student Population			29,154
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			2,318
5.	Teaching Stations (Total)			1,700
6.	Relocatable Classrooms			270
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	800		\$64,000,000
	Renovations	300		\$24,000,000
	Additions	800		\$64,000,000
	Relocatable Units	100		7,000,000
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	9	0	\$9,000,000
	Cafeterias	13	12	\$75,000,000
	Auditorium	9	0	\$3,600,000
	Library/Media Center	13	10	\$4,600,000
	Administrative Area	13	8	\$4,200,000
	Teacher Work Area	30	0	\$1,500,000
	Other Miscellaneous	10	0	\$10,000,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$266,900,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$77,373,704		
	2002/03	\$71,072,413		
	2003/04	\$9,190,171		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$109,263,712
12.	Estimated Date and Amount of Any Planned Referendums:			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		
		50		

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**2001 STATEWIDE CAPITAL NEEDS REPORT
JASPER COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$55,361,100
2.	Capital Improvements Expenditures 1996/97-2000/01			\$3,795,854
3.	2001/02 Student Population			2,987
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			3,487
5.	Teaching Stations (Total)			185
6.	Relocatable Classrooms			7
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	200		\$46,000,000
	Renovations	0		\$0
	Additions	0		\$0
	Relocatable Units	3		\$90,000
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	2	\$360,000
	Teacher Work Area	0	36	\$792,000
	Other Miscellaneous	9	0	\$1,080,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$48,322,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$400,000		
	2002/03	\$475,000		
	2003/04	\$600,000		
	2004/05	\$600,000		
	2005/06	\$0		
11.	Funding Short Fall (Line 9 minus line 10)			\$46,247,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	??/??/??	\$46,000,000		

**2001 STATEWIDE CAPITAL NEEDS REPORT
KERSHAW COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$44,257,200
2.	Capital Improvements Expenditures 1996/97-2000/01			\$42,470,692
3.	2001/02 Student Population			9,644
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			325
5.	Teaching Stations (Total)			760
6.	Relocatable Classrooms			52
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	0	\$0	
	Renovations	0	\$0	
	Additions	16	\$2,700,000	
	Relocatable Units	0	\$0	
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	2	\$180,000
	Auditorium	1	0	\$2,700,000
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$5,580,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$0		
	2002/03	\$5,580,000		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$0
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
LANCASTER COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$70,730,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$46,740,000
3.	2001/02 Student Population			10,880
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			1,500
5.	Teaching Stations (Total)			?
6.	Relocatable Classrooms			36
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	140		\$36,000,000
	Renovations	20		\$300,000
	Additions	10		\$1,200,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	2	0	\$0
	Cafeterias	2	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	2	0	\$0
	Teacher Work Area	2	0	\$0
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$37,500,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$16,000,000		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$21,500,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
LAURENS COUNTY SCHOOL DISTRICT #55**

1.	1998 Capital Needs Estimate			\$48,161,400
2.	Capital Improvements Expenditures 1996/97-2000/01			\$24,820,518
3.	2001/02 Student Population			6,294
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			250
5.	Teaching Stations (Total)			399
6.	Relocatable Classrooms			72
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	40		\$5,625,720
	Renovations	2		\$150,000
	Additions	32		\$5,709,952
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$1,612,800
	Cafeterias	1	0	\$857,128
	Auditorium	0	0	\$0
	Library/Media Center	1	0	\$333,914
	Administrative Area	1	0	\$232,940
	Teacher Work Area	2	0	\$150,000
	Other Miscellaneous	3	13	\$5,630,375
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$20,302,829
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$0		
	2002/03	\$2,236,000		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$18,066,829
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
LAURENS #56 COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$5,145,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$5,823,890
3.	2001/02 Student Population			3,490
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			100
5.	Teaching Stations (Total)			216
6.	Relocatable Classrooms			9
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	0		\$0
	Additions	15		\$2,275,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	1	0	\$1,200,000
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	7	\$3,105,538
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$6,580,538
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$1,345,000		
	2002/03	\$100,000		
	2003/04	\$100,000		
	2004/05	\$100,000		
	2005/06	\$100,000		
11.	Funding Short Fall (line 9 minus line 10)			\$4,835,538
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
LEE COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$27,930,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$17,331,400
3.	2001/02 Student Population			2,850
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			0
5.	Teaching Stations (Total)			363
6.	Relocatable Classrooms			22
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	30		\$7,000,000
	Renovations	20		\$100,000
	Additions	24		\$2,300,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	3	0	\$1,300,000
	Cafeterias	0	1	\$200,000
	Auditorium	0	0	\$0
	Library/Media Center	0	3	\$300,000
	Administrative Area	0	4	\$300,000
	Teacher Work Area	0	4	\$190,000
	Other Miscellaneous	2	7	\$800,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$12,490,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$1,862,500		
	2002/03	\$2,662,500		
	2003/04	\$100,000		
	2004/05	\$100,000		
	2005/06	\$100,000		
11.	Funding Short Fall (line 9 minus line 10)			\$7,665,500
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
LEXINGTON COUNTY SCHOOL DISTRICT #1**

1.	1998 Capital Needs Estimate			\$106,622,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$94,322,378
3.	2001/02 Student Population			17,300
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			2,812
5.	Teaching Stations (Total)			1,125
6.	Relocatable Classrooms			200
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	300		\$87,750,000
	Renovations	518		\$35,000,000
	Additions	144		\$10,000,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	4	\$5,000,000
	Cafeterias	1	0	\$2,000,000
	Auditorium	1	0	\$6,000,000
	Library/Media Center	3	0	\$3,000,000
	Administrative Area	3	0	\$3,000,000
	Teacher Work Area	12	0	\$960,000
	Other Miscellaneous	3	0	\$3,000,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			155,710,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$4,125,000		
	2002/03	\$9,415,000		
	2003/04	\$3,600,000		
	2004/05	\$8,100,000		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$130,470,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
LEXINGTON COUNTY SCHOOL DISTRICT #2**

1.	1998 Capital Needs Estimate			\$72,000,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$37,986,312
3.	2001/02 Student Population			8,984
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			200
5.	Teaching Stations (Total)			661
6.	Relocatable Classrooms			36
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	125		\$17,000,000
	Additions	71		\$31,553,466
	Relocatable Units	20		\$800,000
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	2	1	\$6,200,000
	Cafeterias	1	5	\$2,500,000
	Auditorium	2	0	\$6,500,000
	Library/Media Center	1	5	\$2,725,000
	Administrative Area	0	4	\$1,700,000
	Teacher Work Area	6	0	\$375,000
	Other Miscellaneous	0	17	\$21,000,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$71,453,466
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$11,119,413		
	2002/03	\$2,544,000		
	2003/04	\$1,315,000		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10):			\$56,475,053
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	05/07/02		\$30,000,000	

**2001 STATEWIDE CAPITAL NEEDS REPORT
LEXINGTON COUNTY SCHOOL DISTRICT #3**

1.	1998 Capital Needs Estimate			\$17,288,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$15,668,000
3.	2001/02 Student Population			2,300
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			50
5.	Teaching Stations (Total)			165
6.	Relocatable Classrooms			0
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	6		\$1,000,000
	Additions	2		\$2,230,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	1	\$50,000
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	1	\$300,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	2	\$520,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$4,100,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$1,320,000		
	2002/03	\$825,000		
	2003/04	\$100,000		
	2004/05	\$100,000		
	2005/06	\$100,000		
11.	Funding Short Fall (line 9 minus line 10)			\$1,655,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
LEXINGTON COUNTY SCHOOL DISTRICT #4**

1.	1998 Capital Needs Estimate			\$19,360,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$23,215,842
3.	2001/02 Student Population			3,539
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			500
5.	Teaching Stations (Total)			281
6.	Relocatable Classrooms			29
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	30		\$10,000,000
	Renovations	0		\$0
	Additions	0		\$0
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	1	\$10,000
	Cafeterias	0	1	\$80,000
	Auditorium	1	0	\$4,000,000
	Library/Media Center	0	1	\$80,000
	Administrative Area	0	1	\$80,000
	Teacher Work Area	0	33	\$800,000
	Other Miscellaneous	0	4	\$160,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$15,210,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$0		
	2002/03	\$1,200,000		
	2003/04	\$0		
	2004/05	\$1,000,000		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$13,010,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	11/22/04	\$13,000,000		

**2001 STATEWIDE CAPITAL NEEDS REPORT
LEXINGTON COUNTY SCHOOL DISTRICT #5**

1.	1998 Capital Needs Estimate			\$83,700,005
2.	Capital Improvements Expenditures 1996/97-2000/01			\$69,842,455
3.	2001/02 Student Population			14,890
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			1,850
5.	Teaching Stations (Total)			1,090
6.	Relocatable Classrooms			58
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	165		\$75,000,000
	Renovations	0		\$0
	Additions	16		\$2,400,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	2	2	\$3,400,000
	Cafeterias	0	3	\$250,000
	Auditorium	0	0	\$0
	Library/Media Center	0	2	\$100,000
	Administrative Area	0	1	\$750,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	10	125	\$12,205,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$94,105,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$9,065,892		
	2002/03	\$3,125,000		
	2003/04	\$3,500,000		
	2004/05	\$2,100,000		
	2005/06	\$2,800,000		
				\$73,514,108
11.	Funding Short Fall (Line 9 minus line 10)			
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	11/05/02	\$22,000,000		

**2001 STATEWIDE CAPITAL NEEDS REPORT
MARION COUNTY SCHOOL DISTRICT #1**

1.	1998 Capital Needs Estimate			\$4,450,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$5,626,146
3.	2001/02 Student Population			3,149
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			0
5.	Teaching Stations (Total)			235
6.	Relocatable Classrooms			3
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	0		\$0
	Renovations	2		\$35,000
	Additions	7		\$594,750
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	2	0	\$1,771,750
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	1	\$20,000
	Administrative Area	0	2	\$1,755,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	1	0	\$219,266
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$4,395,766
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$995,700		
	2002/03	\$300,000		
	2003/04	\$300,000		
	2004/05	\$300,000		
	2005/06	\$300,000		
11.	Funding Short Fall (line 9 minus line 10)			\$2,200,066
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
MARION COUNTY SCHOOL DISTRICT #2**

1.	1998 Capital Needs Estimate			\$12,565,800
2.	Capital Improvements Expenditures 1996/97-2000/01			\$3,737,691
3.	2001/02 Student Population			2,157
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			0
5.	Teaching Stations (Total)			154
6.	Relocatable Classrooms			0
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	57		\$15,000,000
	Renovations	0		\$0
	Additions	6		\$670,800
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$225,000
	Cafeterias	0	2	\$228,000
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	1	0	\$250,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	1	\$1,098,283
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$17,472,083
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$767,269		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$17,472,083
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
MARION COUNTY SCHOOL DISTRICT #7**

1.	1998 Capital Needs Estimate			\$11,526,150
2.	Capital Improvements Expenditures 1996/97-2000/01			\$1,063,025
3.	2001/02 Student Population			1,037
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			63
5.	Teaching Stations (Total)			96
6.	Relocatable Classrooms			0
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	25		\$8,000,000
	Renovations	3		\$630,000
	Additions	3		\$2,628,705
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$0
	Cafeterias	1	2	\$384,000
	Auditorium	0	0	\$0
	Library/Media Center	1	1	\$43,500
	Administrative Area	1	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	1	7	\$1,631,925
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$13,318,130
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$2,063,169		
	2002/03	\$5,936,832		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (Line 9 minus line 10)			\$5,318,130
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
MARLBORO COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$5,250,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$11,934,911
3.	2001/02 Student Population			5,118
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			-241
5.	Teaching Stations (Total)			405
6.	Relocatable Classrooms			13
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	1		\$481,194
	Additions	13		\$1,987,524
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	1	\$183,750
	Cafeterias	0	4	\$1,214,749
	Auditorium	1	0	\$1,202,985
	Library/Media Center	0	0	\$0
	Administrative Area	0	1	\$3,160,134
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	4	\$324,986
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$8,555,322
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$2,012,727		
	2002/03	\$2,664,340		
	2003/04	\$852,170		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (Line 9 minus Line 10)			\$8,555,322
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
MCCORMICK COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$18,000,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$50,000
3.	2001/02 Student Population			1,100
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			50
5.	Teaching Stations (Total)			95
6.	Relocatable Classrooms			12
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	95		\$20,000,000
	Renovations	0		\$0
	Additions	0		\$0
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$20,000,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$20,000,000		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$0
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
NEWBERRY COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$36,620,500
2.	Capital Improvements Expenditures 1996/97-2000/01			\$17,742,830
3.	2001/02 Student Population			5,912
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			324
5.	Teaching Stations (Total)			401
6.	Relocatable Classrooms			45
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	35		\$5,717,250
	Renovations	119		\$17,432,182
	Additions	84		\$16,309,363
	Relocatable Units	5		\$375,000
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	6	1	\$4,857,213
	Cafeterias	3	2	\$3,650,695
	Auditorium	0	3	\$586,360
	Library/Media Center	6	3	\$4,390,870
	Administrative Area	5	7	\$3,594,930
	Teacher Work Area	5	7	\$1,818,002
	Other Miscellaneous	3	17	\$16,244,287
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$74,976,152
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$7,200,000		
	2002/03	\$8,200,000		
	2003/04	\$7,694,223		
	2004/05	\$4,616,864		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$47,265,065
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date:</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
OCONEE COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$9,000,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$14,100,000
3.	2001/02 Student Population			10,420
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			805
5.	Teaching Stations (Total)			941
6.	Relocatable Classrooms			67
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	55		\$17,000,000
	Renovations	0		50
	Additions	70		\$7,875,000
	Relocatable Units	5		\$300,000
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$2,100,000
	Cafeterias	0	5	\$600,000
	Auditorium	0	0	50
	Library/Media Center	0	5	\$450,000
	Administrative Area	1	0	\$2,500,000
	Teacher Work Area	0	0	50
	Other Miscellaneous	25	0	\$9,020,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$39,845,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$11,000,000		
	2002/03	50		
	2003/04	50		
	2004/05	50		
	2005/06	50		
11.	Funding Short Fall (line 9 minus line 10)			\$28,845,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	50		

**2001 STATEWIDE CAPITAL NEEDS REPORT
ORANGEBURG COUNTY SCHOOL DISTRICT #3**

1.	1998 Capital Needs Estimate			\$12,250,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$7,853,683
3.	2001/02 Student Population			3,862
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			208
5.	Teaching Stations (Total)			323
6.	Relocatable Classrooms			29
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	85		\$35,000,000
	Renovations	0		\$0
	Additions	22		\$5,000,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$1,000,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$41,000,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$20,000,000		
	2002/03	\$20,000,000		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$1,000,000
12.	Estimated Date and Amount of Any Planned Referendums.			
		<u>Date</u>	<u>Amount</u>	
		00/00/00	\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
ORANGEBURG COUNTY SCHOOL DISTRICT #4**

1.	1998 Capital Needs Estimate			\$25,500,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$30,015,870
3.	2001/02 Student Population			4,125
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			150
5.	Teaching Stations (Total)			325
6.	Relocatable Classrooms			2
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	9		\$1,750,000
	Renovations	0		\$0
	Additions	8		\$2,000,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	2	0	\$1,800,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$5,550,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$1,934,362		
	2002/03	\$4,000,000		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$3,615,638
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
ORANGEBURG COUNTY SCHOOL DISTRICT #5**

1.	1998 Capital Needs Estimate			\$48,000,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$11,452,472
3.	2001/02 Student Population			7,465
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			-526
5.	Teaching Stations (Total)			599
6.	Relocatable Classrooms			36
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	0		\$0
	Renovations	0		\$0
	Additions	20		\$1,500,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$1,500,000
	Cafeterias	0	0	\$0
	Auditorium	2	0	\$3,000,000
	Library/Media Center	0	0	\$0
	Administrative Area	1	0	\$5,410,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	11	\$11,250,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$22,660,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$0		
	2002/03	\$12,000,000		
	2003/04	\$0		
	2004/05	\$12,000,000		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$0
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
PICKENS COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$116,910,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$60,635,334
3.	2001/02 Student Population			16,160
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			800
5.	Teaching Stations (Total)			1,004
6.	Relocatable Classrooms			98
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	40		\$12,000,000
	Renovations	270		\$82,000,000
	Additions	84		\$24,000,000
	Relocatable Units	14		\$500,000
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	4	\$1,800,000
	Cafeterias	4	16	\$3,200,000
	Auditorium	1	2	\$1,600,000
	Library/Media Center	2	2	\$1,200,000
	Administrative Area	4	14	\$1,640,000
	Teacher Work Area	5	10	\$400,000
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$128,340,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$21,060,516		
	2002/03	\$2,000,000		
	2003/04	\$2,732,000		
	2004/05	\$2,218,000		
	2005/06	\$2,830,000		
11.	Funding Short Fall (line 9 minus line 10)			\$97,499,484
12.	Estimated Date and Amount of Any Planned Referendums:			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
RICHLAND COUNTY SCHOOL DISTRICT #1**

1.	1998 Capital Needs Estimate			\$198,273,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$224,165,159
3.	2001/02 Student Population			25,754
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			-1,154
5.	Teaching Stations (Total)			2,107
6.	Relocatable Classrooms			162
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	98		\$62,500,000
	Renovations	184		\$163,437,140
	Additions	69		\$96,002,968
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	5	1	\$7,812,500
	Cafeterias	2	2	\$1,665,000
	Auditorium	8	0	\$3,120,000
	Library/Media Center	2	3	\$3,782,500
	Administrative Area	0	4	\$750,000
	Teacher Work Area	1	5	\$465,750
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$339,535,858
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$31,590,855		
	2002/03	\$17,010,460		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$290,934,543
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	09/??/02	\$200,000,000		

**2001 STATEWIDE CAPITAL NEEDS REPORT
RICHLAND COUNTY SCHOOL DISTRICT #2**

1.	1998 Capital Needs Estimate			\$125,090,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$16,162,078
3.	2001/02 Student Population			18,142
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			2,500
5.	Teaching Stations (Total)			1,230
6.	Relocatable Classrooms			184
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	295		\$130,300,000
	Renovations	0		\$13,225,000
	Additions	65		\$20,605,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	3	\$1,000,000
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	1	\$7,500,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$178,630,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$4,915,078		
	2002/03	\$5,062,530		
	2003/04	\$5,214,406		
	2004/05	\$5,370,838		
	2005/06	\$98,300,000		
11.	Funding Short Fall (Line 9 minus line 10)			\$53,235,185
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	11/01/05	\$61,830,000		

**2001 STATEWIDE CAPITAL NEEDS REPORT
SALUDA COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			22,951,9845
2.	Capital Improvements Expenditures 1996/97-2000/01			\$20,167,600
3.	2001/02 Student Population			2,200
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			220
5.	Teaching Stations (Total)			192
6.	Relocatable Classrooms			9
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	0		\$3,000,000
	Additions	12		\$2,300,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	1	\$700,000
	Cafeterias	1	0	\$1,300,000
	Auditorium	0	0	\$0
	Library/Media Center	0	1	\$150,000
	Administrative Area	1	0	\$300,000
	Teacher Work Area	0	1	\$30,000
	Other Miscellaneous	0	1	\$1,000,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$8,780,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$2,600,000		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$6,180,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
SPARTANBURG COUNTY SCHOOL DISTRICT #1**

1.	1998 Capital Needs Estimate			\$8,398,750
2.	Capital Improvements Expenditures 1996/97-2000/01			\$9,948,970
3.	2001/02 Student Population			4,611
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			460
5.	Teaching Stations (Total)			325
6.	Relocatable Classrooms			22
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	113		\$54,233,963
	Renovations	0		\$0
	Additions	72		\$5,700,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	3	0	\$1,642,500
	Auditorium	0	0	\$0
	Library/Media Center	1	0	\$360,000
	Administrative Area	2	0	\$400,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$797,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$63,133,463
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$0		
	2002/03	\$2,500,000		
	2003/04	\$3,000,000		
	2004/05	\$1,000,000		
	2005/06	\$800,000		
11.	Funding Short Fall (Line 9 minus line 10)			\$55,833,463
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
SPARTANBURG COUNTY SCHOOL DISTRICT #2**

1.	1998 Capital Needs Estimate			\$22,035,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$29,831,500
3.	2001/02 Student Population			8,316
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			1,311
5.	Teaching Stations (Total)			450
6.	Relocatable Classrooms			46
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	110		\$25,000,000
	Renovations	28		\$1,300,000
	Additions	14		\$1,600,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	3	1	\$1,800,000
	Cafeterias	3	1	\$1,500,000
	Auditorium	0	0	\$0
	Library/Media Center	3	1	\$1,100,000
	Administrative Area	3	1	\$700,000
	Teacher Work Area	6	2	\$400,000
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$33,400,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$5,000,000		
	2002/03	\$4,300,000		
	2003/04	\$6,700,000		
	2004/05	\$4,900,000		
	2005/06	\$2,025,000		
11.	Funding Short Fall (line 9 minus line 10)			\$10,475,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
SPARTANBURG COUNTY SCHOOL DISTRICT #3**

1.	1998 Capital Needs Estimate			\$15,006,200
2.	Capital Improvements Expenditures 1996/97-2000/01			\$10,696,576
3.	2001/02 Student Population			3,183
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			300
5.	Teaching Stations (Total)			287
6.	Relocatable Classrooms			1
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	0		\$0
	Additions	16		\$2,000,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$1,600,000
	Cafeterias	0	1	\$800,000
	Auditorium	1	0	\$1,526,100
	Library/Media Center	0	1	\$300,000
	Administrative Area	0	1	\$300,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$3,200,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$9,726,100
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$0		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$9,726,100
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
SPARTANBURG COUNTY SCHOOL DISTRICT #4**

1.	1998 Capital Needs Estimate			\$5,200,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$4,290,852
3.	2001/02 Student Population			2,959
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			471
5.	Teaching Stations (Total)			200
6.	Relocatable Classrooms			
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	40		\$3,000,000
	Renovations	5		\$750,000
	Additions	40		\$3,000,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$800,000
	Cafeterias	1	1	\$500,000
	Auditorium	0	0	\$0
	Library/Media Center	1	0	\$200,000
	Administrative Area	1	1	\$350,000
	Teacher Work Area	1	0	\$75,000
	Other Miscellaneous	1	4	\$800,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$9,475,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$550,000		
	2002/03	\$1,800,000		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$7,125,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
SPARTANBURG COUNTY SCHOOL DISTRICT #5**

1.	1998 Capital Needs Estimate			\$17,868,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$49,373,159
3.	2001/02 Student Population			5,994
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			750
5.	Teaching Stations (Total)			343
6.	Relocatable Classrooms			10
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	55		\$7,500,000
	Renovations	12		\$450,000
	Additions	0		\$0
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$750,000
	Cafeterias	1	0	\$1,500,000
	Auditorium	0	1	\$300,000
	Library/Media Center	1	1	\$1,500,000
	Administrative Area	1	0	\$500,000
	Teacher Work Area	5	0	\$175,000
	Other Miscellaneous	0	8	\$1,400,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$14,075,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$0		
	2002/03	\$0		
	2003/04	\$12,000,000		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$2,075,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
SPARTANBURG COUNTY SCHOOL DISTRICT #6**

1.	1998 Capital Needs Estimate			\$29,800,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$51,491,341
3.	2001/02 Student Population			9,141
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			1,000
5.	Teaching Stations (Total)			558
6.	Relocatable Classrooms			0
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	30		\$9,000,000
	Renovations	50		\$4,500,000
	Additions	15		\$3,000,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	1	0	\$11,000,000
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$3,000,000
	Teacher Work Area	1	0	\$0
	Other Miscellaneous	0	0	\$39,334,595
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$69,834,595
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$35,300,000		
	2002/03	\$11,000,000		
	2003/04	\$8,000,000		
	2004/05	\$8,000,000		
	2005/06	\$6,000,000		
11.	Funding Short Fall (Line 9 minus line 10)			\$1,534,595
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
SPARTANBURG COUNTY SCHOOL DISTRICT #7**

1.	1998 Capital Needs Estimate			\$77,300,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$77,300,000
3.	2001/02 Student Population			8,250
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			0
5.	Teaching Stations (Total)			800
6.	Relocatable Classrooms			0
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	0		\$0
	Additions	0		\$0
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$0
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$0		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$0
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
SUMTER COUNTY SCHOOL DISTRICT #2**

1.	1998 Capital Needs Estimate			\$31,630,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$29,091,315
3.	2001/02 Student Population			9,300
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			0
5.	Teaching Stations (Total)			675
6.	Relocatable Classrooms			43
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	25		\$8,000,000
	Renovations	0		\$0
	Additions	32		\$10,000,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$1,600,000
	Cafeterias	0	1	\$1,200,000
	Auditorium	0	0	\$0
	Library/Media Center	0	1	\$800,000
	Administrative Area	0	1	\$600,000
	Teacher Work Area	0	1	\$750,000
	Other Miscellaneous	0	2	\$500,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$23,450,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$8,349,404		
	2002/03	\$1,000,000		
	2003/04	\$1,900,000		
	2004/05	\$2,000,000		
	2005/06	\$2,100,000		
11.	Funding Short Fall (line 9 minus line 10)			\$8,100,596
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
SUMTER COUNTY SCHOOL DISTRICT #17**

1.	1998 Capital Needs Estimate			\$33,800,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$37,912,257
3.	2001/02 Student Population			8,700
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			250
5.	Teaching Stations (Total)			640
6.	Relocatable Classrooms			64
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	0		\$0
	Renovations	4		\$676,000
	Additions	16		\$3,150,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	1	\$1,500,000
	Cafeterias	0	1	\$500,000
	Auditorium	1	0	\$1,500,000
	Library/Media Center	0	0	\$0
	Administrative Area	1	0	\$150,000
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$15,095,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$22,571,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$7,250,000		
	2002/03	\$3,100,000		
	2003/04	\$3,000,000		
	2004/05	\$2,000,000		
	2005/06	\$2,500,000		
11.	Funding Short Fall (line 9 minus line 10)			\$4,721,000
12.	Estimated Date and Amount of Any Planned Referendums:			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
UNION COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$46,488,300
2.	Capital Improvements Expenditures 1996/97-2000/01			\$5,617,954
3.	2001/02 Student Population			4,975
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			0
5.	Teaching Stations (Total)			348
6.	Relocatable Classrooms			38
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	74		\$24,465,000
	Renovations	0		\$26,684,000
	Additions	25		\$3,178,500
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$54,327,500
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$0		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (Line 9 minus line 10)			\$54,327,500
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
WILLIAMSBURG COUNTY SCHOOL DISTRICT**

1.	1998 Capital Needs Estimate			\$11,249,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$13,494,910
3.	2001/02 Student Population			6,134
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			0
5.	Teaching Stations (Total)			493
6.	Relocatable Classrooms			36
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	37		\$7,000,000
	Renovations	195		\$966,683
	Additions	10		\$1,921,098
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Cost:</u>
	Gymnasium(s)	0	7	\$392,000
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	5	\$220,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$10,499,781
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$2,537,228		
	2002/03	\$3,150,000		
	2003/04	\$1,770,159		
	2004/05	\$500,000		
	2005/06	\$500,000		
11.	Funding Short Fall (line 9 minus line 10)			\$2,042,394
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
YORK COUNTY SCHOOL DISTRICT #1**

1.	1998 Capital Needs Estimate			\$27,000,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$28,655,715
3.	2001/02 Student Population			5,181
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			350
5.	Teaching Stations (Total)			367
6.	Relocatable Classrooms			7
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	18		\$10,000,000
	Renovations	40		\$4,000,000
	Additions	0		\$0
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	1	0	\$2,500,000
	Cafeterias	0	0	\$0
	Auditorium	1	0	\$8,000,000
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	1	\$2,000,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$26,500,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$0		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$26,500,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
YORK COUNTY SCHOOL DISTRICT #2**

1.	1998 Capital Needs Estimate			\$63,500,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$47,783,897
3.	2001/02 Student Population			4,616
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			1,000
5.	Teaching Stations (Total)			400
6.	Relocatable Classrooms			5
7.	Additional Teaching Stations:	<u>Needs</u>	<u>Costs</u>	
	New Schools	100		\$40,000,000
	Renovations	0		\$0
	Additions	0		\$0
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	0	\$0
	Cafeterias	0	0	\$0
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	60	\$5,000,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$45,000,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$2,000,000		
	2002/03	\$1,000,000		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$42,000,000
12.	Estimated Date and Amount of Any Planned Referendums:			
	<u>Date</u>	<u>Amount</u>		
	00/00/00	\$0		

**2001 STATEWIDE CAPITAL NEEDS REPORT
YORK COUNTY SCHOOL DISTRICT #3**

1.	1998 Capital Needs Estimate			\$23,362,500
2.	Capital Improvements Expenditures 1996/97-2000/01			\$70,250,000
3.	2001/02 Student Population			15,100
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			1,250
5.	Teaching Stations (Total)			919
6.	Relocatable Classrooms			10
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	38		\$60,000,000
	Renovations	50		\$1,500,000
	Additions	0		\$0
	Relocatable Units	10		\$350,000
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	0	2	\$400,000
	Cafeterias	0	21	\$1,000,000
	Auditorium	0	0	\$0
	Library/Media Center	0	0	\$0
	Administrative Area	0	0	\$0
	Teacher Work Area	0	0	\$0
	Other Miscellaneous	0	5	\$7,000,000
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$70,250,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$1,250,000		
	2002/03	\$17,250,000		
	2003/04	\$1,250,000		
	2004/05	\$1,250,000		
	2005/06	\$1,250,000		
11.	Funding Short Fall (line 9 minus line 10)			\$48,000,000
12.	Estimated Date and Amount of Any Planned Referendums.			
	<u>Date</u>		<u>Amount</u>	
	00/00/00		\$0	

**2001 STATEWIDE CAPITAL NEEDS REPORT
YORK COUNTY SCHOOL DISTRICT #4**

1.	1998 Capital Needs Estimate			\$95,250,000
2.	Capital Improvements Expenditures 1996/97-2000/01			\$43,562,000
3.	2001/02 Student Population			5,238
4.	Projected 5-year Student Increase (2001/02 - 2006/07)			1,750
5.	Teaching Stations (Total)			128
6.	Relocatable Classrooms			0
7.	Additional Teaching Stations:	<u>Needs</u>		<u>Costs</u>
	New Schools	128		\$60,000,000
	Renovations	26		\$0
	Additions			\$17,500,000
	Relocatable Units	0		\$0
8.	Other Facility Needs:	<u>New</u>	<u>Renovations</u>	<u>Costs</u>
	Gymnasium(s)	2	0	\$0
	Cafeterias	2	2	\$0
	Auditorium	1	0	\$0
	Library/Media Center	2	2	\$0
	Administrative Area	2	0	\$0
	Teacher Work Area	8	8	\$0
	Other Miscellaneous	0	0	\$0
9.	TOTAL ESTIMATED COST OF NEW AND RENOVATED FACILITY REQUIREMENTS:			\$77,500,000
10.	Scheduled or Planned Funding for Capital Improvements:			
	2001/02	\$17,500,000		
	2002/03	\$0		
	2003/04	\$0		
	2004/05	\$0		
	2005/06	\$0		
11.	Funding Short Fall (line 9 minus line 10)			\$60,000,000
12.	Estimated Date and Amount of Any Planned Referendums.			
		<u>Date</u>	<u>Amount</u>	
	00/00/00	\$0		

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What Is the Penny Buying for South Carolina?



Eighteenth Annual Reporting on the South Carolina Education Improvement Act of 1984: Child Development Programs for Four-Year-Olds



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What Is the Penny Buying for South Carolina?

**Child Development Programs for Four-Year-Olds:
Student and Program Characteristics,
Longitudinal Study of Academic Achievement,
and Current Parent Perceptions**

**Prepared by the
Evaluation Section, Office of Research
South Carolina Department of Education**

**Inez M. Tenenbaum
State Superintendent of Education**

December 2002

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General Introduction

The Education Improvement Act (EIA) was one of the first in a series of education reform initiatives enacted by the South Carolina General Assembly. Ratified in 1984, the EIA introduced programs to recognize and foster superior student performance, identify and improve poor performance, and enhance student achievement. The state legislature supported this reform effort through an increase of one cent in the state sales tax.

One of the programs funded by the EIA was the half-day child development program for four-year-old children with predicted readiness deficiencies that place them at risk for early school failure. The Target 2000—School Reform for the Next Decade Act of 1989 and the Early Childhood Development and Academic Assistance Act of 1993 (Act 135) expanded the scope of child development programs to include parent education and family literacy initiatives. The federal Title I program and the state-sponsored First Steps program provided additional funding.

The EIA requires the State Board of Education to submit an assessment of the Act to the General Assembly by the first of December every year. This year's assessment report focuses on the child development program in South Carolina. The report is comprised of three distinct studies that focus upon the characteristics of the child development programs and students, the academic achievement of child development students over time, and the perceptions of the parents of children currently enrolled in child development programs, respectively. Wei Yao, of the State Department of Education's Office of Research, served as the principal investigator on each of the studies.

Section 1 examines the programs in place during the 2000–01 school year and the students who were served by them. The programs are examined using data that provide information about staff, location, organization, service capacity, curriculum, instructional methods, and program improvement needs. Student characteristics include ethnicity, family background, and screening test scores.

Section 2 first compares the academic achievement of child development program participants with that of their nonparticipant peers from grade one through grade three; then it compares the students within the program to determine who among them benefited the most, as measured by standardized tests. Children who were in the four-year-old child development program during the 1995–96 school year were tracked to the third grade in the 1999–2000 school year.

Using survey data collected in the spring of 2002, section 3 investigates how parents of children served in the four-year-old child development program perceive the program. Parents were asked to rate the program quality, the progress their children made while in the program, and the program administrator-parent relationship.

SECTION 1

Student and Program Characteristics, 2000-01

Using data from the 2000-01 school year, this section provides a detailed description of the students who participate in child development programs statewide. Student characteristics include ethnicity, family income, child's weight at birth, guardianship status, day-care experience, and average score on the Developmental Indicators for the Assessment of Learning (DIAL) screening test. Program characteristics include number of children served; enrollment capacity; location of school; program organization; instructional methods; curriculum; staff qualifications, experience, and training; computer usage; student record-keeping; post-program evaluation; and teacher-identified program improvement needs. The health and safety status of programs is assessed using the State Department of Education's *Guidelines for Half-Day Child Development Programs* (1998).

An examination of the student demographic data revealed that programs were serving the targeted population of four-year-olds identified by their school districts on the basis of their score on the DIAL screening test and their family background as being at risk for early school failure. Most participants were ethnic minorities or from disadvantaged families.

Results from the data analysis indicated that a little over half of the programs statewide were able to offer services to all four-year-olds identified as being at risk for early school failure. Although most child development programs were housed at schools located in rural areas, their capability of serving all identified children was less than schools in urban areas. Over two-thirds of the programs met the health and safety environment standards set by state guidelines. A majority of teachers in the program conducted post-program student evaluations. Most teachers perceived that more intensive parent involvement was the key to program improvement.

Methodology

A retrospective study with ex post facto data in the 2000-01 school year was conducted using descriptive evaluation methods to demonstrate what actually occurred in the program.

Population

The population consisted of all the participants in South Carolina child development programs during the 2000-01 school year. The valid records of 14,896 children served by 399 programs in eighty-five school districts were used in this study.

Characteristics of Child Development Program Students

Selection for participation in a child development program is based on the student's performance on a screening instrument designed to determine a student's developmental level. Most school districts (95 percent) use students' scores on the Developmental Indicators for the Assessment of Learning—Revised (DIAL-R) or the Developmental Indicators for the Assessment of Learning—Third Edition (DIAL-3), together with additional district-defined criteria that have a high correlation with the lack of success in school, to identify children at risk for early school failure.

In the 2000-01 school year, African-Americans, at 47.8 percent, constituted the largest percentage of child development participants, followed by Caucasians at 45.5 percent. Family income was less than \$20,000 annually for 58.3 percent of the child development students. Only 8 percent of the participants had weighed less than 2,500 grams at birth. Over 56 percent of the children enrolled in child development programs lived with both parents, and over 58 percent of the children had not previously been enrolled in day care. Tables 1 through 6 provide the details.

TABLE 1
Ethnicity of Child Development Students
2000-01 School Year

Ethnic Group	Percentage	N
African-American	47.8%	6,790
Asian	1.2%	171
American Indian	0.2%	28
Caucasian	45.5%	6,463
Hispanic	4.0%	568
Other	1.3%	185
Total	100.0%	14,205

TABLE 2
Family Income Status of Child Development Students
2000-01 School Year

Annual Family Income	Percentage	N
Less than \$10,000	30.1%	2,588
\$10,001-\$15,000	14.4%	1,238
\$15,001-\$20,000	13.8%	1,187
\$20,001-\$25,000	18.8%	1,617
\$25,001-\$30,000	6.5%	559
\$30,001-\$35,000	3.1%	267
\$35,001-\$40,000	3.0%	258
Over \$40,000	10.3%	886
Total	100.0%	8,600

TABLE 3
Child Development Students' Weight at Birth
2000-01 School Year

Child's Birth Weight	Percentage	N
Low birth weight	8.0%	766
Not low birth weight	92.0%	8,806
Total	100.0%	9,572

Note: "Low birth weight" = infants born weighing less than 2,500 grams, or 5.5 pounds (South Carolina Maternal and Child Health Data Book 2001).

TABLE 4
Child Development Students' Guardian Status
2000-01 School Year

Child lives with	Percentage	N
Both parents	56.4%	7,815
Father/male guardian	2.4%	333
Mother/female guardian	37.2%	5,154
Other	4.0%	554
Total	100.0%	13,856

TABLE 5
Child Development Students' Day-Care Experiences
2000-01 School Year

Day-Care Experiences Prior to Age Four	Percentage	N
3-4 years in day care	10.8%	1,144
2-3 years in day care	9.2%	975
1-2 years in day care	15.6%	1,653
Less than 1 year in day care	6.0%	636
No day care at all	58.4%	6,188
Total	100.0%	10,596

TABLE 6
Students' Average Scores on Screening Test Prior to Program Entrance
by Type of Child Development Program, 2000-01 School Year

Mean Scores on DIAL-R or DIAL-3	Center-Based Half-Day	Center-Based Full-Day	Classroom Half-Day	Classroom Full-Day
Motor skills	13.9	16.0	15.3	17.0
Concepts	15.2	16.6	15.7	17.3
Language	17.0	16.8	18.1	19.8
Total	46.1	49.4	49.1	54.1

N=14,896

A total score between 24 and 37 for a child aged from four years and one month to four years and eleven months indicates a potential delay in development (Mardell-Czudnowski & Goldenberg, 1998). This standard identified 16 percent of the total screening population with one standard deviation from the mean. The highest possible total score is 81. If a child aged four years and one month has a total scaled score of 54, he or she is ranked in the 95th percentile while a child with the same total score but aged four years and eleven months has a percentile rank of 61. In the 2000-01 school year, South Carolina child development programs were serving 14,896 children, less than one-third (28 percent) of the 53,251 four-year-olds in South Carolina reported by U.S. Bureau of the Census for 2000.

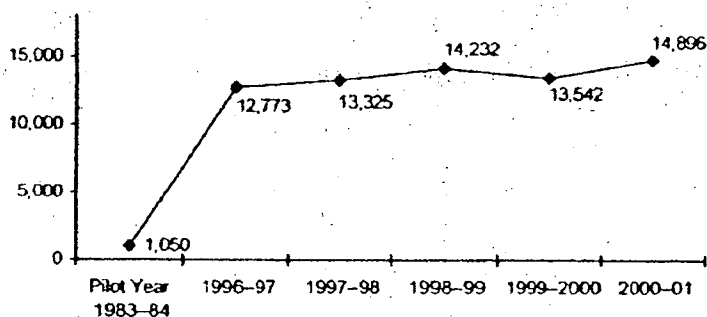
Characteristics of the Child Development Program

Student Enrollment Capacity

Since the establishment of the child development program for four-year-olds in 1984, the number of students served by the program has increased to more than fourteen times (14.2) the initial enrollment. In the 2000-01 school year, 14,896 valid student records were obtained.

Figure 1

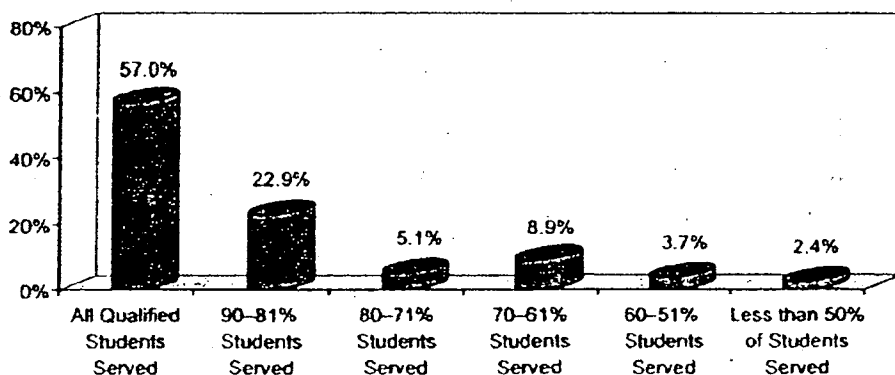
Number of Children Served by Child Development Programs in the Past Five Years Compared to the Pilot Year



Although the child development program has increased more than tenfold since its inception, its enrollment capacity prevents it from serving all children in need. In the 2000-01 school year, 57 percent of the schools/centers that sponsored a child development program were able to serve every child identified. About one program in five (22.9 percent) was able to enroll 81 to 90 percent of the children identified as at risk for early school failure.

Figure 2

Enrollment Capacity of Child Development Programs, 2000-01 School Year

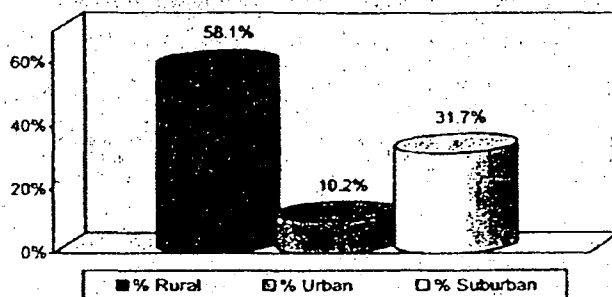


Program Distribution by School Location

According to the definition of school location types from U.S. Bureau of the Census, over one-half of the schools/centers (58.1 percent) that sponsored four-year-old programs were located in rural areas. Schools located in urban areas held about 10 percent of the child development programs (see figure 3).

Figure 3

Distribution of Child Development Programs by Location of School, 2000-01 School Year

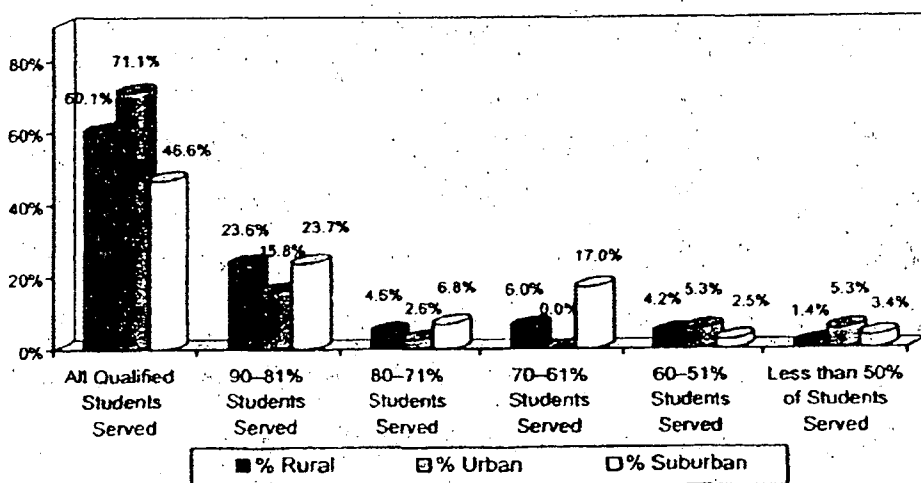


Program Enrollment Capacity by School Location

The data revealed an unbalanced structure of enrollment capacity between urban and rural schools for children at risk for early school failure. Though more than half of the child development programs are located at schools in rural areas, only 60.1 percent of rural schools were able to serve all children identified at risk for early school failure compared to 71.1 percent of schools in urban areas (see figure 4).

Figure 4

Program Enrollment Capacity by School Location, 2000-01 School Year



Program Organization

Most of the child development programs (86.5 percent) were sponsored by public primary schools supervised by principals, 12.3 percent of the programs were located in children's centers supervised by directors, and 1.2 percent of the programs were outreach programs. The vast majority (96 percent) of the programs provided half-day or extended half-day services; 4 percent of child development program students were served in full-day programs.

Instructional Methods

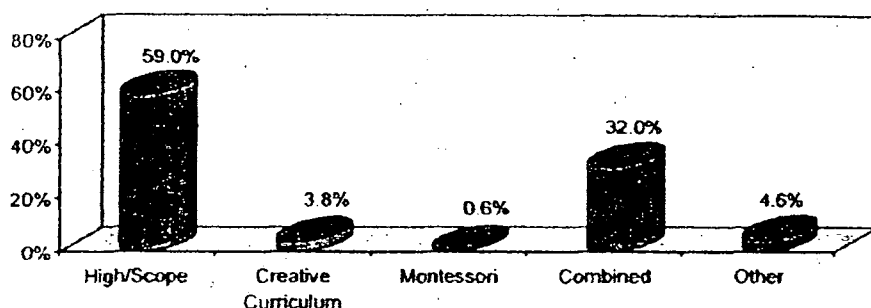
Most child development programs (91.4 percent) used a combination of whole-group and center-time instruction. With the whole-group instructional method, children spend a large portion of the day in activities involving the entire class. With center-time instruction, or in a center-based class, children in full-day programs participate in activities involving the entire class at least one hour in the morning and one hour in the afternoon. For half-day programs, the children spend at least one hour each day participating in activities involving the entire class. Eight percent of child development programs used only the center-time method; very few programs reported using only the whole-group method.

Curriculum Models

High/Scope was the curriculum adopted in the majority (59.1 percent) of child development program classrooms. A combined curriculum was used by one-third of the schools/centers (32 percent), and less than 9 percent utilized the Creative Curriculum, the Montessori Curriculum, or other types of curricula (see figure 5).

Figure 5

Curriculum Utilized by Child Development Programs, 2000-01 School Year



The Creative Curriculum was developed for use in United States Department of Defense schools in the mid-1980s. A developmentally appropriate curriculum, it addresses meeting the individual needs of each child, teaching the child according to his or her age and stage of development, and teaching in ways that value the child's culture and family. Dr. Maria Montessori, of Italy, developed the Montessori Curriculum in the early 1900s. Central to this method are observation of children and their activities, structured training of teachers and teaching assistants, use of specific instructional materials, and having children of different ages in one class.

Staff Qualifications

State Department of Education (SDE) guidelines specify that teachers in child development programs should be certified in early childhood education or hold a bachelor's degree with a minimum of 6 hours in early childhood education. In 2000-01, 96.2 percent of teachers and 3.4 percent of teacher aides in child development programs held early childhood education certification.

Staff Experience

Most of the teachers (66.5 percent) in the child development programs had more than ten years of teaching experience, while less than half of teacher aides (47.6 percent) had experience of the same length. Table 7 displays the staff experience distribution.

TABLE 7

Staff Teaching Experience with Child Development Programs, 2000-01 School Year

	0-5 Years	6-10 Years	11-15 Years	16-20 Years	Over 20 Years
Teacher	19.3 %	14.2 %	18.3 %	18.3 %	29.9 %
Teacher aide	31.9 %	20.5 %	19.5 %	11.6 %	16.5 %

In-Service Training for Teachers and Teaching Aides

In-service training days for staff varied among teachers and teaching aides. Teachers had more training opportunities than the aides did; 17 percent of the programs had no in-service training for teaching aides (see table 8).

TABLE 8

Child Development Staff Receiving In-Service Training by Number of Days of Training, 2000-01 School Year

	No Days of Training	1-5 Days of Training	6-10 Days of Training	Over 10 Days of Training
Teacher	1.6 %	52.8 %	37.3 %	8.3 %
Teacher aide	17.3 %	66.2 %	15.1 %	1.4 %

Health and Safety Environment

State guidelines specify that appropriate and adequate physical facilities be provided to child development programs. Classrooms should have a minimum of 35 square feet per child and should include a sink area. The bathroom facility should be either within the classroom or in close proximity. Outdoor play space should be provided at a minimum of 100 square feet per child. One nutritional supplement (snack) should be provided for each child in each half-day session. Data analyses revealed that about two thirds of the programs provided adequate classroom space for children, and six out of ten programs provided a daily snack (see table 9).

TABLE 9
Health and Safety Environmental Standards for Child Development Programs
2000-01 School Year

Standard	Percentage of Programs Meeting the Standard
35 square feet per child	68%
Classroom with bathroom	83%
Bathroom in close proximity	23%
100 square feet play space per child	76%
Snack provided daily in classroom	60%

Computer Use in the Classroom

Although State Board regulations do not require that South Carolina classrooms be equipped with computers, 96.2 percent of the classrooms used for child development programs had at least one computer. Computer usage is detailed in table 10.

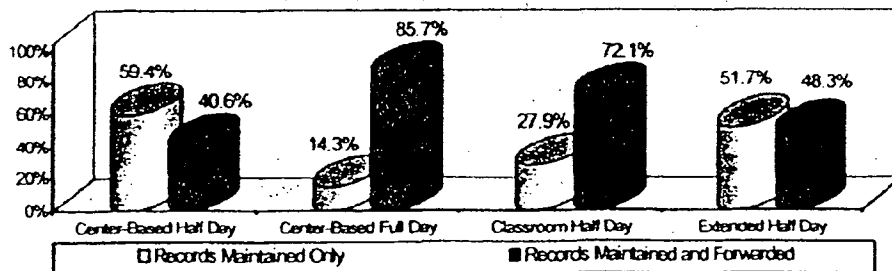
TABLE 10
Computer Utilization in Child Development Programs
2000-01 School Year

Purpose of Computer Use	Percentage of Programs (mutually inclusive)
Keeping records	34%
Assisted instruction	54%
Instructional games	86%

Student Records

State guidelines call not only for teachers to keep individual student records of attendance but also for school districts to initiate a permanent record for each child upon his or her entry into the program. This record should be cumulative, including information on the child's growth and development, and should be maintained and forwarded to the child's next teacher each subsequent year as part of the district's official procedure. Statewide data revealed that the majority of the programs (65.7 percent) maintained and forwarded each child's cumulative records. However, practices varied among different types of programs (see figure 6).

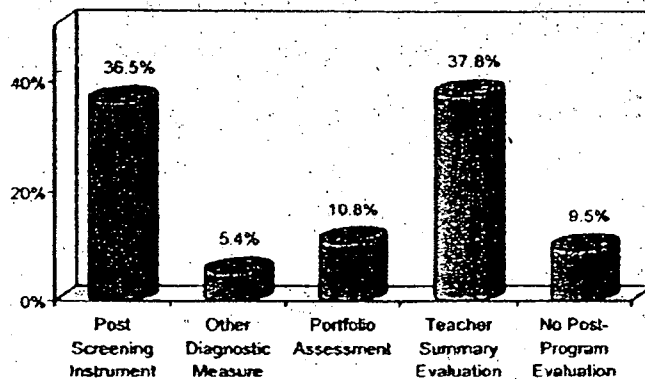
Figure 6
Percent of Child Development Programs Maintaining Student Cumulative Records
by Type of Program, 2000-01 School Year



Post-Program Evaluation

State Board of Education Regulation 43-264.1 requires that districts participate in evaluation efforts coordinated by the SDE. This evaluation includes tracking child development program participants through kindergarten up to at least the third grade to determine the program's impact on student success. Over 90 percent (90.5 percent) of the programs practiced post-program evaluations, though evaluation methods differed from school to school. Figure 7 displays the different practices for post-program evaluation.

Figure 7
Types of Post-Program Evaluation Used by Child Development Programs
2000-01 School Year



Teachers' Perceived Program Improvement Needs

On a data collection form teachers were asked to indicate the areas in their child development program that they felt needed improvement. The three areas most in need of improvement as indicated by the child development teachers were parent involvement (55 percent), funding (49 percent), and staff training (37 percent).

Summary

- The number of students served in the programs increased by more than 14 times (14.2) from the pilot year 1983-84 (1,050) to the 2000-01 school year (14,896).
- Of the participants in the 2000-01 school year, more than half (54.5 percent) were the children of ethnic minorities.
- Annual family income was less than \$20,000 for 58.3 percent of the students.

- More than one-third (37.2 percent) of program children came from single-parent families with a mother or female guardian only. Over half the children (56.4 percent) lived with both parents.
- Only 8 percent of child development students weighed less than 2,500 grams at birth.
- Almost 60 percent (58.4 percent) of children had no day-care experiences before age four.
- Over half of the programs (58.1 percent) were sponsored by schools located in rural areas.
- Fifty-seven percent of child development programs statewide were able to provide services to all four-year-old children identified by the school districts as being at risk for early school failure. Programs in urban areas, which constituted only 10.2 percent of all children served statewide, had larger enrollment capabilities. Of these urban programs, 71.1 percent were able to serve all children identified by the school districts. In rural areas, 60.1 percent of the programs were able to serve all identified children; in suburban areas, 46.6 percent.
- High/Scope was the dominant curriculum used in the child development programs (59 percent). A little over one-third of the programs (32 percent) adopted combined curricula.
- The vast majority of teachers (96.2 percent) in the child development programs were certified in early childhood education while 3.4 percent of teaching aides were certified.
- Most teachers (80.7 percent) had more than five years of experience teaching in child development programs. About two-thirds of teaching aides (68.1 percent) also had more than five years of experience.
- At least six out of ten programs met the health and safety standards set by the state guidelines of 1998. The guidelines specify a classroom space of 35 square feet per child (68 percent), a bathroom for each classroom (83 percent), 100 square feet of outdoor play space per child (76 percent), and a daily snack in the classroom (60 percent).
- Almost two thirds of the programs (65.7 percent) met the state guideline of maintaining and forwarding a student's records to his or her next teacher each subsequent year.
- Almost every class (96.2 percent) was equipped with computers for record keeping and instructional activities.
- Nine out of ten programs (90.5 percent) practiced post-program evaluation. The evaluation methods included screening instruments (36.5 percent), portfolio assessment (10.8 percent), teacher's summary evaluation (37.8 percent), and other diagnostic measures (5.4 percent).
- Teachers' perceptions of needed program improvements included more intensive parent involvement (55 percent), additional funding (49 percent), and additional staff training (37 percent).

Recommendations

- Resources should be focused primarily on programs located in rural areas since those programs have larger populations of children at risk, but less capability for enrolling qualified children.
- Further exploratory studies should be conducted to investigate what proportion of qualified children were put on a waiting list for child development services and why.
- The status of program supervisors' qualifications and experiences with early childhood education should be studied to determine ways to help establish a strong leadership team.
- A detailed investigation into the nature of staff development offerings and the support from local education agencies should be conducted as a means of identifying key factors of successful programs.

SECTION 2

Longitudinal Study of Academic Achievement, 1995-96 through 1999-2000

This longitudinal study of academic achievement attempts to evaluate the effects of participating in South Carolina's child development programs on children's later academic achievement. All child development participants and a randomly selected comparable group of nonparticipants were tracked from age four through the first three years of elementary school, with 15,143 students remaining active in the study (85 percent of the original subjects). Statistical analysis methods such as t-tests, analysis of variance (ANOVA), and analysis of covariance (ANCOVA) were utilized at the significance level of .05. Research questions addressed the differences in test performance between those students who participated in a child development program at the age of four and those students who did not. Test scores also are compared by demographic variables in an attempt to determine which groups of children benefited most from participation in a child development program.

The data used for this study were obtained from five sources:

- the statewide survey on programs for four-year-olds conducted by the SDE's Office of Research during the 1995-96 school year;
- statewide student information files from the 1997-98 school year through the 1999-2000 school year (SDE precode file);
- statewide Cognitive Skills Assessment Battery (CSAB) testing in grade one in the 1997-98 school year;
- Metropolitan Achievement Tests, Seventh Edition (MAT7) testing of available students in nine school districts in spring 1999 (when the cohort group was in the second grade); and
- statewide Palmetto Achievement Challenge Tests (PACT) testing in spring 2000 (when the cohort group was in the third grade).

The data analysis indicates that participating in the child development program for four-year-olds helps at-risk children perform significantly better academically at grades one and three compared to similar nonparticipants. Asian, Caucasian, and female students benefited more from the program than did others. Limited data from the nine districts (Aiken, Bamberg Two, Barnwell Forty-Five, Clarendon Two, Dillon One, Kershaw, Orangeburg Five, Saluda, and Williamsburg) revealed that although participants scored higher on MAT7 reading and mathematics at grade two, the difference was not enough to reach statistical significance. Program participation reduced students' need to spend more time per week being given academic assistance at grades two and three. Comparisons between full-day and half-day participants showed no significant differences on later academic performance.

Review of the Literature

Quality early childhood intervention programs are seen as one of the most effective ways to prevent learning difficulties and to promote healthy development and well being, especially among children from disadvantaged families (Reynolds, 2002). Many researchers indicate that the negative effects of poverty can be reduced when children participate in high-quality early childhood educational programs (Schweinhart et al., 1993; Schweinhart, 2001). Studies and discussions focus on issues such as whether programs had impact on the participants' later achievement and, if so, how long the program impact lasted. Who could benefit most from child development programs? What types of programs worked best for children who needed assistance to achieve success in school?

There appears to be little dispute about whether programs serving disadvantaged children have immediate or short-term effects (Barnett, in press). Repeatedly studies have reported that, in the short-term, children in well-implemented intervention programs consistently show higher levels of cognitive development, early school achievement, and motivation than do children who do not participate in such programs. Barnett for example, in his widely cited study on the effects of preschool programs (1995), synthesized ten studies that reported IQ gains at some point during or after program participation. In most instances, the gains were sustained through school entry at age five (Barnett, 2002; Reynolds, 2002).

However, there are different opinions on the persistence of long-term program effects. Barnett (1995 and 2002) examined a total of forty-three published research studies on large-scale public programs serving economically disadvantaged children at age four or younger. These studies measured participants' later achievement on at least one aspect of cognitive development, school progress, or socialization up to the third grade or later. Most of these studies utilized nontreatment comparison groups that were similar to the groups of children who participated in the intervention. No random assignment or quasi-experimental designs were used since such designs are often not practical in educational studies. The sample sizes in these studies ranged from 61 to 3,980 subjects.

Barnett (1995) found that long-term effects measured by achievement test results for reading and mathematics in large-scale programs were quite variable. Four of twenty-one studies of large-scale programs found no effects at any time. Five studies found initial effects that faded and ceased to be statistically significant by the end of the third grade. The other studies found statistically significant positive program effects in the third grade or later. The variation in findings with respect to the impact on long-term achievement could be the result of the quality of program implementation, design variations, high attrition of subjects, the lack of uniformity in the tests used to measure the achievements, or some other factors.

Other studies found positive results in both short- and long-term gains (Barnett, 1995; Ramey & Ramey, 1998). In his latest study, *Early Childhood Interventions: Knowledge, Practice, and Policy* (2002), Reynolds finds more evidence that program effects are significantly related to early and longer program participation, especially with regard to reading and mathematics achievement. Early participation provides greater learning opportunities for children when their cognitive, language, and motor skills are developing rapidly. Two major studies of long-term programs, the Carolina Abecedarian Project (Campbell et al., 1998) and the Chicago Child-

Parent Center (CPC) longitudinal research (Reynolds, 2002), have also noted the advantage of early intervention.

The Carolina Abecedarian study reported a long-lasting benefit for children born to low-income families who were enrolled in an experimental early education program. Of the 111 children studied, 57 were continuously enrolled from infancy through age five in a high-quality early childhood program that used learning games to enhance children's abilities. The other 54 children who constituted the control group did not receive services. Researchers followed these children until age twenty-one. At that age, those students who had received early intervention were more likely to score higher on reading and mathematics tests, to be enrolled in or to have graduated from a four-year college, to have delayed parenthood, and to be gainfully employed (Campbell et al., 1998).

The CPC program is a center-based early intervention effort that provides comprehensive educational and family support services to economically disadvantaged children from preschool to the early elementary grades. The central goal of the program is, in the words of one authority, to "reach the child and parent early, develop language skills and self-confidence, and to demonstrate that these children, if given a chance, can meet successfully all the demands of today's technological, urban society" (cited in Reynolds, 2002, p. 114).

The longitudinal study of the CPC program included 989 low-income, mostly African-American children who entered the program in preschool and finished kindergarten in 1986 and 550 children from similar disadvantaged neighborhoods who participated in an alternative all-day kindergarten program in the Chicago schools. The groups were well matched according to their eligibility for intervention, family socioeconomic status, gender, and race. At age twenty in 2000, 1,281 children (83 percent of the original sample) remained active in the study.

The CPC results presented clear evidence that participants were more ready to learn than were children who did not participate, and relatively high proportions of students in the experimental group scored at or above national norms on standardized tests. These effects carried over to later school achievement. For example, when they had reached the age range between eighteen to twenty years old, participating subjects were 29 percent more likely than those in the comparison group to have completed school. In addition, they had a 33 percent lower rate of juvenile arrest and a 40 percent lower rate of special education placement and grade retention (Reynolds, 2002).

Researchers also note that children who have the same experiences in early education may vary in their later academic achievements (Barnett et al., 1987; Barnett, 1995; Reynolds, 2002). Children who were from disadvantaged families or who were from high-poverty neighborhoods benefited more from early interventions. There were some indications that boys benefited more from preschool, but girls benefited more from follow-up intervention (Reynolds, 2002). Another recent national longitudinal study on the effects of early education demonstrated that children who lacked a positive learning environment did not achieve as well as those who did have those resources. These influences persisted from kindergarten through the first grade (Denton & West, 2002).

Some programs appear to be more effective than others. Barnett (2002) discovered that school educational interventions (mostly part-day) for four-year-old disadvantaged children, including Head Start and public school programs, have larger estimated effects than child day-care

programs. However, he warned that some caution should be exercised in drawing conclusions because programs vary with respect to the children served as well as in the research design adopted by the researchers.

What do we already know about the program effects of the child development programs for four-year-olds in South Carolina? In terms of short-term effects, a report on South Carolina preschool programs published in 1987 demonstrated that program participation helped program participants on performance measures at grade one (Barnett et al., 1987). This study followed a state sample of 362 preschool program (the 1983-84 cohort group of the child development programs for four-year olds) participants and 1,662 nonparticipants to grade one. It found that the students who participated in the preschool program were more likely to score above the readiness cut-off score on the CSAB and were more likely to score higher on the first-grade BSAP (Basic Skills Assessment Program) reading and mathematics tests than were non-preschool program participants, though no statistically significant differences between groups were found.

More recently, three large-scale longitudinal studies conducted by the SDE's Office of Research provided additional evidence for the extended effects of early childhood programs. (The results of these studies were published by the SDE in *A Longitudinal Research Report on the Early Childhood Development Program* in 1998, 1999, and 2000.) All three studies constructed comparison groups of children who were matched on the basis of free- or reduced-price lunch program eligibility. Large sample sizes were utilized (8,235, 8,987, and 9,701 subjects respectively stayed active in each study). These studies tracked participating children from half-day child development programs at age four to the first grade. Comparisons of the CSAB school readiness scores of participants and nonparticipants were made. In spite of their higher risk for school failure, program participants performed equally as well as nonparticipants when entering the first grade at public schools. Among program participants it appeared that females and Asian and Caucasian students outperformed their peers. Participants' socioeconomic status and mothers' educational levels were positively related with the students' school readiness at grade one.

In South Carolina, program effect studies have been limited to half-day child development program participants since the EIA and Act 135 required districts to establish at least one half-day program for children at risk. Program effect differences between full-day and half-day child development programs were not known at the time these three longitudinal studies were conducted. A review of the studies published over the past decade found no research concerning the long-term effect on the achievement of child development program participants beyond the first grade.

Study Design and Methodology

Since students could not be randomly assigned to a treatment group, a quasi-experimental design was utilized in which similar comparison groups were established. A longitudinal match on the program participants from the four-year-old child development program through the third grade with demographics and academic achievement test scores was completed. The comparison group was constructed by randomly selecting children who were not participants in child development programs but who were comparable in essential characteristics (eligibility for the free- or reduced-price lunch program) to the children who were participants.

Population and Sample

All children (9,977 valid records) who participated in child development programs in 1995-96 were followed longitudinally through the third grade. Children participating in child development programs were deliberately identified and recruited through a screening process utilizing the DIAL-R, along with supplementary information about the child's family such as education and income level.

A nonparticipant comparable group was randomly selected (7,889) from students eligible for free- or reduced-price school lunch. Any comparison group will consist of students who, on the whole, have lesser degrees of risk for school failure than the child development program participants. The PACT test scores of 15,143 third-grade children (85 percent of the original subjects) for the 1999-2000 school year were examined.

Data Collection

Five data sources were utilized in the investigation:

- the statewide survey on programs for four-year-olds conducted by the SDE's Office of Research during the 1995-96 school year;
- statewide student information files from the 1997-98 school year through the 1999-2000 school year (SDE precode file);
- statewide Cognitive Skills Assessment Battery (CSAB) testing in grade one in the 1997-98 school year;
- Metropolitan Achievement Tests, Seventh Edition (MAT7) testing of available students in nine school districts in spring 1999 (when the cohort group was in the second grade); and
- statewide Palmetto Achievement Challenge Tests (PACT) testing in spring 2000 (when the cohort group was in the third grade).

Data Analyses

First-grade CSAB scores, second-grade MAT7 scores in reading and mathematics, and third-grade PACT English language arts (ELA) and mathematics scores of program participants and nonparticipants were compared. In order to determine whether the mean scores of the participants and groups of nonparticipants were significantly different, t-tests were utilized. Analyses of variances (ANOVA) were applied for comparisons of three or more groups when subpopulations were examined. When control of the extraneous variables was desired, analysis of covariance (ANCOVA) was used where possible to achieve statistical control of the extraneous variables in order to reduce error caused by initial differences on participants' later academic performances. The level of statistical significance was set at a probability value of .05 as the threshold; a probability below this threshold ($P < .05$) indicates that a difference of this magnitude could happen by chance less than 5 percent of the time.

Limitations to the Study

When one is designing educational program evaluation studies, certain limitations are inherently imposed. For the following reasons, this study should be interpreted with caution.

- A major limitation relates to the fact that due to ethical and practical considerations, individuals were not randomly assigned to treatment groups. With this limitation in mind, it is obvious that "true" experiments cannot be conducted when evaluating programs. This study employs quasi-experimental design; therefore, it is not feasible to completely rule out alternative explanations for the results.
- Uniform criteria for program implementation, instructional methods, the quality of teachers' professional development activities, and so forth were not mandated at the time when the data for this cohort group were collected.
- The comparison group for this study was randomly selected from nonprogram students eligible for free- or reduced-price school lunch. Students enrolled in the four-year-old child development programs typically have significant readiness deficiency indicators other than low family income. Districts were required to identify and serve students at greatest risk for early school failure. Any selected comparison group likely will consist of students who, on the whole, have lesser degrees of risk.
- Statewide student achievement test scores were not available for grade two. The analysis in this report relied on a very limited sample of nine school districts that were not randomly selected, nor were the students guaranteed to be representative of all second-grade students in the state.
- The information about the nature of academic assistance provided to students in the primary grades using Act 135 funds was not available. Each school district could provide assistance uniquely to best serve local needs and considerations. Therefore, this study used only the number of hours that students received academic assistance.

For these reasons, statistical findings should be considered good but not exact. To maximize the internal and external validities, a comprehensive evaluation of the effectiveness and impact of child development programs for four-year-olds will require resolution of the above-described flaws in design and implementation.

Research Questions

1. What were the differences in student academic performance from grade one through grade three between child development program participants and nonparticipants? Did academic performance differ by demographic characteristics? (Statewide first-grade CSAB data in 1997-98, nine districts' second-grade MAT7 data in spring 1999, and statewide third-grade PACT data in spring 2000.)
2. Among child development program participants, which group of children benefited most in terms of academic achievement up to the third grade? (Data application is the same as question one.)
3. Did continued academic assistance given to program participants from grade two through grade three affect their academic performance? (Second-grade MAT7 data from nine school districts in spring 1999 and statewide third-grade PACT data in spring 2000.)
4. What were the academic performance differences between child development program participants in half-day programs and those in full-day programs in grades one through three? Did their performances differ by demographic features? (Data application is the same as question one.)

Findings

1. What were the differences in student academic performance from grade one through grade three between child development program participants and nonparticipants? Did academic performance differ by demographic characteristics?

Students who participated in child development programs for four-year-olds scored higher on first-grade school readiness assessments, second-grade MAT7 tests, and third-grade PACT tests.

First Grade

The comparisons were conducted on first-grade school readiness scores between child development program participants and comparable nonparticipants randomly selected from students who were eligible for the free- or reduced-price school lunch program.

- Students who participated in the child development programs for four-year-olds scored significantly higher in school readiness as measured by the CSAB at grade one.
- In comparisons between the student demographic features of participants and nonparticipants, the findings significantly favored the program participants among Caucasian, non-Caucasian, male, female, and students eligible for the free- or reduced-price lunch program at school. Table 11 describes the details.

TABLE 11
Comparison between Child Development Program Participants and Nonparticipants:
Mean CSAB School Readiness Scores by Demographic Category, Fall 1997

Student Demographic Category	Program Participants N=7,515	Nonparticipants N=7,889	Statistical Significance Level
All	93.9	92.1	< .05
Male	92.9	90.6	< .05
Female	94.7	93.2	< .05
Caucasian	95.6	93.8	< .05
Non-Caucasian	92.5	91.3	< .05
Eligible for free- or reduced-price lunch	92.4	92.1	< .05

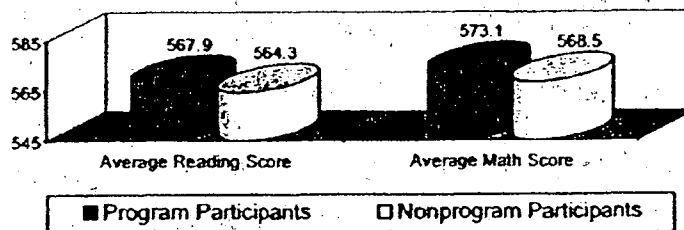
Second Grade

The analysis utilized MAT7 test data available from nine school districts. Child development program participants were matched to the second-grade MAT7 data (N=1,224). The same randomly selected nonprogram students eligible for the free- or reduced-price-lunch program who served as the first-grade comparison group were matched to their second-grade (N=711) MAT7 test scores in the nine school districts for performance comparisons.

- Child development program participants in the nine school districts scored higher on second-grade MAT7 reading and mathematics than nonparticipants. However, the gaps were not large enough to be statistically significant. Figure 8 shows the differences.

Figure 8

Comparison between Child Development Program Participants and Nonparticipants:
Second-Grade MAT7 Performance in Nine School Districts, Spring 1999



- In comparing test scores between participants and nonparticipants, the findings favored the program participants among Caucasian, non-Caucasian, female, and students eligible for free- or reduced-price lunch—though the difference was not large enough to be statistically significant. Only male participants scored significantly higher than the male nonparticipants on mathematics. Table 12 gives the details.

TABLE 12

**Comparison between Child Development Program Participants and Nonparticipants:
MAT7 Reading and Mathematics Performance by Demographic Category, Spring 1999**

Student Demographic Category	Mean Scores Reading		Mean Scores Math		Statistical Significance Level	
	Program N=1,213	Nonprogram N=696	Program N=1,216	Nonprogram N=708	Reading	Math
Male	566.7	561.0	571.6	565.2		< .05
Female	570.4	569.5	575.8	574.1		
Caucasian	569.6	564.4	574.7	570.2		
Non-Caucasian	564.0	562.4	569.4	566.0		
Eligible for free- or reduced-price lunch program	564.1	563.1	569.9	567.9		

Third Grade

About fifteen thousand students (15,143), 85 percent of the original subjects statewide, were matched from prekindergarten at age four through the third grade on the PACT test scores in 2000. The PACT scores of participants and those of randomly selected nonparticipants comparable in eligibility for the free- or reduced-price lunch program were compared.

- Child development program participants scored significantly higher on third-grade PACT in spring 2000 on both subject areas of ELA and mathematics than nonparticipants ($P < .05$). Figure 9 shows the performance comparisons.
- All program participants in subgroups divided by demographic characteristics (male, female, Caucasian, non-Caucasian) scored significantly higher in both subject areas on the PACT than nonparticipants ($P < .05$) except students from economically disadvantaged families. The higher scores on mathematics favored child development program participants eligible for the free- or reduced-price lunch program, but the difference was not large enough to be statistically significant (see table 13).

Figure 9
Comparison between Child Development Program Participants and Nonparticipants:
Third-Grade Performance on the PACT, Statewide, Spring 2000

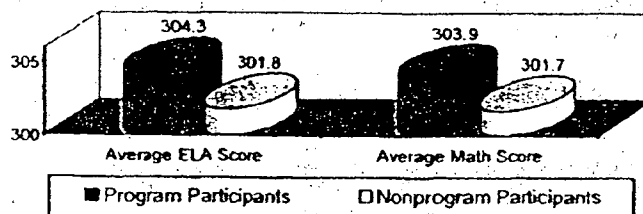


TABLE 13

Comparison between Child Development Program Participants and Nonparticipants:
Third-Grade Performance on the PACT by Demographic Category, Spring 2000

Student Demographic Category	Mean Scores ELA		Mean Scores Math		Statistical Significance Level	
	Program N=7,298	Nonprogram N=7,658	Program N=7,342	Nonprogram N=7,725	ELA	Math
Male	302.9	299.8	304.2	301.2	< .05	< .05
Female	305.6	303.9	303.6	302.2	< .05	< .05
Caucasian	309.0	307.9	309.4	308.3	< .05	< .05
Non-Caucasian	299.8	298.2	298.9	297.8	< .05	< .05
Eligible for free- or reduced-price lunch program	300.1	298.9	299.1	298.8	< .05	

2. Among child development program participants, which group of children benefited most in terms of academic achievement up to the third grade?

Asian and Caucasian participants consistently outperformed African-American program participants from grade one to grade three. Participating children not eligible for the free- or reduced-price school lunch program demonstrated higher gains.

The program's impact on groups of participants was measured by comparisons of their scores on the first-grade CSAB, the second-grade MAT7 reading and mathematics, and the third-grade PACT ELA and mathematics. Comparisons were made between subgroups by gender, race, and family income (as measured by eligibility for the free- or reduced-price lunch program). Any demographic groups of participating children with fewer than thirty students were excluded. Tables 14-16 give detailed comparisons by gender, race, and lunch status, respectively.

TABLE 14

Later Academic Performance of Child Development Program Participants,
1997-98 through 1999-2000 School Years, by Gender

	GRADE 1	GRADE 2		GRADE 3	
	School Readiness	MAT7		PACT	
	Mean Scores	Mean Scores		Mean Scores	
	Statewide	Nine School Districts		Statewide	
Gender	N=7,515	Reading N=1,194	Math N=1,197	ELA N=7,294	Math N=7,337
Female (F)	95.1	570.7	576.1	305.6	303.1
Male (M)	93.2	569.9	574.6	302.9	303.7

Gender group comparison results	F > M			F > M	
Statistical significance level	P < .05			P < .05	

TABLE 15

Later Academic Performance of Child Development Program Participants,
1997-98 through 1999-2000 School Years, by Race

	GRADE 1	GRADE 2		GRADE 3	
	School Readiness	MAT7 Mean Scores		PACT Mean Scores	
	Mean Scores	Mean Scores		Mean Scores	
	Statewide	Nine School Districts		Statewide	
Race	N=7,515	Reading N=1,194	Math N=1,197	ELA N=7,294	Math N=7,337
Asian	97.3	573.1	577.9		
Caucasian	95.9			309.0	309.4
Other	94.2				
African-American (A-A)	92.8	567.3	572.6	299.8	298.8
Hispanic	91.2			309.0	307.3

Racial group comparison results	Asian > A-A & Hispanic Caucasian > A-A & Hispanic	Caucasian > A-A	Caucasian > A-A	Caucasian & Hispanic > A-A	Caucasian & Hispanic > A-A
Statistical significance level	P < .05	P < .05	P < .05	P < .05	P < .05

TABLE 16

**Later Academic Performance of Child Development Program Participants,
1997-98 through 1999-2000 School Years, by Lunch Status**

	GRADE 1 School Readiness Mean Scores	GRADE 2 MAT7 Mean Scores		GRADE 3 PACT Mean Scores	
	Statewide	Nine School Districts		Statewide	
Lunch status	N=7,515	Reading N=1,194	Math N=1,197	ELA N=7,294	Math N=7,337
Not eligible for free- or reduced-price (NF/R) lunch	96.9	574.4	578.6	310.4	310.4
Eligible for free- or reduced-price lunch (F/R)	92.7	568.5	573.9	300.0	299.5

Lunch group comparison results	NF/R lunch > F/R lunch	NF/R lunch > F/R lunch		NF/R lunch > F/R lunch	NF/R lunch > F/R lunch
Statistical significance level	P < .05	P < .05		P < .05	P < .05

Statewide data analyses comparing subgroups among program participants provided evidence that at grades one and three, Asian, Caucasian, and Hispanic children (third grade) and children not eligible for free- or reduced-price lunch scored higher on school readiness measures and on third-grade reading and mathematics. Female participants scored significantly higher on the CSAB and the third-grade PACT ELA. The second-grade data available from the nine school districts revealed that Caucasian participants had better performances than African-Americans on MAT7 reading and mathematics. Also the economic status of participants' families (as determined by lunch status) was positively related with second-grade MAT7 reading performances. Children not eligible for the free- or reduced-price lunch program outperformed those who were eligible for the program, except in mathematics at grade two.

More intensive data analyses using ANCOVA were conducted in order to reduce the error caused by initial differences among students when they were entering the program and at the first grade. Adjusted mean scores were obtained by removing initial differences at program entry on DIAL-R scores and differences in CSAB scores possibly caused by students' having participated in other preschool programs. Similar results were obtained from statewide data analysis except for participants' third-grade mathematics scores on PACT. The adjusted mean scores of male participants were significantly higher than those of their female counterparts, while without statistical control on the extraneous variable, no gender differences were found. The second-grade performance analyses using participants from the nine districts revealed that after the initial differences were removed, participants from disadvantaged families (eligible for free- or reduced-price lunch program) performed equally well on MAT7 reading as students from families not identified as disadvantaged.

3. Did continued academic assistance given to program participants from grade two through grade three affect their academic performance?

Program participation reduced the percentage of students who needed extensive academic assistance at grades two and three. Participating children who received academic assistance for one to two hours per week scored significantly higher on ELA and mathematics as measured by third-grade PACT than those who needed assistance more than two hours per week.

Students needing academic assistance in the primary grades were divided into two groups in the following analysis, the group receiving one to two hours per week of academic assistance and the group receiving more than two hours per week. The data showed that at grade two, more nonparticipants received over two hours per week of academic assistance (40 percent) than students who had participated in child development programs (27.2 percent). At grade three, 31 percent of both participants and nonparticipants received over two hours of academic assistance per week.

The following comparisons were conducted on participants' performance differences between the group receiving one to two hours and the other receiving more than two hours of academic assistance per week at grades two and three.

Second Grade

The analyses of data from the nine districts revealed that program participants' having received a greater amount of academic assistance (over two hours) weekly was not significantly associated with better MAT7 performances in reading or mathematics at grade two.

Third-Grade ELA and Mathematics

Statewide data analysis discovered that participants receiving fewer hours of academic assistance (one to two hours per week) demonstrated significantly higher average scores in both ELA and mathematics on PACT at grade three. Table 17 depicts the differences.

TABLE 17
Later Performances of Child Development Program Participants
by Hours of Academic Assistance Received Weekly
Grade 3, Statewide PACT Data, Spring 2000

		PACT ELA Mean Score	PACT Math Mean Score
Group 1	1-2 hours of academic assistance per week	304.0	303.5
Group 2	More than 2 hours of academic assistance per week	302.3	302.6
Group comparison results	Group 1 > Group 2		
Statistical significance levels		P < .05	P < .05

4. What were the academic performance differences between child development program participants in half-day programs and those in full-day programs in grades one through three? Did their performances differ by demographic features?

First Grade

Statewide data showed that children from full-day and half-day programs scored very similarly on school readiness measured by the CSAB at grade one.

Due to the limited number of children (N=877) served by full-day child development programs, a random selection procedure was used to select 991 participants from half-day programs in order to make two similar-sized groups. The first-grade CSAB scores of half-day program participants were compared to the scores of full-day program participants. The findings were that children from these two types of programs scored equally well on first-grade school readiness assessment. No statistical significance was found. Disaggregated student data were also examined between male and female, Caucasian and non-Caucasian, and students eligible for free- or reduced-price lunch and students paying full price for school lunch. No statistical differences were discovered in school readiness scores on the CSAB at grade one. Table 18 presents the details.

TABLE 18
Comparison between Full-Day and Half-Day Child Development
Program Participants at Grade One: CSAB School Readiness
Mean Scores by Demographic Category, Fall 1997

Student Demographic Category		Half-Day Program Participants N=991	Full-Day Program Participants N=877
All		93.9	93.8
Gender	Male	93.2	92.4
	Female	94.1	94.7
Race	Caucasian	95.0	96.0
	Non-Caucasian	92.6	92.4
Lunch status	Eligible for free- or reduced-price lunch	92.7	92.5
	Not eligible	95.6	96.6

Second Grade

Comparison was not meaningful as MAT7 test data available from nine school districts provided an insufficient number of full-day participants (N<30) to yield statistically reliable information.

Third Grade

Participants from full-day programs and those from half-day programs scored equally well on third-grade ELA and mathematics.

There was no performance difference on the third-grade PACT performance between full-day and half-day child development program participants. When disaggregated data were analyzed by male, female, Caucasian, non-Caucasian, eligibility for the free- or reduced-price lunch program, and fully paid lunch students, the differences found were too small for statistical significance. Table 9 shows the comparisons of third-grade PACT scores between full-day and half-day program participants.

TABLE 19
Comparison between Full-Day and Half-Day Child Development Program Participants:
Third-Grade PACT Performance by Demographic Category, Spring 2000

Student Demographic Category		ELA Mean Scores		Math Mean Scores	
		Full-day N=857	Half-day N=951	Full-day N=867	Half-day N=957
Total		304.9	304.4	303.9	303.1
Gender	Male	302.4	302.7	304.1	303.6
	Female	302.4	302.7	304.1	303.8
Race	Caucasian	308.9	308.3	310.0	308.4
	Non-Caucasian	299.7	298.1	299.0	297.3
Lunch Status	Eligible for free- or reduced-price lunch	299.0	297.5	298.8	297.0
	Not eligible	310.3	309.9	311.1	309.7

Conclusions

This study focused on the later academic performances of children who participated in the 1995–96 class of the child development program for four-year-olds. It followed the cohort group for four years and compared student performances on the CSAB first-grade school readiness assessment, second-grade MAT7 tests, and third-grade PACT scores between participants and nonparticipants as well as within-program disaggregated populations. It also investigated the issue of whether the different hours of academic assistance that participants received per week from grade two to grade three helped their performance. Finally, it looked into the performance differences between full-day and half-day child development program participants on the same tests mentioned above from grade one through grade three. Detailed data analyses yielded the following conclusions:

- Child development programs for four-year-olds had a positive long-term effect on participants' later academic performances in comparison to similar students who did not participate in the program. By definition, the majority of program participants were children whose developmental indicators—including their families' economic and educational backgrounds—placed them at risk academically. In spite of their risk levels, the program participants statewide demonstrated significantly higher scores than nonparticipants on the CSAB first-grade readiness assessment and the third-grade PACT in ELA and mathematics. Comparisons on the second-grade MAT7 reading and mathematics revealed that participants scored higher than nonparticipants, but the difference was not large enough to be statistically significant. When disaggregated data analyses were conducted by male, female, Caucasian, non-Caucasian, and free- or reduced-price school lunch students, participants in all subgroups scored significantly higher on the CSAB than nonparticipants. At grade two, only male participants scored significantly higher than their nonparticipant peers on mathematics. At the third grade, all participants belonging to the above-mentioned demographic groups scored higher in both ELA and mathematics on the PACT than nonparticipants—except for those participants eligible for the free- or reduced-price lunch program, who scored higher than their nonparticipant peers only on the ELA section of the PACT.
- It appears that child development programs helped Asian, Caucasian, and Hispanic children more than other ethnic groups of children in their later achievement performances on reading and mathematics. Female participants benefited more than male participants from the child development program on measures of reading. Child development program participation appeared less effective for African-American students and participants eligible for free- or reduced-price lunch than for students in other demographic categories.
- Fewer child development program participants than nonparticipants needed academic assistance more than two hours per week at grade two. Participants who received one to two hours of academic assistance per week demonstrated significantly better performance on third-grade PACT ELA and mathematics than their counterparts who needed more than two hours of academic assistance per week.
- Statewide data analysis on the long-term program effect on academic performance of full-day and half-day program participants illustrated that full-day and half-day participants performed equally well on the CSAB and third-grade PACT tests. Second-grade MAT7 student performance data for full-day and half-day participants were insufficient (from nine school districts) to provide statistically reliable results in a comparison of the two.

Recommendations

The following recommendations are based upon the study results:

- Studies on other program effect indicators such as the reduction of the grade retention rate or the rate of placement of children in special education should be conducted to illustrate, in more depth, the positive effects that child development programs have on academic performances.

- Studies should be conducted to identify curricula and teaching methodologies that are more sensitive to the needs of African-American participants and those eligible for the free- or reduced-price lunch program.
- The nature and quality of academic assistance provided to children with academic difficulties in primary grades need to be investigated to determine academic assistance methods more effective than merely additional time.
- Program impact on children's cognitive and social development should be evaluated using both quantitative and qualitative data.
- An examination of the similarities and differences between full-day and half-day programs should be conducted to better understand the relationship between types of programs and participants' later performances.
- A study of the relationship between leadership expertise (that of directors or supervisors of the child development programs) and student outcome should be developed to further address the issue of program quality.
- A study of the relationship between participating children's later academic achievement and the curriculum or pedagogy used in classrooms should be carried out to provide empirical data for identifying effective instructional practices.
- Research on the effect of the duration of program participation on children's achievement at primary grades should be conducted. It will provide evidence to parents and educators regarding the minimum amount of time that children with predicted school readiness deficiencies should participate in child development programs.

SECTION 3

Current Parent Perceptions, Spring 2002

Longitudinal studies of South Carolina child development programs conducted by the SDE's Office of Research (*A Longitudinal Research Report* 1998, 1999 & 2000) have found positive program effects on school readiness for at-risk students. To gain a deeper understanding of these effects, a survey was conducted among parents whose children were, or had been, enrolled in child development programs for four-year-olds for at least ninety days during the 2001-02 school year. This section of the present report investigates parents' general satisfaction with the areas of classroom teaching, learning content, instructional methods, learning and physical environments, program implementation, progress children made by participating, and the program administrator-parent relations. Substantial opinion differences (larger than 10 percentage points) between subpopulations among parents are also examined here.

Methods and Procedures

The survey included twenty items selected through a review of *Guidelines for Half-Day Child Development Programs* (1998) and discussions with early childhood education experts from local education agencies. Each item consisted of a single statement. Parents were asked to indicate the extent to which they agreed with each statement using a five-point scale, ranging from "strongly disagree" to "strongly agree."

Factor analyses of the survey data revealed the existence of three domains: program quality, the progress children made, and program administrator-parent relations. A reliability analysis on the survey items revealed a reliability index of .95 (Cronbach coefficient alpha).

The survey form was distributed to the parents in spring of 2002. Early childhood coordinators in each district were asked to make copies of the form and send them to teachers for distribution to parents. Parents were asked to return the completed survey form to the teacher. Ultimately, 3,991 completed surveys from twenty-three school districts were returned to the SDE. The twenty-three districts appeared to be representative of the major geographical regions of the state: the Lowcountry, the Midlands, and the Upstate (see appendix C). Four out of ten parents who returned the survey form had a child or children in a full-day program.

The estimated survey return rate was only 27 percent. As a result, great caution should be used in interpreting the results of the survey. It may not be reasonable to attribute the opinions of the parents who responded to the entire population of parents.

Findings

The overall parent satisfaction with the child development program was high, with a mean rating of 4.4 on a scale of 1 ("strongly disagree") to 5 ("strongly agree"). More detailed results are presented for each factor identified in the factor analysis.

Parents' Perception of Program Quality

Twelve items addressed issues of classroom teaching, learning content, instructional methods, and learning and physical environments. About 95 percent of the parents agreed or strongly agreed that the child development programs provided their children with quality services. Almost every parent (98 percent) agreed that the programs prepared their children for the next stage of learning, and they indicated that they would recommend the program to other parents. The highest level of parent satisfaction (99 percent agreed or strongly agreed) was expressed with the quality of instruction ("Teachers are doing a good job teaching my child"). The lowest level of satisfaction (94 percent agreed or strongly agreed) was with the amount of information that parents received concerning the progress that their children were making. Table 20 contains the results for items dealing with program quality.

TABLE 20
Parents' Perception of Program Quality, Spring 2002

Item	Response					N	Combined Responses		
	SD %	D %	Not Sure %	A %	SA %		SD/D %	Not Sure %	SA/A %
I feel welcomed at my child's school/center.	0	1	1	26	72	3,944	1	1	98
Teachers are doing a good job teaching my child.	1	0	0	22	77	3,910	1	0	99
My child is learning what he or she should at the school/center.	0	1	2	27	70	3,936	1	2	97
My child is safe at the school/center.	1	0	3	32	64	3,893	1	3	96
Teachers at my child's program encourage parents to be involved with their children's education.	1	1	1	25	72	3,964	2	1	97
I receive enough information about the progress my child is making in each subject area.	1	3	2	33	61	3,908	4	2	94
My child learns in many different ways (e.g., large-group instruction, activity centers, small-group activities).	0	0	3	31	66	3,940	0	3	97
My child's classroom was equipped properly for his or her learning.	1	0	2	30	67	3,937	1	2	97
My child has enjoyed the program.	0	1	1	21	77	3,936	1	1	98
The program prepared my child for the next stage of learning.	1	1	2	25	71	3,923	2	2	96
I am satisfied with the benefits my child has received from the program.	1	0	1	25	73	3,950	1	1	98
I will recommend the program to other parents.	1	0	1	20	78	3,952	1	1	98

Legend: SD = Strongly Disagree; D = Disagree; SA = Strongly Agree; A = Agree

Parents' Perception of the Progress Their Children Made in the Program

Six items addressed the parents' perception of the progress their children made in the age-appropriate developmental activities. These most fundamental skills were related to motor skills, concepts, language, self-help development, and social development (Mardell-Czudnowski & Goldenberg, 1998). One item asking the length of the school day, a factor associated with child learning, was included.

The highest degree of parent satisfaction (95 percent agreed or strongly agreed) was with the item asking if their children made progress in concept development, such as identifying body parts, naming colors, or counting. The item with the lowest percentage of parents indicating agreement or strong agreement (76 percent) questioned the progress made by their children in language skills. When parents were asked if they thought the school day was long enough for their children, most (82 percent) agreed or strongly agreed that the program was long enough.

TABLE 21
Parents' Perception of Their Children's Progress While
in a Child Development Program, Spring 2002

Item	Response					N	Combined Responses		
	SD	D	Not Sure	A	SA		SD/D	Not Sure	SA/A
	%	%	%	%	%		%	%	%
My child made most progress in naming colors, counting numbers, or identifying body parts.	1	1	3	33	62	3,904	2	3	95
My child made most progress in catching, jumping, or balancing.	0	3	11	42	44	3,895	3	11	86
My child made most progress in naming verbs, classifying foods, or giving personal data.	1	4	19	39	37	3,854	5	19	76
My child made most progress in properly dealing with adults, friends, brothers, and sisters.	1	3	10	49	37	3,906	4	10	86
My child made most progress in buckling, buttoning, lacing, dressing, undressing, or feeding him- or herself.	1	5	7	44	43	3,850	6	7	87
My child's school day was long enough.	4	11	3	33	49	3,892	15	3	82

Legend: SD = Strongly Disagree; D = Disagree; SA = Strongly Agree; A = Agree.

Parents' Perception of Program Administrator-Parent Relations

Two items addressed program administrator-parent relationships. Seventy three percent of the parents agreed or strongly agreed that the school principal gave them opportunities to be involved in the

decisions about how their children were taught. A few more parents (75 percent) thought that the principal was someone they could talk to when they needed to.

TABLE 22
Parents' Perception of Program Administrator-Parent Relations, Spring 2002

Items	Response					N	Combined Responses		
	SD	D	Not Sure	A	SA		SD/D	Not Sure	SA/A
	%	%	%	%	%		%	%	%
The principal gives me the opportunity to be involved in the decisions about how my child is taught.	1	4	22	37	36	3,873	5	22	73
The principal is someone I can talk to when I need to.	1	3	21	36	39	3,846	4	21	75

Legend: SD = Strongly Disagree; D = Disagree; SA = Strongly Agree; A = Agree

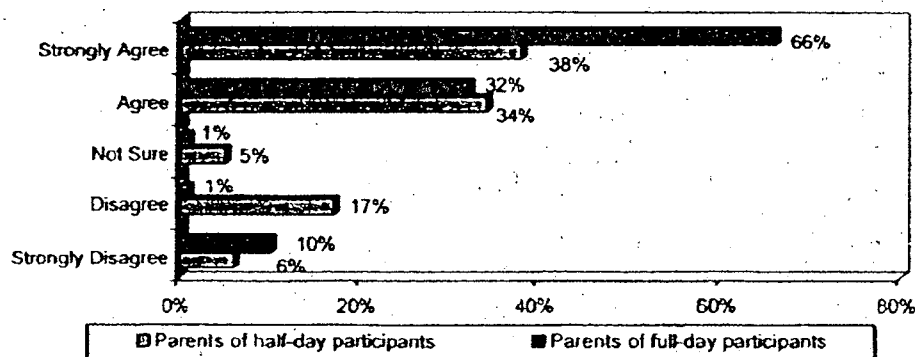
Comparison of Perceptions between Parents of Full-Day and Half-Day Participants

Item-by-item comparisons were conducted between the responses of parents whose children participated in full-day child development programs and those whose children participated in half-day programs. Analyses on the items showed parents' perceptions were very similar on most of the items. The average rating on all items was 4.5 from parents of children in the full-day program, and 4.4 from parents of half-day-program students.

Substantial difference (larger than 10 percentage points) was found only in the item asking parents if they thought the school day was long enough for their children. More parents of full-day participants (98 percent agreed or strongly agreed) thought the school day was long enough for their children than parents whose children were in half-day programs (72 percent).

Figure 10

Comparison between Parents of Full-Day and Half-Day Child Development Program Participants: Responses to the Item "My Child's School Day Was Long Enough," Spring 2002



Parents' Perception of the Progress Their Children Made in the Program

Six items addressed the parents' perception of the progress their children made in the age-appropriate developmental activities. These most fundamental skills were related to motor skills, concepts, language, self-help development, and social development (Mardell-Czudnowski & Goldenberg, 1998). One item asking the length of the school day, a factor associated with child learning, was included.

The highest degree of parent satisfaction (95 percent agreed or strongly agreed) was with the item asking if their children made progress in concept development, such as identifying body parts, naming colors, or counting. The item with the lowest percentage of parents indicating agreement or strong agreement (76 percent) questioned the progress made by their children in language skills. When parents were asked if they thought the school day was long enough for their children, most (82 percent) agreed or strongly agreed that the program was long enough.

TABLE 21
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Item	Response					N	Combined Responses		
	SD	D	Not Sure	A	SA		SD/D	Not Sure	SA/A
	%	%	%	%	%		%	%	%
My child made most progress in naming colors, counting numbers, or identifying body parts.	1	1	3	33	62	3,904	2	3	95
My child made most progress in catching, jumping, or balancing.	0	3	11	42	44	3,895	3	11	86
My child made most progress in naming verbs, classifying foods, or giving personal data.	1	4	19	39	37	3,854	5	19	76
My child made most progress in properly dealing with adults, friends, brothers, and sisters.	1	3	10	49	37	3,906	4	10	86
My child made most progress in buckling, buttoning, lacing, dressing, undressing, or feeding him- or herself.	1	5	7	44	43	3,850	6	7	87
My child's school day was long enough.	4	11	3	33	49	3,892	15	3	82

Legend: SD = Strongly Disagree; D = Disagree; SA = Strongly Agree; A = Agree.

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Two items addressed program administrator-parent relationships. Seventy three percent of the parents agreed or strongly agreed that the school principal gave them opportunities to be involved in the

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TABLE 22
Parents' Perception of Program Administrator-Parent Relations, Spring 2002

Items	Response					N	Combined Responses		
	SD	D	Not Sure	A	SA		SD/D	Not Sure	SA/A
	%	%	%	%	%		%	%	%
The principal gives me the opportunity to be involved in the decisions about how my child is taught.	1	4	22	37	36	3,873	5	22	73
The principal is someone I can talk to when I need to.	1	3	21	36	39	3,846	4	21	75

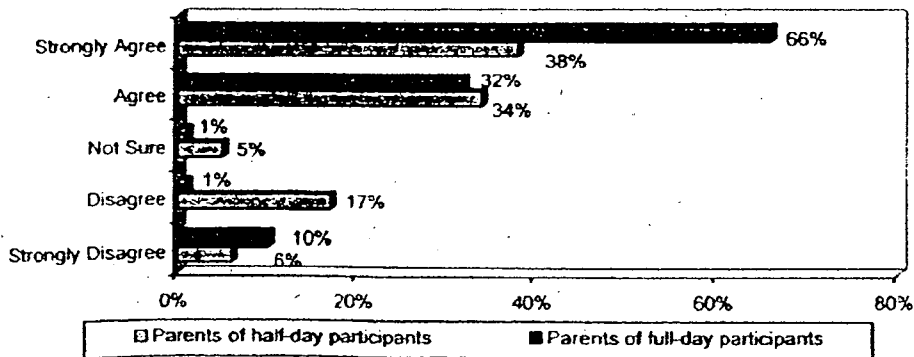
Legend: SD = Strongly Disagree; D = Disagree; SA = Strongly Agree; A = Agree

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Item-by-item comparisons were conducted between the responses of parents whose children participated in full-day child development programs and those whose children participated in half-day programs. Analyses on the items showed parents' perceptions were very similar on most of the items. The average rating on all items was 4.5 from parents of children in the full-day program, and 4.4 from parents of half-day-program students.

Substantial difference (larger than 10 percentage points) was found only in the item asking parents if they thought the school day was long enough for their children. More parents of full-day participants (98 percent agreed or strongly agreed) thought the school day was long enough for their children than parents whose children were in half-day programs (72 percent).

Figure 10
Comparison between Parents of Full-Day and Half-Day Child Development Program Participants: Responses to the Item "My Child's School Day Was Long Enough," Spring 2002



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APPENDIX A

Survey Form: Parents' Perception of Child Development Programs for Four-Year-Olds

Check the appropriate box to indicate the type of program your child is in, and provide the name of the school your child attends:

☐ half-day program ☐ full-day program at (school): _____

For each item below, check in the blank that best describes your level of agreement. If you wish to make additional comments, write them on the back of the survey.

How much do you agree or disagree with each of the following statements?	Strongly Disagree	Disagree	Not Sure	Agree	Strongly Agree
1. I feel welcomed at my child's school/center.	☐	☐	☐	☐	☐
2. Teachers are doing a good job teaching my child.	☐	☐	☐	☐	☐
3. My child is learning what he or she should at the school/center.	☐	☐	☐	☐	☐
4. My child is safe at the school/center.	☐	☐	☐	☐	☐
5. The principal gives me the opportunity to be involved in the decisions about how my child is taught.	☐	☐	☐	☐	☐
6. The principal is someone I can talk to when I need to.	☐	☐	☐	☐	☐
7. Teachers at my child's program encourage parents to be involved with their children's education.	☐	☐	☐	☐	☐
8. I receive enough information about the progress my child is making in each subject area.	☐	☐	☐	☐	☐
9. My child learns in many different ways (e.g., large-group instruction, activity centers, small-group activities).	☐	☐	☐	☐	☐
10. My child made most progress in naming colors, counting numbers, or identifying body parts.	☐	☐	☐	☐	☐
11. My child made most progress in catching, jumping, or balancing.	☐	☐	☐	☐	☐
12. My child made most progress in naming verbs, classifying foods, or giving personal data.	☐	☐	☐	☐	☐
13. My child made most progress in properly dealing with adults, friends, brothers, and sisters.	☐	☐	☐	☐	☐
14. My child made most progress in buckling, buttoning, lacing, dressing, undressing, or feeding him- or herself.	☐	☐	☐	☐	☐
15. My child's classroom was equipped properly for his or her learning.	☐	☐	☐	☐	☐
16. My child's school day was long enough.	☐	☐	☐	☐	☐
17. My child has enjoyed the program.	☐	☐	☐	☐	☐
18. The program prepared my child for the next stage of learning.	☐	☐	☐	☐	☐
19. I am satisfied with the benefits my child has received from the program.	☐	☐	☐	☐	☐
20. I will recommend the program to other parents.	☐	☐	☐	☐	☐

APPENDIX B
MEMORANDUM

TO: Early Childhood Coordinators

FROM: [Insert name], Supervisor
Evaluation Section, Office of Research

DATE: April 19, 2002

SUBJECT: Collecting Parents' Satisfaction Information for Four-Year-Old Programs

The Early Childhood Development and Academic Assistance Act (1993) requires that the State Department of Education annually collect and analyze longitudinal data to determine the effects of child development programs on later academic achievement. Longitudinal studies conducted by the Office of Research found positive program effects on school readiness for at-risk students. To gain a deeper understanding of these effects, the Office of Research is conducting a survey of parents whose children are or have been enrolled in child development programs for four-year-olds for *at least 90 days* during the 2001-02 school year. Parents' perceptions of the program will be used to guide future studies and to create policy recommendations that better serve the children in these programs.

We would like to ask you to help us with this research by asking parents from your schools/centers to complete the attached survey. It should take only ten minutes to complete. Please make copies of this form and ask teachers to distribute the forms to parents. Parents should be asked to return the completed survey to the teacher. Teachers should then return surveys to you for mailing to the State Department of Education. Send the completed surveys back to the Office of Research by **May 31, 2002**. If you have any questions, please feel free to contact Wei Yao by e-mail at wyao@sde.state.sc.us.

Your efforts to help with this data collection are greatly appreciated. Thank you for your assistance.

Please send completed surveys to

Cynthia Neal
South Carolina Department of Education
Office of Research
1429 Senate Street, Room 1205
Columbia, South Carolina 29201

Enclosures

APPENDIX C

Districts Providing MAT7 Test Data, Spring 2002

Lowcountry	Midlands	Upstate
Beaufort	Aiken	Cherokee
Charleston	Barnwell 45	Chester
Georgetown	Kershaw	Greenville
Horry	Lexington 1	Greenwood 50
Marion 3	Lexington 3	Laurens 55
Orangeburg 3	Lexington 4	Oconee
	Richland 2	Spartanburg 1
		Spartanburg 4
		Spartanburg 7
		York 3



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389

South Carolina Legislative Audit Council

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Report to the General Assembly

December 1988

Review of the Education Finance Act



LAC/SDE-88-1

LAC-00005

PLT_0389

REC024458

LAC-00006

South Carolina Legislative Audit Council

LAC

Report to the General Assembly

LAC/SDE-88-1

LAC-00006

PLT_0389-0002

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Report Summary

Audit Objectives

This audit was conducted as a result of Proviso 30.38 of the *FY 88-89 Appropriations Act* which directs the Legislative Audit Council to assess compliance with the Education Finance Act (EFA) and make recommendations to the General Assembly concerning necessary changes. In order to follow up on 1980 and 1983 EFA reports, the Audit Council also analyzed the relationship between state funds, including EIA and fringe benefit funds, and district wealth. In a separate report, the Council also addressed the Proviso's mandate to conduct an accounting of funds used in the computation of the South Carolina average teacher salary.

Audit Scope and Methodology

The Council, in conducting the audit, surveyed education officials in the state for input. Key staff at the State Department of Education (SDE) were interviewed. Other southeastern states were contacted. The staff reviewed statewide expenditure and budget data from SDE records for FY 83-84 through FY 88-89. SDE program data for FY 86-87 was used to analyze compliance with some provisions of the Act. Due to the nature of the program under review, extensive appendices placed at the end of the report detail methodologies used in different sections of the report. The audit was conducted in accordance with generally accepted government auditing standards.

Report Summary

Principal Findings

The State Department of Education and school districts are complying with the Education Finance Act.

The Council found that, in most areas, the State Department of Education (SDE) and school districts are complying with the provisions of the Education Finance Act (EFA). However, as in past reports, based on audit information, the Council identified major issues concerning the distribution of state education funds, as well as improvements which could be made in the agency's operations.

- While poorer districts receive more total state funds per pupil than wealthier districts, state funding does not fully compensate for wealth disparity. Also, the degree to which it compensates has diminished since FY 83-84. Therefore, there is less assurance that students from poor districts are receiving comparable educational programs to those in wealthy districts (see p. 6).
- Neither Education Improvement Act allocations nor fringe benefit allocations are adjusted for differences in district wealth. A wealthy district and a poor district, with otherwise similar characteristics, receive the same amount of state funds for these programs. The two programs totalled \$384 million in FY 86-87, 36% of total state aid to districts. Poor districts are less able to raise the tax revenue needed for programs not fully funded by state allocations (see pp. 10, 12).
- In FY 87-88, the wealth of York 2 school district increased to the point that the EFA formula would have caused the district to pay the state a "negative allocation" of approximately \$2 million. The Council reviewed three proposals addressing this issue and found that they would cause all remaining districts to pay higher local shares of the EFA funding. With the possibility that other wealthy districts may be subject to negative allocations in the next few years, the burden on remaining school districts would increase if any of the three proposals were used (see p. 16).
- A periodic review by an independent consultant of the base student cost and its weighting system is needed. The base student cost and its assigned weights determine the amount

Report Summary

of EFA funds needed for the Defined Minimum Program (DMP). An independent base student cost study completed in 1982 found that the DMP was underfunded by \$7.3 million. However, no changes in the base student cost or weights have been made as a result of the study (see p. 21).

- SDE has no policy requiring all proposed changes to the Defined Minimum Program (DMP) to be evaluated for potential effects on education costs. SDE conducted a cost impact study on only 1 of the 12 changes to the DMP made from FY 82-83 through FY 86-87 (see p. 23).
- SDE's process of accrediting schools needs significant improvement and does not ensure a quality education program. Present accreditation standards used in evaluating educational programs do not consider student performance. Also, SDE has not adequately monitored and documented school district compliance with the Defined Minimum Program (see p. 33).

The following chapters discuss, in detail, these problems and others relating to the Education Finance Act. A glossary of Education Finance Act terms is found on page 44. The terms State Department of Education, SDE and Department are used interchangeably in the report. The Council appreciates the cooperation and assistance of Department staff during the course of the audit.

The Education Finance Act

The South Carolina Constitution requires the General Assembly to provide for a system of free public schools open to all children in the state (Article XI, Section 3). In continuing to meet this responsibility, the General Assembly passed Act 163 of 1977, known as the Education Finance Act (EFA). The purposes of the Act include providing equity of funding for a basic educational program, equity of effort for taxpayers, and comparable education programs for all students regardless of geographic location.

Background

The Education Finance Act, fully implemented in FY 84-85, changed the method of distributing a large part of state funding to school districts. Formerly, education funds were distributed on a "flat-grant" basis, with no regard for differences in school district wealth. EFA adjusted funding so that poor districts received proportionally more state funds per student than wealthy districts.

The cost of a district's required education program is calculated from the base student cost and the district's weighted pupil units (WPUs). The base student cost is the amount deemed necessary to fund a minimum educational program for a student in grades 4-8. The amount is adjusted annually by an inflation factor. In FY 87-88, the base student cost was \$1,341.

The formula's use of weighted pupil units allows students to be counted in 14 categories according to the cost of providing their education. For example, any regular student in grades 4-8 is weighted 1.00, and is the most economical to educate. Other pupil weights range from 1.24 for grades 1-3 to 2.57 for hearing and visually handicapped students.

The amount of funding a district receives from the state depends on each district's ability to raise local revenue for its schools. The formula's index of taxpaying ability gives districts with less property wealth more state funds per student. The index is calculated by dividing a district's fiscal capacity by the total state fiscal capacity. Fiscal capacity is the assessed value of property adjusted to current market values.

Chapter 1
The Education Finance Act

The goals of the Education Finance Act go beyond financial equity. The Act also seeks to guarantee each student a basic education appropriate to his or her needs. The Finance Act promotes program effectiveness through the evaluation of district and school needs and staff development. Effective in FY 84-85, a revision to EFA required South Carolina average teacher salaries to meet the southeastern average. The State Department of Education also monitors districts' compliance with the Act primarily through its Auditing and Field Services and Accreditation Sections.

Appendix B shows the sources and uses of education funds for five fiscal years (FY 83-84 to FY 87-88). The State Department of Education's organization chart is found in Appendix C.

Chapter 2

State Funding and District Wealth Issues

The Audit Council analyzed the allocation patterns of state education funds to school districts. The goal of this analysis was to determine the degree to which state funds compensate for disparity in school district wealth. The methodologies used in this chapter are not presented as proposals for alternate funding mechanisms. They are only presented as tools for evaluating current funding mechanisms. State law does not require any education funds to fully compensate for disparity in district wealth. EFA funding, however, is required to be substantially equitable.

The Audit Council found that while poorer districts receive more state funds per weighted pupil unit (WPU) than wealthier districts, state funding does not fully compensate for disparity in wealth. Also, the degree to which it compensates has diminished since FY 83-84.

Equitable Funding

The Education Finance Act (EFA) provides the only state funds to school districts which are allocated based on school district wealth. This Act describes its educational program as providing:

... substantially equitable current operation funding levels for programs for South Carolina's public school students, regardless of their geographic location ...

The Audit Council found that other state education programs administered by SDE do not allocate funds based on district wealth. However, when resources are not allocated to compensate for disparity in district wealth, there is less assurance that students from poorer areas of the state are receiving comparable educational programs.

EFA funds are the largest component of state aid to school districts, but its share of the total has decreased in recent years, largely because of the implementation in FY 84-85 of the Education Improvement Act (EIA). In FY 83-84, EFA funds comprised approximately 75% of state aid to school districts. In FY 86-87, EFA funds comprised 60% of aid to school districts. EIA funds and fringe benefits are the second and third largest components of state aid to school districts. In FY 86-87, EIA's

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State Funding and District Wealth Issues

share of state aid was approximately 21% while fringe benefits' share was approximately 15%.

Methodology

This chapter has three sections: (1) total state funding; (2) Education Improvement Act funding; and (3) fringe benefit funding. Tables with each section show fund and wealth data across five groups, each representing 20% of the statewide WPUs. WPUs, which were developed for EFA funding, classify 14 different categories of students based on the cost of educating them. For example, all regular students in grades 4-8 receive a weight of 1.00 since they cost the least to educate. Learning disabled students receive a weight of 1.74 since they cost more to educate. WPUs were used in this analysis to ensure that each group, or fifth, represents students with equal funding needs.

WPUs are grouped according to the fiscal capacity per WPU in their local school districts. Fiscal capacity, calculated annually by the South Carolina Tax Commission, is the assessed value of property within school districts, adjusted to current market value. The five groups of WPUs, or fifths, are displayed in descending order of wealth. Thus, the first fifth in each table contains the 20% of WPUs whose districts had the highest fiscal capacity per WPU, while the last fifth contains the 20% of WPUs whose districts had the lowest fiscal capacity per WPU.

For this analysis, the Audit Council has defined "full compensation for disparity in wealth," as the allocation of funds to each district in inverse proportion to its relative fiscal capacity per WPU. For example, if one district had half the fiscal capacity per WPU of another district, its funds per WPU would be twice (1/0.5) that of the wealthier district. Likewise, a district with three times the fiscal capacity per WPU of another district would receive one-third (1/3) the funds of the poorer district. As the relative fiscal capacity per WPU increased, funding per WPU would decrease and vice versa (see Appendix D).

This analysis is of state operating funds and excludes construction funds. Local and federal funds were not included with state funds in this analysis, since including other funds may distort the separate impact of state funding.

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Total State Funding

The Audit Council analyzed total state funds allocated to school districts for current operating expenditures (including EFA, EIA, fringe benefits, transportation, and all other current operating funds). The data used in this analysis are from FY 83-84 and FY 86-87. FY 83-84 was the last fiscal year prior to the implementation of EIA. It was found that the degree to which state funding compensates for district wealth disparity has diminished since FY 83-84. Tables 2.1 and 2.2 show FY 83-84 and FY 86-87 fund and wealth data for students separated into five groups, each representing 20% of the statewide WPUs.

Table 2.1: FY 83-84 State Funds and Fiscal Capacity Per WPU

Fifth	Actual State Funds and Fiscal Capacity Per WPU				Funds Adjusted in Inverse Proportion to Fiscal Capacity Per WPU		
	Fiscal Capacity	Fiscal Capacity Share	Funds	Fund Share	Funds	Fund Share	Percent Change
1	\$8,871	25.2%	\$880	17.4%	\$650	12.9%	-26.1%
2	7,007	23.0%	968	19.2%	798	15.8%	-17.9%
3	5,878	19.3%	1,004	19.9%	945	18.7%	-5.9%
4	4,951	16.3%	1,056	20.9%	1,126	22.3%	6.6%
5	3,713	12.2%	1,135	22.5%	1,527	30.3%	34.6%
Average	6,084	20.0%	1,009	20.0%	1,009	20.0%	0%

Source: Calculated from SDE financial records.

Table 2.2: FY 86-87 State Funds and Fiscal Capacity Per WPU

Fifth	Actual State Funds and Fiscal Capacity Per WPU				Funds Adjusted in Inverse Proportion to Fiscal Capacity Per WPU		
	Fiscal Capacity	Fiscal Capacity Share	Funds	Fund Share	Funds	Fund Share	Percent Change
1	\$12,567	32.3%	\$1,203	16.9%	\$801	11.3%	-33.4%
2	8,858	22.8%	1,365	19.2%	1,094	15.4%	-19.9%
3	7,121	18.3%	1,437	20.2%	1,350	19.0%	-6.0%
4	5,884	15.1%	1,501	21.1%	1,638	23.0%	9.0%
5	4,421	11.4%	1,603	22.6%	2,229	31.4%	39.0%
Average	7,770	20.0%	1,422	20.0%	1,422	20.0%	0%

Source: Calculated from SDE financial records.

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While the districts in the poorer fifths have received more funds per WPU, funding has not been required to be inversely proportional to relative fiscal capacity per WPU. For example, in FY 83-84, the districts in the poorest fifth had 41.9% of the fiscal capacity per WPU of those in the wealthiest fifth. Their funds per WPU were 1.3 times that of the districts in the wealthiest fifth, but this was less than the 2.3 ratio which would compensate fully for disparity in wealth. In FY 86-87, the districts in the poorest fifth had 35.2% of the fiscal capacity per WPU of those in the wealthiest fifth. Their funds were again 1.3 times that of the districts in the wealthiest fifth, but the ratio which would compensate fully for disparity in wealth had risen to 2.8.

Tables 2.1 and 2.2 also show what state funds would have been if they were adjusted in inverse proportion to relative fiscal capacity per WPU. On average, the districts in the three wealthiest fifths would receive reductions while the districts in the two poorest fifths would receive increases.

The distribution of state funds has become less effective at compensating for disparity in wealth. In FY 83-84, fully compensating for wealth disparity would have required an average 26.1% reduction in state funding to the districts in the wealthiest fifth and an average 34.6% increase in funding to those in the poorest. In FY 86-87, by contrast, fully compensating for wealth disparity would have required an average 33.4% reduction in funding to the districts in the wealthiest fifth and an average 39.0% increase in funding to those in the poorest. Thus, the gap between the actual distribution of state funds and the distribution if it were adjusted for district wealth has increased (see Appendices E and F).

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State Funding and District Wealth Issues

Education Improvement Act

Unlike the Education Finance Act, Education Improvement Act (EIA) funds are not required to be adjusted for school district wealth. A wealthy district and a poor district, with otherwise similar characteristics, receive the same level of funding.

EIA, first implemented in FY 84-85, is funded with revenues from a one-percent sales tax. EIA established a range of programs which, in FY 86-87, cost approximately \$226 million in state aid to school districts. The main programs and their shares of funding are shown on the following table.

Table 2.3: FY 86-87 EIA Funds

Program	Percent
Teacher salaries/tringe benefits	42.9%
Remedial and compensatory education	23.6%
School building	10.4%
Gifted and talented students	5.3%
Other	17.8%

Source: SDE financial records

The allocation of EIA funds to school districts is based on different factors depending on the program. For example, teacher salary amounts are based on the number of teachers and their credentials. Remedial and compensatory funding is based on the weighted pupil units (WPUs) in these categories. However, EIA funding does not consider district wealth. For example, in FY 86-87, Beaufort school district had 8 times the fiscal capacity per WPU of Marion 4, but both districts received \$339 for each WPU in compensatory programs.

EIA Funding Adjusted to Compensate Fully for Wealth Disparity

Table 2.4 shows FY 86-87 fund and wealth data, minus school building funds, separated into 5 groups, each representing 20% of the statewide WPUs.

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Table 2.4: FY 86-87 EIA Funds
and Fiscal Capacity Per WPU

Fifth	Actual EIA Funds and Fiscal Capacity Per WPU				Funds Adjusted In Inverse Proportion to Fiscal Capacity Per WPU		
	Fiscal Capacity	Fiscal Capacity Share	Funds	Fund Share	Funds	Fund Share	Percent Change
1	\$12,567	32.3%	\$273	19.7%	\$156	11.3%	-42.8%
2	8,858	22.8%	281	20.3%	213	15.4%	-24.2%
3	7,121	18.3%	267	19.3%	283	19.0%	-1.5%
4	5,884	15.1%	276	19.9%	319	23.0%	13.5%
5	4,421	11.4%	288	20.8%	434	31.4%	50.7%
Average	7,770	20.0%	277	20.0%	277	20.0%	0%

Source: Calculated from SDE financial records.

EIA funds have not been required to be allocated in inverse proportion to relative fiscal capacity per WPU. In FY 86-87, the districts in the poorest fifth had 35.2% of the fiscal capacity per WPU of those in the wealthiest fifth. Their funds per WPU were 1.1 times that of the districts in the wealthiest fifth, but this was less than the 2.8 ratio which would compensate fully for disparity in wealth.

The last three columns in the table show what EIA funds would have been if they were adjusted in inverse proportion to relative fiscal capacity per WPU. The districts in the wealthiest fifth would receive an average 42.8% fund reduction while those in the poorest fifth would receive an average 50.7% increase (see Appendix G).

EIA Funds Allocated
Based on EFA
Methodology

The fund allocation methodology used in Table 2.4 is not equivalent to the method the state uses to allocate Education Finance Act funds to school districts. The Audit Council conducted additional analysis of the impact of allocating FY 86-87 Education Improvement Act funds based on EFA methodology for that year. The impact of this allocation method for the five wealthiest and five poorest districts is shown in Table 2.5. The wealthier districts shown would receive funding reductions while the poorer districts would receive increases (see Appendix I).

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Table 2.5: FY 86-87 EIA Funds
Allocated Based on EFA
Methodology

District	Wealth Ranking	Fiscal Capacity Per WPU	Actual EIA Funds	EIA Allocation Based on EFA Methodology
Beaufort	1	\$21,635	\$3,950,957	\$813,999
Dorchester 3	2	17,533	407,652	149,639
Fairfield	3	16,251	1,746,311	804,176
Horry	4	13,522	6,964,001	5,160,655
Calhoun	5	13,228	841,615	446,844
Orangeburg 8	88	3,117	217,202	261,285
Dillon 3	89	3,012	515,487	720,205
Barnwell 19	90	2,997	426,051	503,626
Clarendon 3	91	2,730	363,762	571,377
Marion 4	92	2,677	222,728	260,619

Source: Calculated from SDE financial records.

SDE officials report that some EIA programs have not been fully developed due to insufficient sales tax revenues. If poorer districts decide to supplement EIA programs with local funds, they must increase property tax rates more than wealthier districts.

Fringe Benefits

State-appropriated fringe benefits, including state retirement, health insurance, and social security, are not required to be allocated according to school districts' wealth. Districts with similar numbers of weighted pupil units (WPUs) receive the same level of funding regardless of their fiscal capacity.

In FY 86-87, approximately \$158 million of fringe benefits were appropriated to the 92 school districts in South Carolina. Allocation of these funds to the districts was based on a formula which uses factors such as prior year allocation and district and state WPUs. However, the formula does not include factors which compensate for disparity in wealth among school districts.

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Table 2.6 shows FY 86-87 fringe benefit funds and wealth data which have been divided into 5 groups, each of which represents 20% of the statewide WPUs. The WPUs have been grouped according to the fiscal capacity per WPU in each school district.

Table 2.8: FY 86-87 Fringe Benefit Funds and Fiscal Capacity Per WPU

Fifth	Actual Funds and Fiscal Capacity Per WPU		Funds Adjusted in Inverse Proportion to Fiscal Capacity Per WPU		
	Fiscal Capacity	Fiscal Capacity Share	Funds	Fund Share	Percent Change
1	\$12,567	32.3%	\$222	20.4%	-44.8%
2	8,858	22.8%	223	20.5%	-24.9%
3	7,121	18.3%	220	20.2%	-6.1%
4	5,884	15.1%	210	18.3%	19.2%
5	4,421	11.4%	213	19.6%	60.3%
Average	7,770	20.0%	217	20.0%	0%

Source: Calculated from SDE financial records.

The table shows that state-appropriated fringe benefits have not been allocated in inverse proportion to relative fiscal capacity per WPU, to compensate for differences in district wealth. For example, in FY 86-87, the districts in the poorest fifth had 35.2% of the local fiscal capacity per WPU of the wealthiest fifth. However, districts in the poorest fifth received 4.1% less than those in the wealthiest fifth.

The last three columns in Table 2.6 show funds per WPU adjusted in inverse proportion to the relative fiscal capacity per WPU. To compensate fully for wealth disparity, the districts in the wealthiest fifth would receive a 44.8% average funding reduction while those in the poorest fifth would receive a 60.3% average increase in fringe benefit funds (see Appendix H).

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Fringe Benefit Funds
Allocated Using EFA
Formula

In addition, the Audit Council examined the allocation of fringe benefits for FY 86-87 using the EFA formula as a means of distributing funds according to the districts' fiscal capacity. Although the EFA formula is used to allocate teacher's salaries, it is not used to allocate fringe benefits for school district employees. If SDE had used the EFA formula to distribute fringe benefit funds in FY 86-87, the funds would have been distributed in a more equitable manner, while student need would remain a funding factor. Table 2.7 displays the five wealthiest districts and the five poorest districts, and compares the actual funds in FY 86-87 to the allocation according to the EFA formula (see Appendix J).

Table 2.7: FY 86-87 Fringe
Benefits Allocated Using EFA
Formula

District	Wealth Ranking	Actual Funds	EFA Allocation
Beaufort	1	\$2,819,468	\$609,866
Dorchester 3	2	268,264	104,867
Fairfield	3	1,181,066	556,154
Horry	4	5,541,207	3,725,580
Calhoun	5	599,151	325,024
Orangeburg 8	88	\$154,955	182,413
Dillon 3	89	420,083	497,637
Barnwell 19	90	319,098	360,218
Clarendon 3	91	316,812	398,840
Marion 4	92	160,755	186,029

Source: Calculated from SDE financial records.

Since fringe benefits are not allocated according to the relative wealth of a district, state funds are less effective at compensating for disparity in wealth.

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Conclusion

State funds allocated to poorer school districts have been insufficient to compensate fully for their relative lack of wealth. In addition, from FY 83-84 to FY 86-87, the wealth disparity between districts increased, while the degree to which state funds compensated for wealth disparity decreased. When funds are insufficient because of no adjustment for wealth disparity, poorer districts must either restrict funds for education programs or raise property taxes. However, to generate equal revenue, poorer districts must levy higher property taxes than wealthier districts.

Recommendation

- 1 The General Assembly may wish to review whether all education funds should be distributed based on relative district wealth.

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This Chapter reviews the funding formula for EFA and issues regarding its use. In general, compliance with EFA provisions is good. However, the Council addresses issues concerning the effects of wealthy districts on the formula, the need for regular review of the base student cost and weights, and the need for cost impact studies when changes to the Defined Minimum Program are proposed.

**Districts Receiving
Negative
Allocations**

In FY 87-88, for the first time, one school district's wealth increased to the point that the EFA formula would have caused the district to pay the state a "negative allocation" of approximately \$2 million. A negative allocation occurs when a district's relatively large share of the total state wealth combined with a relatively small number of students causes the district's required local effort to exceed the cost of the defined minimum program (see Diagram 3.1).

It is possible that within the next few years, other wealthy districts will be subject to negative allocations. Three proposals to avoid negative allocations have been made to the General Assembly. The three proposals, in varying degrees, cause all remaining districts to pay a larger required local match than the current EFA formula requires. Two of the proposals decrease state allocations for the remaining districts. The third proposal decreases state allocations for all districts except the ones which are expected to lose students. The Audit Council examined the effects of negative allocations and the three proposals to address this problem. Education funding formulas in three other states were also reviewed.

York 2 School District

State law specifies how the state is to determine each district's state EFA allocation. The state allocation for each district is based on the cost of the district's student program minus required local effort. Diagram 3.1 details the components of the EFA formula.

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Diagram 3.1: District Funding Allocation Formula

$$\text{District Cost} = (\text{DWPU} \times \text{BSC}) - (.3 \times \text{SWPU} \times \text{BSC} \times \text{Tax Index}) - \text{State Allocation}$$

DWPU = district weighted pupil units
BSC = base student cost
.3 = statewide, districts contribute on average 30% of EFA funds
SWPU = state weighted pupil units
Tax Index = district's relative share of the state fiscal capacity

Source: State Department of Education

York 2 school district's fiscal capacity increased nearly 800% in 2 years, from \$30 million in 1986 to \$268 million in 1988, resulting primarily from the addition of the Catawba Nuclear Plant to the county's tax base. This increase caused the district's tax index, or relative share of the state's fiscal capacity, to rise substantially, which, in turn, caused the district's required local effort to exceed the district's program cost. This resulted in a negative allocation, as shown below.

Diagram 3.2: York 2 State Allocation FY 87-88

$$\text{District Cost} = (\$3,630.84 \times \$1,341.06) - (.3 \times 735,362.9599 \times \$1,341.06 \times .02319) = -\$1,991,582$$

Source: State Department of Education

The Finance Act does not specifically address how negative allocations should be handled. However, if the original EFA formula were followed, York 2 would have to pay the state its negative allocation which is needed for the remaining districts' state allocations. However, SDE officials stated they did not think it was the intent of the law to have York 2 subsidize other districts in this way. In FY 87-88, the state funded the \$2 million shortfall and no district was shortchanged as a result of York 2's negative allocation. York 2's negative allocation for FY 88-89 is estimated at \$6.5 million. Given that other districts could likely be subject to negative allocations in the future, proposals other than having the state pay for all of the shortfall have been considered.

York 2's negative allocation for FY 88-89 is estimated at \$6.5 million.

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Proposals

The following section analyzes the impacts of three proposals addressing the problem of negative allocations. Appendix K shows the allocation of FY 88-89 EFA funds by district for each of the proposals considered by General Assembly committees and the original EFA formula.

In Proposal A, presented by the House Ways and Means Committee in March 1988, York 2 is eliminated from the formula and all remaining districts are proportionately assigned York 2's share of the tax index. This increases the required local effort for all remaining districts. For example, for FY 88-89, Proposal A increases the local share for Greenville County school district, the state's largest district, by over \$1 million.

Proposal B, adopted by the General Assembly for FY 88-89, burdens school districts less than Proposal A in raising districts' required local effort. It sets York 2's tax index so that its allocation equals \$0, instead of a negative amount. In other words, it lowers York 2's required local effort so that it equals the cost of the program. The remaining districts are allocated part of York 2's tax index, but to a lesser extent than in Proposal A. The Greenville school district's local effort would increase by \$675,000 in FY 88-89 under Proposal B. Proposal B is cumbersome to implement, because the tax indices for all of the districts must be adjusted twice based on York 2's 45-day and 135-day pupil counts. In this proposal, York 2 "drives" the EFA formula. Any changes in York 2 pupil counts during the first 135 days of the year cause its index to change so that York 2's formula can equal 0, and consequently, all other districts' indices must change. School districts will not know for certain what their allocations will be until they have completed almost 75% of the school year.

Proposal C, which is under review by a subcommittee of the General Assembly's Formula Study Committee, is similar to Proposal B in that it sets York 2's allocation to \$0. However, it uses the prior year's weighted pupil units which are known instead of the current year's variable figures. This eliminates the need to re-adjust all of the districts' indices and their allocations during the year. School districts will know before the fiscal year

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begins what their allocations will be. However, school districts would not be funded for any additional students over the prior year while having the costs of serving them. If Greenville school district grows at the expected rate from FY 87-88 to FY 88-89, Proposal C would cause it to lose \$341,000 it would receive under Proposal B which uses FY 88-89 pupil figures. Like Proposals A and B, Proposal C raises the remaining districts' local shares. Under Proposal C, the Greenville school district's local effort would be \$438,000 more than the original EFA formula's required share.

Other States

The Audit Council also reviewed the education funding formulas for four southeastern states to determine if negative allocations occur, and, if so, how they are handled.

In Georgia, the factor which determines a district's ability to pay is not based on relative wealth between districts. To determine the local share for Georgia's education formula, total value of the taxable property after adjustments in each district is determined. Then, 40% of that value is multiplied by 5 mills, or .005, and this is the required local amount for each district. The state allocation for each Georgia district is basically the difference between the amount required to fund the entire program and the local share. There is also a further requirement that no district pays more than 50% of the cost of the program. Unlike South Carolina's formula, the wealth of one Georgia district has no bearing on the state allocations for other districts because each district's local share is determined individually through a millage factor. Even if it were possible for a negative allocation to occur in one district, it would have no effect on other districts.

Virginia's education formula is very similar to South Carolina's. The Virginia wealth factor is more complicated because it includes personal income and retail sales compared against numbers of students and population. But it is similar to South Carolina's in that it is a relative wealth measure. Also, the formula for determining the state and local allocations is essentially the same. Therefore, it is technically possible for a Virginia district to have a negative allocation based on the

formula alone. However, in reality, no district will have a negative allocation because Virginia has a cap on local shares; no district pays more than 80% for its education program. Since the state always contributes at least 20%, there is no need to remove wealthy districts from the formula.

Florida's education funding formula is like Georgia's in that the local required effort is based on a set millage level. Unlike South Carolina and the other states, Florida's Legislature sets the total statewide local effort and that amount is divided among the districts based on the millage rate and an equalization factor for each district. Since there is no state to local ratio like the 70/30 division in South Carolina, the ratio of state to local funds varies from year to year. According to a Florida official, no district has ever been subject to a negative allocation, but it could happen with their formula.

North Carolina, in distributing education funds, does not make adjustments for differences in district wealth. Therefore, a negative allocation cannot occur.

Conclusion

Proposals A, B and C all require districts remaining in the formula to pay higher local shares. This occurs because the tax index is relative, and removing or lowering the negative allocation district's index causes the other districts to have higher wealth factors and thus, pay more for their local shares. With the likelihood that more wealthy districts will have negative allocations, the proposals would further increase the remaining districts' local shares.

It is necessary that the state consider a more long-term solution in which negative allocations cannot occur in the funding formula. An in-depth study of the EFA formula, the causes of the negative allocation, and a review of various options, including other states' formulas, would provide the best basis for decisions made to correct the negative allocation problem.

Recommendation

- 2 The General Assembly may wish to consider hiring a consultant knowledgeable about education funding formulas to recommend solutions which would revise or replace the EFA formula so that negative allocations cannot occur.

Base Student Cost Studies

The base student cost and its weighting system are not periodically reviewed. The base student cost and its assigned weights for various types of pupils are used to determine the amount of EFA funds necessary to meet the Defined Minimum Program (DMP). The base student cost is the amount set by the General Assembly each year to fund the DMP for the most economically educated student, the elementary (grades 4-8) student. For all other students, weights are assigned reflecting their increased educational costs. For example, to determine the cost of educating a learning disabled child in FY 87-88, the base student cost of \$1,341 is multiplied by the learning disabled weight of 1.74 which equals \$2,333.

In 1982, the University of South Carolina's College of Business Administration found that the base student cost, including the state and local shares, was \$19.9 million underfunded, and that a total net underfunding for all EFA weighted categories of \$7.3 million existed. Also, in 1983, the Audit Council recommended a new weighting system which would increase funds for handicapped weights by \$2.2 million in FY 82-83. However, the base student cost has not been increased to reflect any underfunding, and no other independent cost study has been done since the two studies were done.

Since the funding of EFA began in FY 78-79, the only increases in the base student cost have resulted from the annual inflation factor. In FY 83-84, the weight for primary students was lowered by .06. Also, a proviso allows districts to disregard the requirement that 85% of funds for the Speech program be spent in that category. However, none of these actions resulted from a comprehensive study of the base student cost and the weights.

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There are two reasons for reviewing the base student cost and weights. First, any changes to the DMP should be reviewed for their effects on weights and costs (see p. 23). Of the 12 changes to the DMP since July 1982, only 1 was studied to determine whether it would result in increased costs. The second reason is to verify the inflation factor which, since it is an annual projection, could require adjustment after the actual inflation rate is known.

State law does not require a periodic review of base student costs and weights. However, the states of Georgia and Virginia review their base student costs annually. They determine what operational increases have occurred, as well as any changes in program requirements which would affect costs. The states of Georgia and Florida review their pupil weights also on a regular basis. In Georgia, the Governor appoints a committee to review the weights every three years.

Without regular review, the base student cost and the weights may not accurately reflect the true costs of providing a minimum education as specified in the DMP. Whenever studies indicate the base student cost and weights are insufficient to cover costs, the EFA's intent to fund all of the DMP is not met. Furthermore, districts must pay the difference without state support in order to continue meeting the requirements of the Defined Minimum Program.

Recommendation

- 3 The General Assembly may wish to require SDE to contract periodically with an independent consultant for a study of base student costs and the pupil weighting system. These studies should review the effects on costs of all changes to the Defined Minimum Program and should examine the appropriateness of the pupil weighting system.

Defined Minimum Program

The Defined Minimum Program (DMP) is a set of education standards established in regulation by SDE and the General Assembly. Schools and districts which do not comply with these standards can lose their state accreditation and funding. The focus of the DMP is educational resources, such as course offerings, class size, teacher qualifications, and facilities. In 1980, 1983, and 1986, the Audit Council recommended that student performance also be included in the DMP as a measure of educational quality. In 1985, SDE began developing new accreditation standards, which would substantially revise the DMP. Among other changes, the revised DMP would measure school and district quality using test scores, dropout rates, and student and teacher attendance rates. The State Board of Education promulgated the revised DMP in January 1988 but withdrew it from legislative review in April 1988, following concerns that some revised standards imposed additional costs on school districts. The current DMP, therefore, contains no measure of student performance.

Cost Impact Studies

SDE has no policy requiring all proposed changes to the Defined Minimum Program (DMP) to be evaluated for potential effects on educational costs. In addition, SDE does not require cost impact studies to address all costs resulting from DMP changes.

Changes to the DMP were enacted 12 times from FY 82-83 through FY 86-87. SDE reported that a cost impact study was conducted for one of the changes prior to its enactment, and that the other changes did not need cost impact studies. However, when cost impact studies are not done, the risk that unanticipated costs will occur is increased.

In January 1988, the State Board of Education promulgated significantly revised DMP standards without a formal cost impact study, indicating that they anticipated no additional costs associated with the changes. When the proposed changes were being reviewed by the General Assembly, school district officials indicated the changes might have required additional costs. As a result, SDE withdrew the revised DMP standards in April 1988.

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SDE also has not reviewed all areas in which cost impacts from DMP changes can occur. For example, a 1983 study of the effects of increasing high school graduation requirements did not address costs for buildings, educational materials, and utilities.

State law requires that the costs of implementing the DMP be accounted for in the base student cost, which is the basis for EFA funding of school districts. Formally analyzing all DMP changes for cost effects would help ensure additional costs become part of the base student cost, as required by state law. Impact studies of all affected costs, including buildings and utilities, would enable better planning and budgeting at the state and school district levels.

Recommendation

- 4 SDE should conduct comprehensive analyses of the potential cost effects of all proposed changes to the Defined Minimum Program. This function should be coordinated by the SDE Office of Finance.

Teacher Incentive Pay

Teacher incentive pay was introduced as a provision of the Education Improvement Act of 1984. Under the program, instructional personnel who demonstrate superior performance and outstanding productivity receive awards. In FY 85-86, the first teacher award year, \$2.1 million was allocated to nine pilot districts for distribution to instructional staff including librarians, guidance counselors and classroom teachers. By FY 87-88, allocations had increased to \$11.9 million and the pilot districts had increased in number to 29. In FY 88-89, allocations of over \$21 million have been made.

Teacher incentive pay is included as a factor in the computation of the South Carolina Average Teacher Salary required under EFA. The provision requires that the South Carolina average

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teacher salary stay at the Southeastern Average Teacher Salary level in an effort to maintain competitive salaries for South Carolina teachers.

The Audit Council identified two problems with the administration of teacher incentive pay as it relates to inclusion in the South Carolina Average Teacher Salary figure. These problems are outlined below.

**Projections of the
Incentive Factor**

Teacher incentive pay has been included in the computation of the South Carolina Average Teacher Salary because, §59-20-50(4)(b) of the South Carolina Code of Laws was amended to add, effective FY 87-88, the following:

In projecting the southeastern average, the division [Division of Research and Statistical Services] shall include in the South Carolina base teacher salary all local teacher supplements and all incentive pay.

However, in projecting the teacher incentive pay factor for the South Carolina Average Classroom Teacher salary, SDE has not applied the same criteria as that used for other factors. SDE did not use actual average expenditures in computing this factor as it did for the other salary factors (EFA base; EIA Supplement; and Residual).

For the other salary factors, SDE projected expenditures over the population of classroom teachers only, which they identified as those with Basic Educational Data System (BEDS) code positions of 03-09 who meet additional criteria. SDE first projected the factor for FY 87-88 at a value of \$325. The pool of classroom teachers in the 29 districts for FY 86-87 was 18,449. However, SDE counted all those potentially eligible, 36,939, and also included all funds appropriated for teacher incentive pay in its computation of the average teacher incentive pay factor.

Again, for FY 88-89, the first year of statewide implementation, SDE computed the factor as \$438 based on a population of 39,000 rather than the statewide classroom teacher count of 33,219. This method is not consistent with the method used in computing the other salary factors which are based only on

classroom teacher data positions 03-09 and the actual funds expended on that population.

One problem SDE has in projecting this factor is that the teacher incentive program was piloted from FY 85-86 through FY 87-88. Only in FY 88-89 will the program be implemented statewide. When SDE was required to include the teacher incentive factor in the average teacher salary computation, adequate data had not been collected to aid in projections. Not all staff are able to receive teacher incentive pay, and district data on how many 03-09 positions received funds and how much they received is not available. Therefore, SDE cannot project the teacher incentive pay factor based on actual expenditures as it does for the other salary factors. Based on SDE information, only 17% of classroom teachers in the 13 pilot districts participated in the teacher incentive pay program in FY 86-87. However, another related problem exists in developing the actual expenditures per classroom teacher which is discussed below.

Incentive Funds Returned to the State

If current trends continue, SDE will need to adjust for funds allocated to teacher incentive pay that have been returned to the statewide building fund under the one-year carryover provision. According to financial records for FY 85-86 and FY 86-87, approximately 5% of teacher incentive pay funds were returned and therefore not spent on teacher salaries.

Teacher incentive pay is not reported by districts on the Certified Professional Staff Listing which is the document SDE uses to obtain average teacher salary information. However, information is available in annual district CPA audits which would allow adjustments to be made. Audits from FY 87-88 were available December 1, 1988. Any adjustments to SDE FY 88-89 or other projections of teacher incentive pay should be considered.

Funds returned are expected to diminish over time as different program models are implemented to encourage the districts to expend the funds. However, to ensure that the South Carolina Average Teacher Salary is at the Southeastern Average Salary requires that funds represented in the South Carolina Average

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Teacher Salary be spent on salaries. When funds appropriated for teacher incentive funds are returned to the statewide building fund, this guarantee cannot be met.

Conclusion

The teacher incentive program has been piloted for three years on a limited basis, and will only be implemented statewide in FY 88-89. Adequate data has not been collected by SDE to evaluate the impact of the program on the average classroom teacher's salary. Only limited observations can be made at this stage of implementation.

Recommendations

- 5 SDE should apply the same criteria and methodology to the development of the teacher incentive factor as are applied to other component factors of the average teacher salary figure.
- 6 If teacher incentive funds are used to project salary information, some reporting mechanism should be developed to reflect the expended funds and therefore the amount that was returned to the statewide building fund.

**District Financial
and Pupil Audits**

Overall, school districts are reporting student attendance information accurately and meeting financial requirements of the Education Finance Act (EFA). The Audit Council reviewed 19 (32%) of 59 financial audits conducted by SDE's Auditing and Field Services Section for FY 84-85 and FY 85-86. The following sections summarize the EFA-related audit results in the sample by audit category.

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Pupil Accounting

For this area, the SDE auditors determined if weighted student counts and average daily membership figures were correct. In the Audit Council sample, five districts had no overclaims from not reporting students correctly. The overclaims for the remaining 14 districts were not significant, ranging from \$13 to \$24,886, with an average of \$4,958. The overclaims were deducted from the respective districts' EFA allocations.

Eighty-Five Percent Standard

Section 59-20-50(3) of the South Carolina Code of Laws requires that 85% of state and local funds appropriated to weighted classifications be spent on the programs for the students who generated those funds. For example, if \$100 is appropriated to the mentally handicapped classification in a district, \$85 must be spent on classes serving mentally handicapped children. In the sample, 4 (21%) of 19 districts did not meet the 85% requirement in one student category. The four districts' penalties averaged \$214. While there were no material problems in terms of the districts meeting the 85% standard, SDE has not been penalizing the districts the full amount required by law (see p. 29).

Local Required Support

Based on its ability to pay, each district is required to contribute its local share of EFA funds. All 19 districts contributed their share of EFA funds as required by law.

Minimum Salary

The Education Finance Act requires school districts to pay teachers' and administrators' annual salaries at least equal to the statewide minimum salary for their experience levels and classifications. For the 19 district audits sampled from FY 84-85 and FY 85-86, SDE auditors found that 18 (95%) complied with the minimum salary requirement.

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**Funding
Standards**

SDE does not conduct financial audits of school district compliance with minimum funding requirements of the Defined Minimum Program (DMP).

The DMP requires each school district to maintain certain budget and/or expenditure levels per student for instructional materials, library supplies, and student development and remediation. In FY 87-88, the required funding level statewide was approximately \$7 million. SDE checks compliance with these standards by using assurance statements completed by school district officials. However, the Department conducts no financial audits to check the accuracy of this data reported by school districts.

SDE does conduct financial audits of school district compliance with certain Education Finance Act requirements, such as teacher salaries and local fiscal effort. However, without audits of minimum funding requirements, there is less assurance that instructional materials, library supplies, and student development/remediation are adequately funded.

Recommendation

- 7 SDE's financial audits of school districts should include a review of compliance with the DMP's minimum funding requirements.

**Eighty-Five
Percent Clause
Penalty**

SDE does not penalize school districts to the fullest extent for noncompliance with the 85% clause as required by law. The 85% clause requires districts to spend 85% of state and local funds appropriated for each weighted classification, such as primary, vocational, or visually handicapped, in those specific program areas. When districts do not meet the 85%

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requirement, SDE penalizes them the state share of the difference, rather than the full share of the difference as required by law.

Section 59-20-50(3) requires districts not spending 85% of EFA funds in the appropriate program areas to be penalized "the difference between the amount spent and the required eighty-five percent figure." SDE officials explained that they began penalizing only the state share, which averages 70%, when EFA was first implemented. At the time, more districts had difficulty meeting the 85% requirement, and SDE wanted to avoid penalizing their local funds. However, in recent years, most districts comply with the requirement and those that do not, fall short only by small amounts. In a sample of district audits for FY 84-85 and FY 85-86, 4 of 19 did not meet the requirement. The amounts penalized in all 4 cases were less than \$300.

Recommendation

- 8 When districts do not meet the 85% requirement, SDE should penalize them the full amount as required by law.

**Statewide
Weighted Pupil
Units Projections**

Projections of the statewide weighted pupil units (WPUs) have been inaccurate and have resulted in underfunding for the districts. The SDE has projected WPUs based on a ratio between the 45-day and 135-day average daily membership counts. Projected figures are used for budgeting and appropriating funds under the EFA. However, the Budget and Control Board is not required to accept SDE's projections and can recommend differently. When funded WPUs are less than the actual number of statewide WPUs, all districts share in the underfunding problem and have less funds than are allotted to cover the costs of providing the Defined Minimum Program under EFA.

In FY 87-88, SDE projected that statewide WPUs would be 736,300. However, funds were appropriated for only 733,500 WPUs in the FY 87-88 Appropriation Act. The actual number of

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WPUs for FY 87-88 was 735,363. The shortfall caused by this situation cost districts \$2.89 per WPU.

For FY 88-89 budgeting, the SDE identified again a possible shortfall to districts. The Department estimates there will be approximately 743,000 WPUs in FY 88-89, while the Budget and Control Board recommended funds for only 740,000. If a shortfall occurs, again districts would have to come up with the necessary revenues to fully fund the Defined Minimum Program.

Estimates of the number of WPUs from year to year are difficult to project. This is true, according to SDE, because actual prior year data is available too late in the budget process to be of assistance in projecting the next year's count. For FY 87-88, actual WPU counts were not available until the 135th day of the school year, or approximately May 1988. The 135-day count is the established report under EFA for capturing the actual pupil data for the year. Since budget estimates are required beginning in February, projections must be made based on the second prior year information.

WPU projections have historically been items for legislative discussion and funding is uncertain. Districts do not know what funding they will receive until the Appropriation Act is passed in June. Adjustments to the local level appropriations are difficult to make this late in the process. Alternatives to this method of projecting WPUs have been proposed.

One proposal is to fund districts on second prior year actual WPU figures. However, SDE estimates this method would cause districts to suffer a onetime loss. For example, if this method had been used in FY 87-88, districts would have had a net loss of \$7.5 million in funding. The years following the onetime adjustment would always be funded on second prior year figures. This would mean districts that experience WPU growth would not be funded for the growth they experience until one year from the time it occurred.

A subcommittee of the General Assembly's Formula Study Committee is studying this issue. One alternative under study is to apply an average growth/decrease factor to prior year WPUs for each district. This factor could be developed from

computing the growth/decrease factor for the previous two years and averaging the factor. This method would allow districts to adjust to funding increases and declines more gradually. Since the methodology would be established, districts would be able to identify their individual funding earlier which would ease administrative decision making. Appendix L contains data by district showing the growth/decline rates from FY 85-86 through FY 87-88.

Currently, when WPU's are underfunded, all districts are faced with finding other revenues to cover EFA costs. By not fully funding WPU's, the state is shifting costs to the districts that under EFA are to be paid by the state.

Recommendation

- 9 The General Assembly may wish to consider alternatives to the present method of projecting statewide weighted pupil units for budget purposes. Proposals should allow district level administrators to have accurate funding information as early as possible in the local government budget process.

Accreditation

In order to qualify for EFA funds, schools must be accredited by the Office of School District Accreditation and Assessment, within SDE's Division of Instruction. The office monitors schools' compliance with the Defined Minimum Program (DMP) through analysis of the Basic Educational Data System (BEDS) and on-site visits. The DMP defines the minimum educational standards for programs which must be provided to all public school students. The BEDS is a computerized data system which compiles information on schools' programs, teachers and enrollments.

Background

A preliminary analysis of BEDS, submitted by schools in October, identifies all deficiencies (noncompliance with the DMP) upon which the accreditation rating is based. This analysis is sent to districts and schools along with one of the following accreditation ratings.

All Clear - district or school meets defined minimum program standards.

Advised - district or school not meeting all standards; however, deficiencies may be easily corrected and/or substantial progress has been made towards their removal.

Warned - district or school not meeting one or more standards and must make substantial progress before the next school year to avoid receiving a probation rating.

Probation - serious deficiencies exist and a district or school will lose accreditation unless satisfactory progress is made to correct deficiencies before next school year.

Dropped - district or school has experienced serious problems in meeting standards for one or more school years. If a high school is dropped, it cannot issue high school diplomas or receive state funds until a plan to correct deficiencies has been approved by the State Board of Education.

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Each district is required to reply to the preliminary analysis, in writing, by February 15 to state plans for removal of deficiencies. Final accreditation ratings for each school and district are published in the *Accreditation of School Districts in South Carolina Annual Report*.

A critical part of the monitoring process is the on-site visit. During on-site visits of schools and district offices, Accreditation staff verify BEDS information and determine if deficiencies have been corrected.

The Audit Council examined SDE's present school accreditation system and found problems regarding the adequacy of school accreditation, on-site visits, accreditation ratings, and classifications. These problems are discussed in the following pages.

**Adequacy of
Accreditation
Process**

The Audit Council examined SDE's present accreditation system to determine whether it provides an adequate assessment of educational quality and minimum educational standards in South Carolina. The Council, as it did in 1980, 1983 and 1986, again finds that the process of accrediting schools in South Carolina does not ensure that a quality educational program is in place.

One of the primary responsibilities of the State Superintendent of Education is evaluating and recommending improvements for public education in South Carolina. In addition, §59-20-60 of the South Carolina Code of Laws requires SDE to review each school district's educational program and make recommendations as needed.

However, the Defined Minimum Program (DMP), which establishes the minimum educational criteria by which all schools are accredited, does not encourage schools and districts to examine the academic performance of their students. Furthermore, although the present accreditation system, through the DMP standards, specifies the types and amounts of resources to be available to all schools, the DMP standards do not measure the success of educational programs related to individual student

performance resulting from the application of these resources. Educational standards can be divided into two categories, procedural standards and performance standards. The DMP requirements are procedural because they are input-related, detailing the resources needed for schools to meet minimum educational standards. Although providing resources is necessary in establishing minimum educational standards, these standards also need to include performance measures so that SDE can evaluate the effectiveness of those resources in educational programs.

In January 1988, the State Board of Education promulgated regulations to implement significantly revised DMP standards. The proposed DMP included standards for minimum student performance, leadership and management evaluation in the schools and districts, and other quantitative standards. The revised standards also addressed the problem, identified in previous Audit Council reviews, of accreditation ratings not measuring overall educational quality. A new accreditation rating system which uses a single rating to grade both DMP compliance and education quality is part of the proposed DMP. The new system was pilot-tested in 4 school districts during the 1986-87 school year and in 43 districts during school year 1987-88. When proposed changes were under review by the General Assembly, school district officials indicated the changes might increase costs and paperwork. SDE withdrew the revised DMP standards at the request of the Senate Education Committee in April 1988.

Recommendation

- 10 SDE should adopt a single accreditation rating system which measures educational quality as well as compliance with the Defined Minimum Program.

Accreditation Checklists

Checklists are used by Accreditation Section staff to assist in the assessment of compliance with the Defined Minimum Program (DMP) during on-site visits to schools and districts. The checklist form is found in Appendix M. The Audit Council found problems in the design and use of accreditation checklists which are detailed in the following pages.

Guidelines for Checklists

The Accreditation Section has no written guidelines defining the 70 assessment categories on the checklist used for on-site reviews. Without clearly defined guidelines, staff could assess similar problems inconsistently. For example, the Audit Council found ten cases of staff assessing problems inconsistently.

The checklist's 70 categories include attendance, facilities, programs and teacher information. For many of the categories, it is not readily apparent how they should be measured or what would be acceptable. For example, there are no guidelines for how to measure teacher attitudes, volunteer services or teaching techniques. Also, there are no guidelines stating acceptable teacher turn-over rates, classroom displays or extra-duty assignments.

Lack of written guidelines for the checklists may have resulted in Accreditation staff assessing similar problems inconsistently. During its review of 209 checklists, the Audit Council found 10 cases, involving 15 schools, in which a school was cited for a DMP deficiency while another school with a similar problem only received a recommendation to make changes. For example:

- Accreditation staff recommended one school to be repainted with no deficiency cited. However, another school was cited by the staff as deficient because it needed new paint.
- One school was asked to ensure that a teacher of handicapped students received certification. However, another school was given a deficiency by staff for having an uncertified art teacher.

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Accreditation

- Accreditation staff recommended one school remove a dead tree on the playground. Another school, however, was cited with a deficiency for having a dead tree on its playground.

Section 59-20-60 of the South Carolina Code of Laws requires that SDE monitor the degree to which schools are complying with the DMP. On-site reviews are one means that SDE uses to determine compliance; however, these reviews should be objective. The United States General Accounting Office standards for program evaluation require evaluative terms to be clearly stated and objective.

A Department official stated that since each of its Accreditation staff members was a former school principal and familiar with the requirements of the DMP, there was no need for written guidelines for use with on-site reviews. However, not all of the DMP requirements on the checklist are defined specifically enough for evaluation purposes.

Lack of written guidelines may hamper the Accreditation Section's staff in accurately assessing a school's compliance with the DMP. Unwritten procedures can be misinterpreted and erroneously communicated. Furthermore, inconsistent treatment of similar situations can lead to inequitable accreditation ratings. Also, without written guidelines, staff ratings are more vulnerable to questions of accuracy.

Recommendation

- 11 SDE should develop written guidelines to assist Accreditation Section staff in defining and assessing DMP deficiencies. Such guidelines should minimize the opportunity for subjective assessment.

Use of Checklists

Accreditation staff are not required to use on-site checklists when assessing schools for compliance with the DMP. According to an SDE official, of the eight field staff members, two use the checklist most of the time, two use the checklist sometimes, and four employees do not use the checklist. By not completing checklists, SDE lacks documentation to support DMP deficiencies found in schools.

A Department official stated that approximately 50% (556) of the 1,112 schools were visited in school year 1986-87, which includes all schools that have received "Warned" or "Probation" accreditation ratings. The Audit Council found the following problems in its review of all on-site checklists for the 1986-87 school year.

- Of the approximately 556 on-site school visits, only 209 (38%) checklists were completed, largely because only 2 of the 8 Accreditation field staff routinely use the checklist.
- None of the 86-87 checklists were for on-site reviews of high schools, even though a Department official stated that approximately 50% (104) of the state's 207 high schools received on-site reviews.
- SDE staff could provide only 4 checklists for 4 of the 25 schools rated Warned or Probation. Three checklists were completed for the 19 Warned schools; one checklist was located for the 6 Probation schools.

With no record of approximately 62% of on-site reviews, SDE cannot document that schools were evaluated as stated. Also, on-site visits can point out a school's deficiencies before they become larger problems. Without adequate documentation of deficiencies found during on-site visits, schools have no record of these deficiencies to help them identify and correct problems.

Furthermore, SDE may not be fulfilling its responsibility of monitoring compliance with the DMP when checklists are not completed. In addition, SDE cannot ensure that previously noted deficiencies are being corrected, or that schools with Warned or

Chapter 4
Accreditation

Probation ratings are being adequately monitored to prevent recurring deficiencies.

Recommendation

12 SDE should ensure that accreditation staff use checklists for all schools reviewed during on-site visits.

Scope of Checklist

The on-site visit checklist used by Accreditation Section staff to assess DMP compliance does not address some major requirements of the DMP. Also, the checklist includes assessment of nonquantifiable areas not found in the DMP. For example, the checklist does not address whether DMP-mandated courses are offered in language arts, mathematics and natural science for grades 1-8. Furthermore, the checklist omits review of mathematics, social studies, economics and government courses for grades 9-12, which are mandatory for a South Carolina high school diploma. In addition, the DMP for grades 9-12 requires schools to offer a minimum of two units credit in business education and at least two years of foreign language. The checklist does not allow verification that these courses are in place. In contrast, however, the checklist does allow assessment of such nonquantifiable areas as teacher attitudes and teaching techniques for all grades, areas which are not specifically addressed in the DMP.

Section 59-20-60 states that the State Board of Education shall audit "the degree to which a school meets all prescribed standards of the defined minimum program." On-site visits serve to verify information reported by schools on required programs.

Because not all requirements are included on the checklists, SDE cannot be assured that students are receiving the mandatory instruction for their grade level or high school degree requirements. Furthermore, SDE is without a means to monitor information submitted through the BEDS.

Recommendation

**Districts, Boards and
Vocational Education
Centers**

- 13 SDE should appoint staff to devise a checklist with assessment categories which appropriately reflect specific DMP requirements.

SDE's Accreditation Section has no checklist form for on-site reviews of vocational education centers, district operations, and local boards of trustees. Therefore, SDE has no recorded results of any on-site reviews conducted in these areas, nor can it ensure that the reviews were done consistently.

The 92 school district offices in the state oversee the operations of schools under their authority. The DMP requires districts to plan developmental and remedial programs and maintain records on finances, personnel, equipment, students, and transportation. Local boards of trustees, which govern school districts, supervise the operations of school districts. In addition, local boards of trustees implement board policies which are proposed by the district superintendent.

District offices and school boards are required to report information on their operations to the Accreditation Section. Based on these self-reports, the Accreditation Section determines accreditation ratings which reflect the degree of compliance with the DMP. On-site visits serve to verify the self-reported information and determine if recommended improvements have been made.

SDE officials stated that all 92 district offices are visited by Accreditation staff every year. However, SDE has no checklists for any of these on-site visits. Although SDE officials stated that approximately 50% (26 of 52) of the state's vocational education centers were reviewed by Accreditation staff, no documentation exists of the results of these reviews.

Without records of on-site visits to vocational education centers, district offices, and boards of trustees, SDE cannot document that districts, vocational education centers and boards meet the standards required for EFA funding.

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Accreditation

Recommendation

14 SDE should develop and use checklist forms for on-site reviews that specifically address district offices, local boards of trustees, and vocational education centers.

**Management
Controls for
On-Site Visits**

SDE uses an internal management system which enables accomplishment of agency objectives through the completion of activities under each objective. The management system, developed for each SDE division and office prior to the fiscal year, includes beginning and completion dates, activity assignments, and it reports any problems. However, during its review of SDE's Accreditation Section, the Audit Council found that the SDE internal management system did not adequately address management controls for on-site visits.

The Accreditation Section lacks a master schedule to ensure that schools are examined periodically. As a result, it cannot be readily determined how often each school is visited for an on-site review. In addition, the Section does not keep a log of schools that have been visited and their dates of visitation.

According to an SDE official, information regarding schools visited by the Accreditation Section staff could be obtained by examining the SDE travel logs. However, this information is not used to plan the visits and would be cumbersome to research.

The development of a systematic schedule for conducting on-site reviews is necessary for SDE to visit all schools on a consistent basis. In addition, a systematic logging procedure consisting of schools visited, dates, and deficiencies found would enable the Section to document on-site visits.

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Accreditation

Recommendation

15 To document on-site reviews, SDE should maintain a log of schools visited, dates of visits, and deficiencies found.

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Appendices

Glossary

Accreditation - The process used to ensure school and district compliance with educational standards set out in the Defined Minimum Program. Every school receives an accreditation rating to indicate the degree of its compliance.

Average Daily Membership (ADM) - A method of counting students in which enrollment is averaged over 135 of the 180 days schools are in session.

Base Student Cost (BSC) - The amount of money required to provide the Defined Minimum Program for the most economically educated student in the school system. This has been determined to be those students in grades 4 through 8 in a regular classroom setting. The BSC figure is established each year by the Legislature.

Basic Educational Data System (BEDS) - A computerized reporting system which provides statistical information on each school. The information is provided for use in monitoring compliance with the Defined Minimum Program (DMP).

85% Clause (Expenditure Requirements) - A provision of the EFA which requires school districts to expend 85% of the dollars generated by the pupil membership in the categories where the students generating the revenues are classified.

Defined Minimum Program (DMP) - The program established annually by the State Board of Education that is necessary to provide public school students in South Carolina with minimum educational programs to meet their needs. The DMP provides the criteria for establishing cost estimates of the foundation program (Base Student Cost). In spending EFA funds, districts must give first priority to meeting standards established by the DMP.

Appendix A
Glossary of Terms

EFA Formula - The funding formula which determines Education Finance Act state and local allocations to school districts which average 70/30%, respectively, statewide. The total amount of funding a district receives is the base student cost times the district's weighted pupil units. The percentage of the amount funded by the state is determined by the index of taxpaying ability.

Fiscal Capacity - The assessed value of property within school districts, adjusted to current market values, calculated annually by the South Carolina Tax Commission.

Index of Taxpaying Ability - A ratio used to compare the local school district's property taxing capacity to all other districts in the state. The index divides district fiscal capacity by total statewide fiscal capacity and, therefore, provides a percentage of statewide wealth taxable in each district.

Inflation Factor - A cost factor developed by the Division of Research and Statistics to indicate the needed percentage increase in the base student cost to counter inflation.

Program - The combination of educational activities designed to meet a student's specific needs. For example, one student's program may consist of classes in regular, vocational and handicapped categories. This term is used interchangeably in the Act with "classification."

Salary Schedule - Minimum salaries paid to teachers, by education and years of experience, based on an index established by EFA.

Teacher Incentive - Additional funds which are given to districts for each teacher who meets criteria established by the State Board of Education.

Weighted Pupil Unit (WPU) - A method of counting students using average daily membership and the cost ratios (weights) assigned the various education programs. Used as an indicator of pupil need for services in the statistical sections of this report.

Appendix A
Glossary of Terms

Weighting System (Weights) - Cost ratios assigned to different student classifications based on the relative cost of their education program to that of the base student, which is given a weighting of 1.00 (see *Base Student Cost*). All other categories of students, such as vocational and handicapped, require additional services, thus their weightings are greater. In South Carolina, a pupil is counted in only one educational category, regardless of other educational services received.

Appendix B

State Department of Education

Source of Revenues and Expenditures

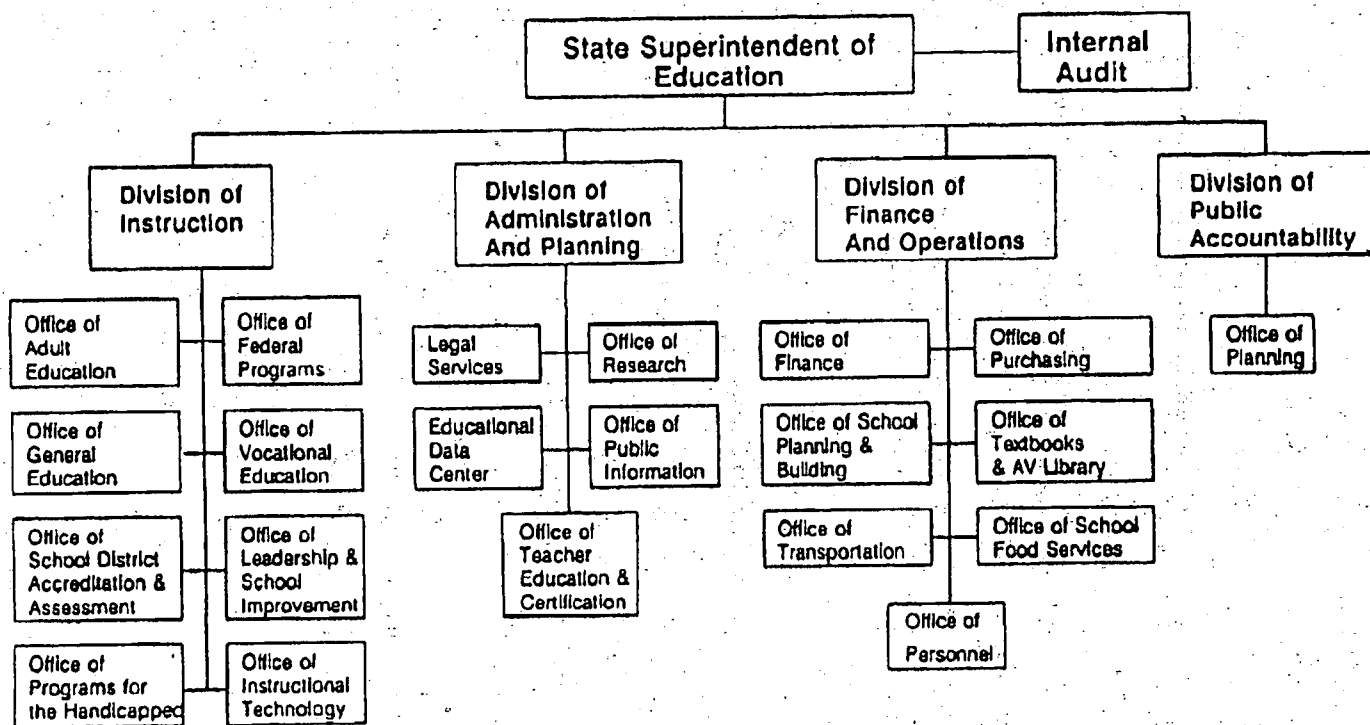
	FY 83-84	FY 84-85	FY 85-86	FY 86-87	FY 87-88*
Revenues:					
State General Fund	\$803,976,674	\$876,588,396	\$896,887,863	\$915,833,357	\$949,561,485
Federal Funds	142,201,781	156,545,291	163,036,957	161,726,712	170,813,858
Other Funds ^a	1,010,183	186,023,594	215,645,680	241,627,302	255,392,208
Total	\$947,188,638	\$1,219,157,281	\$1,275,570,500	\$1,319,187,371	\$1,375,867,551
Expenditures:					
Policy Development	\$295,295	\$371,181	\$408,297	\$477,193	\$487,647
Staff Administration	2,694,329	3,171,115	3,419,278	3,494,396	3,524,926
Instructional Support	98,275,748	105,347,689	112,017,549	112,220,205	115,083,528
Noninstructional Support	89,509,501	94,429,288	97,432,206	92,811,979	99,603,384
Direct Support	36,894,368	41,714,548	50,844,544	50,338,824	40,158,445
Planning, Research, Evaluation and Information Services	5,173,120	5,729,261	5,509,242	5,934,970	5,831,851
Education Finance Act	562,672,048	609,139,535	629,404,985	649,637,548	692,418,665
Aid to Other State Agencies	70,241	-	-	-	-
Public School Employee Benefits	140,017,591	145,848,591	154,805,018	158,931,483	161,720,531
Employee Benefits	3,586,397	3,900,707	4,354,633	4,519,362	4,763,283
Nonrecurring/ Supplemental Appropriations	8,000,000	24,324,994	3,041,390	1,600,000	-
Education Improvement Act ^b	-	185,180,272	214,333,358	239,171,411	252,275,291
Total	\$947,188,638	\$1,219,157,281	\$1,275,570,500	\$1,319,187,371	\$1,375,867,551
Personnel:					
Total	1,054	1,104	1,133	1,140	1,140

*FY 87-88 figures provided by the State Department of Education.

^aThe 1 cent sales tax increase for the Education Improvement Act went into effect in FY 84-85.

Source: State Budget and Control Board.

State Department of Education Organization Chart



Source: State Department of Education, September 1988.

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Appendix D

Methodology for Allocating State Funds to Compensate Fully for Wealth Disparity

Tables 2.1 and 2.2 (see p. 8) display the results of Audit Council analysis of total state funding of school districts in relation to district wealth. Funds also analyzed include EIA funds (Table 2.4 on p. 11), and fringe benefit funds (Table 2.6 on p. 13).

In this methodology, wealth is defined as fiscal capacity per weighted pupil unit (WPU). Construction funds were excluded from the above funds. The steps used in this analysis are listed below.

- (1) All school districts were ranked in descending order according to fiscal capacity per WPU. Data for each district included fiscal capacity, WPUs, and state funding.
- (2) The districts were separated into five groups or fifths, with each fifth containing 20% of statewide WPUs. To maintain equal WPUs in each fifth, data for districts at the breakpoint between fifths were prorated to the next higher and lower fifths. Grouping the districts into fifths was done only to present more clearly funding allocation data as they affect WPUs within districts of comparable fiscal capacity per WPU. This grouping is not related to the allocation method presented in the analysis.
- (3) Fiscal capacity and state funding per WPU for each district were calculated.
- (4) Total fiscal capacity, WPUs, and state funding for each fifth were calculated. Each fifth's percentage of statewide fiscal capacity, WPUs, and state funding was calculated.
- (5) Funding per WPU for each district was adjusted in inverse proportion to relative fiscal capacity per WPU. With this adjustment, the ratio of funding per WPU between any two districts will be equal to the inverse of the ratio of fiscal capacity per WPU between the same districts. For example, a district with half the fiscal capacity per WPU of another district would receive twice (1/0.5) the funding per WPU of the wealthier district.

Appendix D
Methodology for Allocating State Funds to Compensate Fully for Wealth Disparity

The allocations necessary to fund *districts* in inverse proportion to relative fiscal capacity per WPU may not result in the allocations to *fifths* being in precise inverse proportion to their relative fiscal capacity per WPU.

The Audit Council developed the following formula to calculate the *fiscal capacity allocation* for each district. This formula allocates funds per WPU in inverse proportion to relative fiscal capacity per WPU.

$$\begin{aligned}
 \text{A. Initial adjusted allocation} &= \frac{\text{state funds}}{\text{state WPUs}} (\text{district WPUs}) \times \frac{\text{state fiscal capacity per WPU}}{\text{district fiscal capacity per WPU}} \\
 \text{B. Funds available factor} &= \frac{\text{state funds available}}{\sum \text{initial adjusted district allocation}} \\
 &\qquad\qquad\qquad (A) \qquad\qquad\qquad (B) \\
 \text{C. Fiscal capacity allocation} &= \text{Initial adjusted allocation} \times \text{funds available factor}
 \end{aligned}$$

Part A of the formula allocates equal dollars per WPU for each district, then multiplies the allocation by the inverse ratio of the district fiscal capacity per WPU to the statewide average fiscal capacity per WPU. After calculating the initial allocation for each district (Part A), each initial allocation was multiplied by the funds available factor (Part B). This factor is equal to total funds available for the program divided by the sum of the district allocations from Part (1), ensuring that the final adjusted allocation is equal to total funds available. The adjusted allocations per WPU were displayed for each district.

- (6) The fiscal capacity allocation for each fifth was calculated by summing the fiscal capacity per WPU allocations for the districts within each group.

Appendix E

Fiscal Capacity Per WPU Allocation

FY 83-84 Total State Funds

SCHOOL DISTRICT	1983 FISCAL CAPACITY	WPU	FISCAL CAPACITY PER WPU	ACTUAL STATE FUNDS	ACTUAL STATE FUNDS PER WPU	FISCAL CAPACITY ALLOCATION	FISCAL CAPACITY ALLOCATION PER WPU
WEALTHIEST FIFTH							
1 BEAUFORT	\$176,486,479	11,643	\$15,158	\$9,019,430	\$773	\$4,262,400	\$366
2 CALHOUN	29,564,653	2,487	11,885	2,337,692	948	1,161,313	467
3 ANDERSON 4	33,871,383	3,020	11,214	2,119,501	702	1,494,531	495
4 Horry	240,275,058	25,283	9,503	20,009,870	791	14,762,543	584
5 SPARTANBURG 3	37,866,945	4,165	9,092	3,622,451	870	2,542,045	610
6 SPARTANBURG 6	80,622,495	9,155	8,807	7,877,925	861	5,768,054	630
7 GREENWOOD 52	15,665,441	1,859	8,426	1,692,277	910	1,224,317	659
8 CHARLESTON	387,448,927	49,668	7,801	46,209,347	930	35,329,163	711
9A GREENVILLE A	276,017,327	36,763	7,508	33,834,671	920	27,169,603	739
WEALTHIEST FIFTH TOTAL	\$1,277,818,708	144,044	\$8,871	\$126,743,165	\$880	\$93,713,969	\$651
PERCENT SHARE	29.2%	20.0%		17.4%		12.9%	
SECOND FIFTH							
9B GREENVILLE B	\$190,727,791	25,403	\$7,508	\$23,379,736	\$920	\$18,774,178	\$739
10 OCONEE	89,489,817	11,936	7,498	11,101,431	930	8,833,479	740
11 DORCHESTER 3	10,127,054	1,359	7,453	1,344,621	990	1,011,577	744
12 RICHLAND 1	269,737,960	33,792	7,391	32,839,476	972	25,370,937	751
13 FAIRFIELD	36,020,897	5,255	6,854	5,123,536	975	4,254,273	810
14 SPARTANBURG 7	89,738,091	13,261	6,767	13,474,202	1,016	10,873,916	820
15 ANDERSON 5	90,497,331	13,411	6,748	13,154,153	981	11,027,111	822
16 GREENWOOD 50	70,845,871	10,629	6,665	10,205,264	960	8,848,941	833
17 SPARTANBURG 4	19,669,503	3,063	6,418	2,980,176	972	2,649,546	865
18 SPARTANBURG 5	32,120,833	5,015	6,404	4,837,442	965	4,345,342	866
19 ORANGEBURG 5	46,835,963	7,477	6,264	7,664,575	1,025	6,623,112	886
20 LEXINGTON 4	13,083,632	2,097	6,239	2,106,346	1,004	1,865,147	889
21A PICKENS A	70,417,690	11,344	6,207	11,364,002	1,002	10,161,194	894
SECOND FIFTH TOTAL	\$1,009,312,433	144,044	\$7,007	\$139,574,960	\$969	\$114,618,750	\$796
PERCENT SHARE	23.0%	20.0%		19.2%		15.8%	
THIRD FIFTH							
21B PICKENS B	\$32,498,253	5,236	\$6,207	\$5,244,566	\$1,002	\$4,680,231	\$894
22 FLORENCE 1	106,058,507	17,131	6,191	16,743,748	977	15,353,315	896
23 ANDERSON 3	17,750,666	2,899	6,123	2,787,850	962	2,627,349	906
24 LEXINGTON 5	75,426,603	12,332	6,116	12,399,818	1,006	11,187,295	907
25 COLLETON	46,330,122	7,733	5,991	7,737,478	1,001	7,161,447	926
26 YORK 2	20,843,706	3,539	5,890	3,632,885	1,027	3,334,313	942
27 KERSHAW	60,412,606	10,301	5,865	10,284,328	998	9,745,362	946
28 BERKELEY	161,140,084	27,500	5,860	27,017,567	982	26,040,654	947
29 GEORGETOWN	69,523,317	11,873	5,856	11,851,099	998	11,251,137	948
30 DARLINGTON	90,580,836	15,746	5,753	16,235,360	1,031	15,188,096	965

(Continued to next page.)

Appendix E
Fiscal Capacity Per WPU Allocation FY 83-84 Total State Funds

SCHOOL DISTRICT	1983 FISCAL CAPACITY	WPU	FISCAL CAPACITY PER WPU	ACTUAL STATE FUNDS	ACTUAL STATE FUNDS PER WPU	FISCAL CAPACITY ALLOCATION	FISCAL CAPACITY ALLOCATION PER WPU
31 ALLENDALE	16,254,209	2,869	5,666	3,043,265	1,061	2,809,517	979
32 LEXINGTON 2	69,515,019	12,277	5,662	12,671,025	1,032	12,031,003	980
33 YORK 4	18,200,144	3,280	5,548	3,354,335	1,023	3,280,496	1,000
34A YORK 3A	62,150,562	11,330	5,485	11,673,020	1,030	11,460,851	1,012
THIRD FIFTH TOTAL	\$846,684,634	144,044	\$5,878	\$144,676,363	\$1,004	\$136,151,068	\$945
PERCENT SHARE	19.3%	20.0%		19.9%		18.7%	
FOURTH FIFTH							
34B YORK 3B	\$17,694,399	3,226	\$5,485	\$3,323,334	\$1,030	\$3,262,929	\$1,012
35 AIKEN	138,015,226	25,682	5,374	26,406,600	1,028	26,517,425	1,033
36 SPARTANBURG 1	24,533,744	4,657	5,268	5,055,213	1,085	4,905,965	1,053
37 NEWBERRY	38,861,311	7,392	5,257	7,644,627	1,034	7,802,718	1,056
38 DORCHESTER 2	65,755,463	12,641	5,202	12,833,845	1,015	13,485,180	1,067
39 RICHLAND 2	64,193,139	12,595	5,097	13,294,671	1,056	13,712,750	1,089
40 ANDERSON 1	34,622,947	6,917	5,005	7,400,981	1,070	7,668,709	1,109
41 GREENWOOD 51	7,139,031	1,447	4,935	1,558,128	1,077	1,626,840	1,124
42 EDGEFIELD	20,735,014	4,234	4,897	4,473,341	1,057	4,797,158	1,133
43 YORK 1	21,675,405	4,431	4,847	4,789,993	1,081	5,071,996	1,145
44 ANDERSON 2	21,075,405	4,391	4,800	4,810,198	1,095	5,076,563	1,156
45 BARNWELL 29	6,004,226	1,258	4,773	1,379,228	1,096	1,462,259	1,162
46 ABBEVILLE	23,210,781	4,920	4,718	5,259,179	1,069	5,786,655	1,176
47 FLORENCE 5	7,197,947	1,531	4,701	1,607,918	1,050	1,807,653	1,180
48 BARNWELL 45	13,273,396	2,836	4,680	3,027,112	1,067	3,362,443	1,186
49 CHEROKEE	49,620,757	10,715	4,631	11,674,967	1,090	12,839,003	1,198
50 HAMPTON 1	14,026,322	3,042	4,611	3,250,733	1,069	3,660,253	1,203
51 SPARTANBURG 2	35,184,386	7,644	4,603	8,060,750	1,055	9,214,788	1,206
52 CLARENDON 1	8,257,330	1,810	4,561	1,989,181	1,099	2,202,410	1,217
53 CHESTER	36,738,776	8,082	4,546	8,695,809	1,076	9,864,381	1,221
54 LAURENS 56	20,283,087	4,503	4,504	4,718,991	1,048	5,547,015	1,232
55 UNION	32,292,506	7,174	4,501	7,714,482	1,075	8,844,163	1,233
56A SUMTER 17A	13,033,779	2,915	4,471	3,143,103	1,078	3,618,464	1,241
FOURTH FIFTH TOTAL	\$713,222,377	144,044	\$4,951	\$152,114,402	\$1,056	\$162,137,719	\$1,126
PERCENT SHARE	18.3%	20.0%		20.9%		22.3%	
POOREST FIFTH							
56B SUMTER 17B	\$34,290,536	7,670	\$4,471	\$8,269,182	\$1,078	\$9,519,806	\$1,241
57 JASPER	15,081,880	3,402	4,434	3,845,808	1,131	4,257,027	1,251
58 LEXINGTON 3	12,576,918	2,846	4,420	3,045,989	1,070	3,572,410	1,253
59 LAURENS 55	29,052,040	6,668	4,357	7,151,171	1,072	8,492,174	1,274
60 CHESTERFIELD	41,228,519	9,520	4,331	10,532,084	1,106	12,197,453	1,281
61 DORCHESTER 1	7,637,864	1,851	4,127	2,056,642	1,111	2,488,733	1,345
62 ORANGEBURG 3	15,815,521	3,852	4,105	4,392,278	1,140	5,207,072	1,352
63 MCCORMICK	8,823,056	2,155	4,095	2,410,168	1,119	2,920,101	1,355
64 LANCASTER	54,957,437	13,445	4,088	14,982,170	1,114	18,250,534	1,357
65 ORANGEBURG 4	7,737,049	1,988	3,892	2,272,357	1,143	2,833,540	1,426

(Continued to next page.)

Appendix E
Fiscal Capacity Per WPU Allocation FY 83-84 Total State Funds

SCHOOL DISTRICT	1983 FISCAL CAPACITY	WPU	FISCAL CAPACITY PER WPU	ACTUAL STATE FUNDS	ACTUAL STATE FUNDS PER WPU	FISCAL CAPACITY ALLOCATION	FISCAL CAPACITY ALLOCATION PER WPU
66 LEXINGTON 1	40,606,086	10,462	3,881	11,564,203	1,105	14,956,405	1,430
67 WILLIAMSBURG	37,982,823	9,863	3,851	10,833,223	1,098	14,212,138	1,441
68 FLORENCE 2	6,405,550	1,664	3,850	1,906,015	1,144	2,398,488	1,441
69 SALUDA	10,920,914	2,926	3,732	3,257,928	1,113	4,350,064	1,487
70 LEE	16,028,025	4,344	3,689	4,858,817	1,118	6,534,263	1,504
71 CLARENDON 2	13,668,062	3,722	3,618	4,122,385	1,107	5,708,329	1,534
72 HAMPTON 2	6,268,086	1,791	3,500	2,159,655	1,206	2,838,304	1,585
73 BARNWELL 19	4,940,577	1,466	3,371	1,829,471	1,248	2,412,142	1,646
74 MARION 1	13,651,882	4,077	3,349	4,700,466	1,153	6,755,008	1,657
75 BAMBERG 2	6,973,496	2,093	3,332	2,453,060	1,172	3,485,974	1,665
76 BAMBERG 1	8,069,789	2,432	3,318	2,796,930	1,150	4,067,377	1,672
77 SUMTER 2	33,443,158	10,108	3,308	11,628,701	1,150	16,953,850	1,677
78 FLORENCE 3	17,291,624	5,251	3,293	6,021,840	1,167	8,848,352	1,685
79 DILLON 2	18,192,168	5,528	3,291	6,225,862	1,126	9,321,337	1,686
80 ORANGEBURG 6	3,775,144	1,171	3,225	1,455,243	1,243	2,014,504	1,721
81 MARLBORO	25,990,783	8,139	3,193	9,696,816	1,191	14,141,583	1,738
82 ORANGEBURG 2	3,221,530	1,018	3,163	1,226,861	1,206	1,783,976	1,753
83 FLORENCE 4	5,204,413	1,713	3,038	2,117,251	1,236	3,128,863	1,826
84 ORANGEBURG 8	2,015,732	664	3,037	781,153	1,177	1,212,809	1,827
85 ORANGEBURG 7	3,223,579	1,084	2,973	1,350,973	1,246	2,024,006	1,867
86 DILLON 1	3,664,506	1,255	2,920	1,486,767	1,185	2,384,395	1,900
87 MARION 2	9,332,409	3,296	2,831	3,941,414	1,196	6,460,998	1,960
88 CLARENDON 3	4,048,128	1,438	2,815	1,753,545	1,219	2,835,618	1,972
89 DILLON 3	5,435,231	2,059	2,640	2,450,114	1,190	4,327,011	2,102
90 ORANGEBURG 1	3,982,272	1,524	2,614	1,875,723	1,231	3,234,551	2,123
91 MARION 3	2,084,220	896	2,327	1,176,501	1,313	2,136,538	2,385
92 MARION 4	1,438,009	664	2,164	855,532	1,288	1,703,748	2,564
POOREST FIFTH TOTAL	\$534,859,016	144,044	\$3,713	\$163,482,298	\$1,135	\$219,969,682	\$1,527
PERCENT SHARE	12.2%	20.0%		22.5%		30.3%	
STATEWIDE TOTAL	\$4,381,897,168	720,219	\$6,084	\$726,591,188	\$1,009	\$726,591,188	\$1,009
PERCENT SHARE	100.0%	100.0%		100.0%		100.0%	

Source: Calculated from SDE financial records.

Appendix F

Fiscal Capacity Per WPU Allocation FY 86-87 Total State Funds

SCHOOL DISTRICT	1986 FISCAL CAPACITY	WPU	FISCAL CAPACITY PER WPU	ACTUAL STATE FUNDS	ACTUAL STATE FUNDS PER WPU	FISCAL CAPACITY ALLOCATION	FISCAL CAPACITY ALLOCATION PER WPU
WEALTHIEST FIFTH							
1 BEAUFORT	\$285,101,184	13,178	\$21,635	\$11,773,372	\$893	\$5,838,645	\$443
2 DORCHESTER 3	20,252,067	1,155	17,533	1,292,869	1,119	631,532	547
3 FAIRFIELD	86,327,655	5,312	16,251	5,810,270	1,094	3,133,470	590
4 Horry	375,117,733	27,741	13,522	30,458,298	1,098	19,665,549	709
5 CALHOUN	31,270,160	2,364	13,228	3,256,029	1,377	1,713,088	725
6 GEORGETOWN	148,364,116	12,198	12,163	14,864,830	1,219	9,613,911	788
7 ANDERSON 4	34,952,587	3,016	11,591	3,532,791	1,172	2,493,945	827
8 CHARLESTON	540,778,270	50,195	10,774	63,594,192	1,267	44,661,270	890
9A RICHLAND 1A	311,962,350	30,784	10,134	40,915,183	1,329	29,118,805	946
WEALTHIEST FIFTH TOTAL	\$1,836,126,122	145,942	\$12,567	\$175,497,835	\$1,203	\$116,870,216	\$801
PERCENT SHARE	32.3%	20.0%		16.9%		11.3%	
SECOND FIFTH							
9B RICHLAND 1B	\$24,772,442	2,444	\$10,134	\$3,249,011	\$1,329	\$2,312,279	\$946
10 GREENVILLE	587,930,711	61,049	9,630	81,607,450	1,337	60,766,551	995
11 OCONEE	117,617,666	12,352	9,522	16,215,206	1,313	12,434,073	1,007
12 SPARTANBURG 6	83,342,083	8,935	9,327	11,951,038	1,338	9,183,115	1,028
13 YORK 2	29,769,863	3,578	8,320	4,969,440	1,389	4,122,091	1,152
14 GREENWOOD 52	14,667,076	1,773	8,270	2,473,645	1,395	2,055,640	1,159
15 SPARTANBURG 7	100,017,067	12,573	7,955	17,554,685	1,396	15,150,871	1,205
16 ANDERSON 5	102,663,264	12,967	7,917	18,413,475	1,420	15,700,176	1,211
17 SPARTANBURG 5	39,806,222	5,034	7,907	6,542,010	1,299	4,103,579	1,212
18 FLORENCE 1	130,530,114	17,089	7,638	26,756,467	1,449	21,447,045	1,255
19A LEXINGTON 5A	61,617,915	8,146	7,564	11,497,038	1,411	10,324,088	1,267
SECOND FIFTH TOTAL	\$1,292,734,423	145,942	\$8,858	\$199,229,465	\$1,365	\$159,599,508	\$1,094
PERCENT SHARE	22.8%	20.0%		19.2%		15.4%	
THIRD FIFTH							
19B LEXINGTON 5B	\$36,273,206	4,796	\$7,564	\$6,768,071	\$1,411	\$6,077,579	\$1,267
20 YORK 4	26,870,433	3,597	7,470	4,913,964	1,366	4,615,514	1,283
21 Kershaw	79,923,357	10,732	7,447	14,681,780	1,368	13,813,786	1,287
22 COLLETON	57,967,588	7,832	7,401	11,304,589	1,443	10,143,473	1,295
23 LEXINGTON 2	89,057,579	12,040	7,397	17,476,610	1,452	15,604,009	1,296
24 YORK 3	108,504,691	14,715	7,374	20,880,294	1,419	19,130,324	1,300
25 ORANGEBURG 5	56,213,294	7,663	7,356	11,533,935	1,505	10,014,054	1,307
26 GREENWOOD 50	78,156,550	10,493	7,258	15,186,178	1,447	13,857,970	1,321
27 PICKENS	122,451,128	17,023	7,193	23,668,736	1,390	22,684,347	1,333
28 RICHLAND 2	96,922,196	13,761	7,043	19,942,166	1,449	18,730,079	1,361
29 DARLINGTON	108,831,161	15,601	6,978	23,318,928	1,495	21,438,329	1,374
30 SPARTANBURG 4	20,090,530	2,885	6,964	6,224,795	1,464	3,971,169	1,377

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Appendix F
Fiscal Capacity Per WPU Allocation FY 86-87 Total State Funds

SCHOOL DISTRICT	1986 FISCAL CAPACITY	WPU	FISCAL CAPACITY PER WPU	ACTUAL STATE FUNDS	ACTUAL STATE FUNDS PER WPU	FISCAL CAPACITY ALLOCATION	FISCAL CAPACITY ALLOCATION PER WPU
31 SPARTANBURG 3	27,388,136	4,012	6,827	5,983,430	1,491	5,633,741	1,404
32 ANDERSON 3	19,284,309	2,855	6,755	4,100,544	1,436	4,051,057	1,419
33A BERKELEY A	113,314,126	17,937	6,317	25,666,243	1,431	27,218,492	1,517
THIRD FIFTH TOTAL	\$1,039,248,286	145,942	\$7,121	\$209,650,281	\$1,437	\$196,983,923	\$1,350
PERCENT SHARE	18.3%	20.0%		20.2%		19.0%	
FOURTH FIFTH							
33B BERKELEY B	\$75,718,012	11,986	\$4,317	\$17,150,526	\$1,431	\$18,187,760	\$1,517
34 AIKEN	168,595,766	26,787	6,294	40,208,916	1,501	40,798,703	1,523
35 LEXINGTON 4	13,842,709	2,206	6,275	3,193,433	1,448	3,369,764	1,528
36 ANDERSON 1	42,828,331	6,873	6,231	10,189,546	1,483	10,572,946	1,538
37 ABBEVILLE	29,182,868	4,724	6,178	7,133,045	1,510	7,329,207	1,532
38 CHEROKEE	64,428,315	10,436	6,173	15,877,637	1,521	16,205,360	1,553
39 NEWBERRY	43,938,994	7,619	6,029	11,195,449	1,469	12,113,650	1,590
40 LEXINGTON 1	67,643,926	11,656	5,821	17,375,122	1,491	19,194,985	1,647
41 DORCHESTER 2	80,132,418	13,990	5,728	20,026,882	1,432	23,413,112	1,674
42 ANDERSON 2	24,357,310	4,317	5,643	6,726,767	1,558	7,333,200	1,699
43 SPARTANBURG 1	25,150,032	4,471	5,625	6,787,633	1,518	7,619,753	1,704
44 ALLENDALE	16,087,277	2,861	5,623	4,445,762	1,554	4,876,627	1,705
45 FLORENCE 5	8,818,772	1,588	5,553	2,437,083	1,534	2,761,798	1,726
46 UNION	37,774,040	6,923	5,456	10,790,118	1,559	12,183,921	1,757
47 SUMTER 17	58,238,574	10,743	5,421	16,713,464	1,556	18,996,807	1,768
48 YORK 1	25,259,958	4,705	5,369	7,081,171	1,505	8,400,677	1,785
49 GREENWOOD 51	7,419,177	1,390	5,337	2,132,221	1,534	2,496,611	1,796
50 JASPER	18,148,177	3,416	5,313	5,389,760	1,578	6,162,719	1,804
51 LAURENS 56	23,708,930	4,475	5,298	6,858,206	1,532	8,097,374	1,809
52A CHESTERFIELD A	25,209,814	4,776	5,279	7,442,839	1,558	8,672,868	1,816
FOURTH FIFTH TOTAL	\$858,683,400	145,942	\$5,884	\$219,155,580	\$1,502	\$238,747,640	\$1,636
PERCENT SHARE	15.1%	20.0%		21.1%		23.0%	
POOREST FIFTH							
52B CHESTERFIELD B	\$23,899,789	4,528	\$5,279	\$7,056,072	\$1,558	\$8,222,183	\$1,816
53 CHESTER	43,255,997	8,208	5,270	12,569,734	1,531	14,930,533	1,819
54 LAURENS 55	34,173,274	6,508	5,251	9,890,199	1,520	11,880,508	1,826
55 LEXINGTON 3	14,115,671	2,717	5,195	4,243,396	1,562	5,013,854	1,845
56 LANCASTER	67,296,847	13,016	5,170	20,692,984	1,590	24,132,792	1,854
57 CLARENDON 1	8,209,375	1,589	5,167	2,761,626	1,725	2,947,961	1,855
58 SPARTANBURG 2	39,764,879	7,739	5,138	11,763,861	1,520	14,436,940	1,866
59 EDGEFIELD	22,780,728	4,515	5,045	6,954,777	1,540	8,578,776	1,900
60 FLORENCE 2	8,407,029	1,685	4,990	2,621,624	1,556	3,235,934	1,921
61 BARNWELL 45	14,457,850	2,922	4,948	4,557,556	1,560	5,659,873	1,937
62 BARNWELL 29	6,049,276	1,265	4,780	2,008,768	2,627	2,537,580	2,005
63 MCCORMICK	9,300,691	1,947	4,778	3,324,901	1,708	3,905,978	2,006
64 ORANGEBURG 4	9,938,726	2,095	4,744	3,237,965	1,545	4,233,783	2,021
65 HAMPTON 1	15,324,449	3,233	4,740	5,118,460	1,583	6,538,264	2,022
66 DORCHESTER 1	8,568,607	1,858	4,612	2,995,207	1,612	3,861,146	2,078

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Appendix F
Fiscal Capacity Per WPU Allocation FY 86-87 Total State Funds

SCHOOL DISTRICT	1986 FISCAL CAPACITY	FISCAL CAPACITY WPU	FISCAL CAPACITY PER WPU	ACTUAL STATE FUNDS	ACTUAL STATE FUNDS PER WPU	FISCAL CAPACITY ALLOCATION	FISCAL CAPACITY ALLOCATION PER WPU
67 SALUDA	12,979,477	2,853	4,549	4,504,433	1,579	6,011,581	2,107
68 MARION 1	17,968,011	3,982	4,512	6,348,668	1,594	8,460,769	2,125
69 ORANGEBURG 3	17,899,773	3,986	4,490	6,443,320	1,616	8,510,435	2,135
70 WILLIAMSBURG	42,262,469	9,470	4,463	14,903,191	1,574	20,340,679	2,148
71 ORANGEBURG 7	4,765,435	1,119	4,261	1,830,293	1,636	2,516,578	2,250
72 MARION 2	16,424,835	3,430	4,205	5,611,820	1,636	7,819,499	2,280
73 FLORENCE 4	7,247,996	1,732	4,184	2,875,767	1,660	3,968,225	2,291
74 ORANGEBURG 2	4,043,069	999	4,044	1,627,131	1,628	2,367,867	2,369
75 ORANGEBURG 6	4,230,620	1,071	3,950	1,941,921	1,813	2,599,157	2,427
76 BAMBERG 1	9,416,906	2,385	3,948	3,778,267	1,584	5,791,474	2,428
77 BAMBERG 2	7,897,939	2,008	3,933	3,399,398	1,693	4,894,197	2,437
78 SUMTER 2	39,806,948	10,421	3,820	16,979,057	1,629	26,152,946	2,510
79 DILLON 2	20,620,443	5,410	3,812	8,924,486	1,650	13,603,714	2,515
80 MARLBORO	28,922,611	7,612	3,799	12,873,482	1,691	19,206,491	2,523
81 LEE	16,560,130	4,362	3,797	7,099,058	1,628	11,011,770	2,525
82 CLARENDON 2	14,563,220	3,943	3,693	6,121,487	1,552	10,234,452	2,595
83 HAMPTON 2	6,618,073	1,848	3,582	3,080,428	1,667	4,944,980	2,676
84 MARION 3	2,856,111	830	3,442	1,524,105	1,837	2,311,158	2,785
85 DILLON 1	4,299,572	1,263	3,404	2,044,690	1,619	3,556,039	2,816
86 FLORENCE 3	18,650,507	5,486	3,400	9,060,567	1,652	15,469,558	2,820
87 ORANGEBURG 1	4,697,657	1,390	3,379	2,364,927	1,701	3,943,837	2,837
88 ORANGEBURG 8	2,299,872	738	3,117	1,236,365	1,675	2,269,717	3,076
89 DILLON 3	6,036,394	2,004	3,012	3,279,522	1,637	6,377,381	3,182
90 BARNWELL 19	4,343,932	1,450	2,997	2,461,293	1,698	4,637,165	3,199
91 CLARENDON 3	4,330,731	1,587	2,730	2,617,428	1,650	5,571,524	3,512
92 MARION 4	1,976,134	738	2,677	1,291,372	1,749	2,644,200	3,581
POOREST FIFTH TOTAL	\$645,261,853	145,942	\$4,421	\$233,999,607	\$1,603	\$325,331,680	\$2,229
PERCENT SHARE	11.4%	20.0%		22.6%		31.4%	
STATEWIDE TOTAL	\$5,670,054,084	729,710	\$7,770	\$1,037,532,767	\$1,422	\$1,037,532,767	\$1,422
PERCENT SHARE	100.0%	100.0%		100.0%		100.0%	

Source: Calculated from SDE financial records.

Appendix G

Fiscal Capacity Per WPU Allocation FY 86-87 EIA Funds

SCHOOL DISTRICT	1986 FISCAL CAPACITY	WPU	FISCAL CAPACITY PER WPU	ACTUAL EIA FUNDS	ACTUAL EIA FUNDS PER WPU	FISCAL CAPACITY ALLOCATION	FISCAL CAPACITY ALLOCATION PER WPU
WEALTHIEST FIFTH							
1 BEAUFORT	\$285,101,184	13,178	\$21,635	\$3,950,957	\$300	\$1,137,644	\$86
2 DORCHESTER 3	20,252,067	1,155	17,533	407,652	353	123,052	107
3 FAIRFIELD	86,327,655	5,312	16,251	1,746,311	329	610,548	115
4 Horry	375,117,733	27,741	13,522	6,964,001	251	3,831,777	138
5 CALHOUN	31,270,160	2,364	13,228	841,615	356	333,790	141
6 GEORGETOWN	148,364,116	12,198	12,163	3,613,912	296	1,873,243	154
7 ANDERSON 4	34,952,587	3,016	11,591	725,018	240	485,938	161
8 CHARLESTON	540,778,270	50,195	10,774	13,126,624	262	8,702,123	173
9A RICHLAND 1A	311,962,350	30,784	10,134	8,434,740	274	5,673,717	184
WEALTHIEST FIFTH TOTAL	\$1,834,126,122	145,942	\$12,567	\$39,810,829	\$273	\$22,771,832	\$156
PERCENT SHARE	32.3%	20.0%		19.7%		11.3%	
SECOND FIFTH							
9B RICHLAND 1B	\$24,772,442	2,444	\$10,134	\$669,789	\$274	\$450,541	\$184
10 GREENVILLE	587,930,711	61,049	9,630	17,878,711	293	11,840,191	194
11 OCONEE	117,617,666	12,352	9,522	3,166,712	256	2,422,744	196
12 SPARTANBURG 6	83,342,083	8,935	9,327	2,337,139	262	1,789,304	200
13 YORK 2	29,769,863	3,578	8,320	957,074	267	803,178	224
14 GREENWOOD 52	14,667,076	1,773	8,270	499,651	282	400,536	226
15 SPARTANBURG 7	100,017,067	12,573	7,955	3,841,745	306	2,952,104	235
16 ANDERSON 5	102,643,264	12,967	7,917	3,445,476	266	3,059,135	236
17 SPARTANBURG 5	39,806,222	5,034	7,907	1,035,577	206	1,189,265	236
18 FLORENCE 1	130,536,114	17,089	7,638	5,013,213	293	4,178,896	245
19A LEXINGTON 5A	61,617,915	8,146	7,564	2,206,740	271	2,011,619	247
SECOND FIFTH TOTAL	\$1,292,734,423	145,942	\$8,858	\$41,051,828	\$281	\$31,097,514	\$213
PERCENT SHARE	22.8%	20.0%		20.3%		15.4%	
THIRD FIFTH							
19B LEXINGTON 5B	\$36,273,206	4,796	\$7,564	\$1,299,062	\$271	\$1,104,199	\$247
20 YORK 4	26,870,433	3,597	7,470	894,401	249	899,320	250
21 KERSHAW	79,923,357	10,732	7,447	2,495,185	233	2,691,577	251
22 COLLETON	57,967,588	7,832	7,401	2,085,281	266	1,976,427	252
23 LEXINGTON 2	89,057,579	12,040	7,397	3,431,963	285	3,040,397	253
24 YORK 3	108,504,691	14,715	7,374	3,912,436	266	3,727,690	253
25 ORANBURG 5	56,213,294	7,663	7,336	2,550,462	333	1,951,210	255
26 GREENWOOD 50	76,156,550	10,493	7,258	3,127,957	298	2,700,186	257
27 PICKENS	122,451,128	17,023	7,193	4,070,804	239	4,419,981	260
28 RICHLAND 2	96,922,196	13,761	7,043	3,297,085	240	3,649,503	265
29 DARLINGTON	108,831,161	15,601	6,976	4,729,232	303	4,177,198	268

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Appendix G
Fiscal Capacity Per WPU Allocation FY 86-87 EIA Funds

SCHOOL DISTRICT	1986 FISCAL CAPACITY	LPU	FISCAL CAPACITY PER WPU	ACTUAL EIA FUNDS	ACTUAL EIA FUNDS PER WPU	FISCAL CAPACITY ALLOCATION	FISCAL CAPACITY ALLOCATION PER WPU
30 SPARTANBURG 4	20,090,530	2,885	6,964	791,772	276	773,771	268
31 SPARTANBURG 3	27,388,136	4,012	6,827	1,026,252	256	1,097,719	274
32 ANDERSON 3	19,284,309	2,855	6,755	769,770	270	789,337	276
33A BERKELEY A	113,314,126	17,937	6,317	4,466,176	249	5,303,446	296
THIRD FIFTH TOTAL	\$1,039,248,286	145,942	\$7,121	\$38,947,858	\$267	\$38,381,762	\$263
PERCENT SHARE	18.3%	20.0%		19.3%		19.0%	
FOURTH FIFTH							
33B BERKELEY B	\$75,718,012	11,986	\$6,317	\$2,984,359	\$249	\$3,543,836	\$296
34 AIKEN	168,593,786	26,787	6,294	7,968,465	297	7,949,512	297
35 LEXINGTON 4	13,842,709	2,206	6,275	533,462	242	656,589	298
36 ANDERSON 1	42,828,331	6,873	6,231	1,781,989	259	2,060,109	300
37 ABBEVILLE	29,182,868	4,724	6,178	1,280,082	271	1,428,075	302
38 CHEROKEE	64,428,315	10,436	6,173	3,127,983	300	3,157,569	303
39 NEWBERRY	45,938,994	7,619	6,029	2,018,184	265	2,360,311	310
40 LEXINGTON 1	67,843,926	11,656	5,821	2,946,919	253	3,740,089	321
41 DORCHESTER 2	80,132,418	13,990	5,728	3,261,074	233	4,561,979	326
42 ANDERSON 2	26,357,310	4,317	5,643	1,190,302	276	1,428,853	331
43 SPARTANBURG 1	25,150,032	4,471	5,625	1,114,254	269	1,484,687	332
44 ALLENDALE	16,087,277	2,861	5,623	822,553	288	950,197	332
45 FLORENCE 5	8,818,772	1,588	5,553	506,705	319	534,232	336
46 UNION	37,774,040	6,923	5,456	2,160,492	312	2,370,106	342
47 SUMTER 17	58,238,574	10,743	5,421	3,341,505	311	3,701,435	345
48 YORK 1	25,259,958	4,705	5,369	1,155,798	266	1,636,848	348
49 GREENWOOD 51	7,419,177	1,390	5,337	344,056	262	486,458	350
50 JASPER	18,148,177	3,416	5,313	1,019,849	299	1,200,788	352
51 LAURENS 56	23,708,930	4,475	5,298	1,332,488	298	1,577,750	353
52A CHESTERFIELD A	25,209,814	4,776	5,279	1,377,074	288	1,689,884	354
FOURTH FIFTH TOTAL	\$858,683,400	145,942	\$5,884	\$40,287,593	\$276	\$46,519,304	\$319
PERCENT SHARE	15.1%	20.0%		19.9%		23.0%	
POOREST FIFTH							
52B CHESTERFIELD B	\$23,899,789	4,528	\$5,279	\$1,305,514	\$288	\$1,602,069	\$354
53 CHESTER	43,253,997	8,208	5,270	2,383,348	290	2,909,172	354
54 LAURENS 55	34,173,274	6,508	5,251	1,844,066	283	2,316,884	356
55 LEXINGTON 3	16,115,671	2,717	5,195	785,125	289	976,935	360
56 LANCASTER	67,296,847	13,016	5,170	3,672,402	282	4,702,206	361
57 CLARENDON 1	8,209,375	1,589	5,167	584,286	368	574,402	362
58 SPARTANBURG 2	39,764,879	7,739	5,138	1,869,086	242	2,812,997	363
59 EDGEFIELD	22,780,728	4,515	5,045	1,301,686	280	1,671,550	370
60 FLORENCE 2	8,407,029	1,685	4,990	505,841	300	630,513	376
61 BARNWELL 45	14,457,850	2,922	4,948	885,963	303	1,102,810	377
62 BARNWELL 29	6,049,276	1,265	4,780	380,833	301	494,440	391
63 MCCORMICK	9,300,491	1,947	4,778	754,612	388	761,069	391
64 ORANBURG 4	9,938,726	2,095	4,764	526,376	251	824,941	394
65 HAMPTON 1	15,324,449	3,233	4,740	1,013,975	314	1,273,962	394

(Continued to next page.)

Appendix G
Fiscal Capacity Per WPU Allocation FY 86-87 EIA Funds

SCHOOL DISTRICT	1986 FISCAL CAPACITY	WPU	FISCAL CAPACITY PER WPU	ACTUAL ETA FUNDS	ACTUAL EIA FUNDS PER WPU	FISCAL CAPACITY ALLOCATION	FISCAL CAPACITY ALLOCATION PER WPU
66 DORCHESTER 1	8,568,607	1,858	4,612	621,027	334	752,333	405
67 SALLIDA	12,979,477	2,853	4,549	763,002	268	1,171,340	411
68 MARION 1	17,968,011	3,982	4,512	1,097,813	276	1,648,557	414
69 ORANGEBURG 3	17,899,773	3,986	4,490	1,048,560	263	1,638,234	416
70 WILLIAMSBURG	42,262,469	9,470	4,463	2,748,205	290	3,963,324	419
71 ORANGEBURG 7	4,765,435	1,119	4,261	369,832	331	490,348	438
72 MARION 2	14,424,835	3,430	4,205	1,022,885	298	1,523,607	444
73 FLORENCE 4	7,247,996	1,732	4,184	542,148	313	773,197	446
74 ORANGEBURG 2	4,043,069	999	4,044	264,106	264	461,372	462
75 ORANGEBURG 6	4,230,620	1,071	3,950	421,557	394	506,438	473
76 BAMBERG 1	9,416,906	2,385	3,948	622,458	261	1,128,452	473
77 BAMBERG 2	7,897,939	2,008	3,933	640,829	319	953,620	475
78 SUMTER 2	39,806,948	10,421	3,820	2,887,540	277	5,095,828	489
79 DILLON 2	20,620,443	5,410	3,812	1,678,238	310	2,650,645	490
80 MARLBORO	28,922,611	7,612	3,799	2,209,120	290	3,742,331	492
81 LEE	16,560,130	4,362	3,797	1,357,061	311	2,145,612	492
82 CLARENDON 2	14,563,220	3,943	3,693	963,174	245	1,994,154	506
83 HAMPTON 2	6,618,073	1,848	3,582	502,190	272	963,515	521
84 MARION 3	2,856,111	830	3,442	285,243	344	430,319	543
85 DILLON 1	4,299,572	1,263	3,404	352,532	279	692,884	549
86 FLORENCE 3	18,650,507	5,486	3,400	1,677,385	306	3,014,200	549
87 ORANGEBURG 1	4,697,657	1,390	3,379	424,976	306	768,446	553
88 ORANGEBURG 8	2,299,872	738	3,117	217,202	294	442,248	599
89 DILLON 3	6,036,394	2,004	3,012	515,487	257	1,242,615	620
90 BARNWELL 19	4,343,932	1,450	2,997	426,051	294	903,538	623
91 CLARENDON 3	4,330,731	1,587	2,730	363,762	229	1,085,596	684
92 MARION 4	1,976,134	738	2,677	222,728	302	515,215	698
POOREST FIFTH TOTAL	3645,261,853	145,942	24,421	342,062,225	3288	363,389,921	2434
PERCENT SHARE	11.4%	20.0%		20.8%		31.4%	
STATEWIDE TOTAL	55,670,054,084	729,710	57,770	3202,160,332	3277	3202,160,332	3277
PERCENT SHARE	100.0%	100.0%		100.0%		100.0%	

Source: Calculated from SDE financial records.

Appendix H

Fiscal Capacity Per WPU Allocation FY 86-87 Fringe Benefits

SCHOOL DISTRICT	1986 FISCAL CAPACITY	WPU	FISCAL CAPACITY PER WPU	ACTUAL FRINGE BENEFIT FUNDS	FRINGE BENEFIT FUNDS PER WPU	FISCAL CAPACITY ALLOCATION	FISCAL CAPACITY ALLOCATION PER WPU
WEALTHIEST FIFTH							
1 BEAUFORT	\$285,101,184	13,178	\$21,635	\$2,619,468	\$214	\$892,845	\$68
2 DORCHESTER 3	20,252,067	1,155	17,533	268,264	232	96,574	84
3 FAIRFIELD	86,327,655	5,312	16,251	1,181,066	222	479,170	90
4 Horry	375,117,733	27,741	13,522	5,541,207	200	3,007,252	108
5 CALHOUN	31,270,160	2,364	13,228	599,151	253	261,965	111
6 GEORGETOWN	148,364,116	12,198	12,163	2,651,672	217	1,470,157	121
7 ANDERSON 6	34,952,587	3,016	11,591	618,931	205	381,374	126
8 CHARLESTON	540,778,270	50,195	10,774	10,967,392	218	6,829,593	136
9A RICHLAND 1A	311,962,330	30,784	10,134	7,742,187	252	4,452,842	145
WEALTHIEST FIFTH TOTAL	\$1,834,126,102	145,942	\$12,567	\$32,389,338	\$222	\$17,871,771	\$122
PERCENT SHARE	32.3%	20.0%		20.4%		11.3%	
SECOND FIFTH							
9B RICHLAND 1B	\$24,772,442	2,444	\$10,134	\$614,795	\$252	\$353,594	\$145
10 GREENVILLE	587,930,711	61,049	9,630	13,064,569	214	9,292,410	152
11 OCONEE	117,617,666	12,352	9,522	2,706,909	219	1,901,416	154
12 SPARTANBURG 6	83,342,083	8,935	9,327	2,137,946	239	1,404,280	157
13 YORK 2	29,769,863	3,578	8,320	787,685	220	630,349	176
14 GREENWOOD 52	14,667,076	1,773	8,270	417,885	236	314,348	177
15 SPARTANBURG 7	100,017,067	12,573	7,955	3,270,569	260	2,316,868	184
16 ANDERSON 5	102,663,264	12,967	7,917	2,913,338	225	2,400,868	185
17 SPARTANBURG 5	39,806,222	5,034	7,907	1,028,990	204	933,358	185
18 FLORENCE 1	130,530,114	17,089	7,638	3,713,958	217	3,279,678	192
19A LEXINGTON 5A	61,617,885	8,146	7,564	1,849,258	227	1,578,757	194
SECOND FIFTH TOTAL	\$1,292,734,413	145,942	\$8,858	\$32,505,902	\$223	\$24,405,927	\$167
PERCENT SHARE	22.8%	20.0%		20.5%		15.4%	
THIRD FIFTH							
19B LEXINGTON 5B	\$34,273,236	4,796	\$7,564	\$1,088,622	\$227	\$929,383	\$194
20 YORK 4	26,870,435	3,597	7,470	721,978	201	705,804	196
21 KERSHAW	79,923,357	10,732	7,447	2,197,042	205	2,112,402	197
22 COLLETON	57,967,588	7,832	7,401	1,685,202	215	1,551,138	198
23 LEXINGTON 2	89,057,579	12,040	7,397	2,836,892	236	2,368,162	198
24 YORK 3	108,504,691	14,715	7,374	3,314,445	225	2,925,406	199
25 ORANGEBURG 5	56,213,294	7,663	7,336	1,870,743	244	1,531,347	200
26 GREENWOOD 50	76,156,550	10,493	7,258	2,320,285	221	2,119,158	202
27 PICKENS	122,451,128	17,023	7,193	3,531,751	207	3,448,886	204
28 RICHLAND 2	96,922,196	13,761	7,043	3,154,540	229	2,864,200	208
29 DARLINGTON	108,831,161	15,601	6,976	3,502,085	224	3,278,345	210

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Appendix H
Fiscal Capacity Per WPU Allocation FY 86-87 Fringe Benefits

SCHOOL DISTRICT	1986 FISCAL CAPACITY	WPUs	FISCAL CAPACITY PER WPU	ACTUAL FRINGE BENEFIT FUNDS	FRINGE BENEFIT FUNDS PER WPU	FISCAL CAPACITY ALLOCATION	FISCAL CAPACITY ALLOCATION PER WPU
30 SPARTANBURG 4	20,090,530	2,885	6,964	644,367	223	607,270	210
31 SPARTANBURG 3	27,388,136	4,012	6,827	1,020,481	254	861,511	215
32 ANDERSON 3	19,284,309	2,855	6,755	578,010	202	619,487	217
33A BERKELEY A	113,314,151	17,937	6,317	3,606,170	201	6,162,248	232
THIRD FIFTH TOTAL	\$1,039,248,341	145,942	\$7,121	\$32,072,613	\$220	\$30,122,747	\$206
PERCENT SHARE	18.3%	20.0%		20.2%		19.0%	
FOURTH FIFTH							
33B BERKELEY B	\$75,717,987	11,906	\$6,317	\$2,409,690	\$201	\$2,781,268	\$232
34 AIKEN	168,595,766	26,787	6,294	5,620,060	210	6,238,930	233
35 LEXINGTON 4	13,842,709	2,206	6,275	440,518	200	515,304	234
36 ANDERSON 1	42,828,331	6,873	6,231	1,410,804	205	1,616,813	235
37 ABBEVILLE	29,182,868	4,724	6,178	1,097,449	232	1,120,781	237
38 CHEROKEE	64,428,313	10,436	6,173	2,399,699	230	2,478,121	237
39 NEWBERRY	45,938,994	7,619	6,029	1,517,084	199	1,852,417	243
40 LEXINGTON 1	67,843,926	11,654	5,821	2,359,730	202	2,935,293	252
41 DORCHESTER 2	80,132,618	13,990	5,728	2,662,228	190	3,580,329	256
42 ANDERSON 2	24,357,310	4,317	5,643	929,247	215	1,121,392	260
43 SPARTANBURG 1	25,150,032	4,471	5,625	1,036,872	232	1,165,211	261
44 ALLENDALE	16,087,277	2,861	5,623	614,570	215	745,733	261
45 FLORENCE 5	8,618,772	1,588	5,553	328,560	207	419,275	264
46 UNION	37,774,040	6,923	5,456	1,527,021	221	1,860,105	269
47 SUMTER 17	58,238,574	10,743	5,421	2,171,353	202	2,904,958	270
48 YORK 1	25,259,958	4,705	5,369	1,030,122	219	1,284,630	273
49 GREENWOOD 51	7,419,177	1,390	5,337	317,184	228	381,781	275
50 JASPER	18,148,177	3,616	5,313	751,836	220	942,402	276
51 LAURENS 56	23,708,930	4,475	5,298	1,028,289	230	1,238,249	277
52A CHESTERFIELD A	25,209,825	4,776	5,279	1,002,618	210	1,326,254	278
FOURTH FIFTH TOTAL	\$858,683,385	145,942	\$5,884	\$30,654,934	\$210	\$36,509,244	\$250
PERCENT SHARE	15.1%	20.0%		19.3%		23.0%	
POOREST FIFTH							
52B CHESTERFIELD B	\$23,899,778	4,528	\$5,279	\$950,517	\$210	\$1,257,334	\$278
53 CHESTER	43,255,997	8,208	5,270	1,696,104	207	2,283,174	278
54 LAURENS 55	34,173,274	6,508	5,251	1,387,441	213	1,816,765	279
55 LEXINGTON 3	14,115,671	2,717	5,195	605,181	223	766,718	282
56 LANCASTER	67,296,847	13,016	5,170	2,844,533	219	3,690,382	284
57 CLARENDON 1	8,209,373	1,589	5,167	379,922	239	450,802	284
58 SPARTANBURG 2	39,764,879	7,739	5,138	1,668,559	216	2,207,694	285
59 EDGEFIELD	22,780,728	4,513	5,045	945,877	209	1,311,865	291
60 FLORENCE 2	8,407,029	1,685	4,990	347,614	206	494,838	294
61 BARNWELL 45	14,457,850	2,922	4,948	597,702	205	865,507	296
62 BAMBERG 1	9,416,906	2,385	4,948	497,959	209	885,631	371
63 BARNWELL 29	6,049,276	1,263	4,780	280,438	222	388,046	307
64 MCCORMICK	9,300,491	1,947	4,778	420,258	216	597,301	307
65 ORANGEBURG 4	9,938,726	2,095	4,744	445,152	212	647,429	309

(Continued to next page.)

Appendix H
Fiscal Capacity Per WPU Allocation FY 86-87 Fringe Benefits

SCHOOL DISTRICT	1986 FISCAL CAPACITY	WPU	FISCAL CAPACITY PER WPU	ACTUAL FRINGE BENEFIT FUNDS	FRINGE BENEFIT FUNDS PER WPU	FISCAL CAPACITY ALLOCATION	FISCAL CAPACITY ALLOCATION PER WPU
66 HAMPTON 1	15,324,449	3,233	4,740	676,336	209	999,830	309
67 DORCHESTER 1	8,568,607	1,858	4,612	395,035	213	590,446	318
68 SALLIDA	12,979,477	2,853	4,549	606,006	212	919,290	322
69 MARION 1	17,968,011	3,982	4,512	836,125	210	1,293,819	325
70 ORANGEBURG 3	17,899,773	3,986	4,490	834,666	209	1,301,414	326
71 WILLIAMSBURG	42,262,469	9,470	4,463	1,974,102	208	3,110,493	328
72 ORANGEBURG 7	4,765,435	1,119	4,261	227,369	203	386,835	344
73 MARION 2	14,424,835	3,430	4,205	703,260	205	1,195,756	349
74 FLORENCE 4	7,247,996	1,732	4,186	379,726	219	606,820	350
75 ORANGEBURG 2	4,043,069	999	4,046	226,396	227	362,094	362
76 ORANGEBURG 6	4,230,620	1,071	3,950	241,322	225	397,463	371
77 BARNBERG 2	7,897,939	2,008	3,933	464,831	231	748,420	373
78 SUMTER 2	39,804,948	10,421	3,820	2,273,642	218	3,999,304	384
79 DILLON 2	20,820,443	5,410	3,812	1,134,340	210	2,080,277	385
80 MARLBORO	28,922,611	7,612	3,799	1,687,637	222	2,937,053	386
81 LEE	16,560,130	4,362	3,797	871,461	200	1,683,918	386
82 CLARENDON 2	14,563,220	3,943	3,693	794,329	201	1,565,050	397
83 HAMPTON 2	6,618,073	1,848	3,582	387,822	210	756,185	409
84 MARION 3	2,856,111	830	3,442	205,327	247	353,419	426
85 DILLON 1	4,299,572	1,263	3,404	257,610	204	543,789	431
86 FLORENCE 3	18,650,507	5,486	3,400	1,108,868	202	2,365,602	431
87 ORANGEBURG 1	4,697,657	1,390	3,379	311,361	224	603,091	434
88 ORANGEBURG 8	2,299,872	738	3,117	154,955	210	347,085	470
89 DILLON 3	6,036,394	2,004	3,012	420,083	210	975,228	487
90 BARNWELL 19	4,343,932	1,450	2,997	319,098	220	709,114	489
91 CLARENDON 3	4,330,731	1,587	2,730	316,812	200	851,996	537
92 MARION 4	1,976,134	738	2,677	160,755	218	404,351	548
POOREST FIFTH TOTAL	\$645,261,042	145,942	\$4,421	\$31,036,531	\$213	\$49,749,629	\$341
PERCENT SHARE	11.4%	20.0%		19.6%		31.4%	
STATEWIDE TOTAL	\$5,670,054,084	729,710	\$7,770	\$158,659,318	\$217	\$158,659,318	\$217
PERCENT SHARE	100.0%	100.0%		100.0%		100.0%	

Source: Calculated from SDE financial records.

Appendix I

Methodology for Allocating EIA Funds Based on EFA Methodology

Table 2.5 displays the reallocation of FY 86-87 Education Improvement Act (EIA) funds based on the allocation of Education Finance Act (EFA) formula funds during the same year. The EFA funding formula has a local school district match requirement, but, since EIA has no local match requirement, EIA funds were not reallocated using the EFA formula.

Instead, EIA funds were reallocated using an EFA funding variance, or wealth adjustment factor. This variance represents the degree to which actual EFA funding for each district varied from equal funding per weighted pupil unit (WPU) for each district. The steps used in this analysis are listed below.

(1) Each district was listed with its WPUs, EFA funds and EIA funds for FY 86-87.

(2) The EFA funding variance was calculated for each district using the following formula:

- A. Actual EFA funds per district, excluding holdharmless and teacher incentive funds.
- B.
$$\text{Equal EFA funding per WPU by district} = \frac{\text{statewide actual EFA funds}}{\text{state WPUs}} \times \text{district WPUs}$$
- C.
$$\text{District EFA funding variance} = \frac{\text{Actual EFA funds per district (A)}}{\text{Equal EFA funds per WPU by district (B)}}$$

Part A of the formula is actual EFA funds for FY 86-87. Part B allocates equal EFA funding per WPU for each school district, and thus represents what funding would be if there were no adjustment for district wealth. The ratio of Part A to Part B yields a factor by which equal per WPU funding can be multiplied to calculate actual FY 86-87 EFA funding.

(3) Equal EIA funding per WPU for each district was calculated as follows:

$$\text{Equal EIA funding per WPU by district} = \frac{\text{statewide actual EIA funds}}{\text{statewide WPUs}} \times \text{district WPUs}$$

Appendix I
Methodology for Allocating EIA Funds Based on EFA Methodology

- (4) The final adjusted EIA allocation was calculated by multiplying the EFA funding variance for each district (step 2) by equal EIA funding per WPU for each district (step 3).

Appendix I
FY 86-87 EIA Funds Allocated Using EFA Funding Variance

SCHOOL DISTRICT	UPU	ACTUAL EFA FUNDS	EFA FUNDING VARIANCE	ACTUAL EIA FUNDS	VARIANCE EIA ALLOCATION
1 ABBEVILLE	4,724	\$4,442,021	1.076944	\$1,280,082	\$1,409,335
2 AIKEN	26,787	25,490,976	1.089795	\$7,968,465	\$8,087,611
3 ALLENDALE	2,861	2,769,365	1.108624	\$822,553	\$878,646
4 ANDERSON 1	6,873	6,671,002	1.111559	\$1,781,989	\$2,116,532
5 ANDERSON 2	4,317	4,418,479	1.172239	\$1,190,302	\$1,401,866
6 ANDERSON 3	2,855	2,601,221	1.043509	\$769,770	\$825,298
7 ANDERSON 4	3,016	2,051,073	0.778938	\$725,018	\$650,751
8 ANDERSON 5	12,967	11,212,130	0.990224	\$3,445,476	\$3,557,312
9 BANBERG 1	2,385	2,561,940	1.230057	\$622,458	\$812,836
10 BANBERG 2	2,008	2,161,794	1.221476	\$640,829	\$679,534
11 BARNWELL 19	1,450	1,587,355	1.254040	\$426,051	\$503,626
12 BARNWELL 29	1,265	1,275,670	1.154468	\$380,833	\$404,736
13 BARNWELL 45	2,922	2,927,993	1.147677	\$685,963	\$928,975
14 BEAUFORT	13,178	2,565,607	0.222966	\$3,950,957	\$813,999
15 BERKELEY	29,923	28,224,981	1.080222	\$7,450,535	\$8,955,038
16 CALHOUN	2,364	1,408,387	0.682295	\$841,615	\$446,844
17 CHARLESTON	50,195	36,728,165	0.837971	\$13,126,626	\$11,852,873
18 CHEROKEE	10,436	9,815,702	1.077106	\$3,127,983	\$3,114,262
19 CHESTER	8,208	8,090,572	1.128817	\$2,383,348	\$2,566,924
20 CHESTERFIELD	9,304	9,254,011	1.139127	\$2,682,588	\$2,936,052
21 CLARENDON 1	1,589	1,643,306	1.184425	\$584,288	\$521,377
22 CLARENDON 2	3,943	4,193,103	1.217810	\$965,174	\$1,330,360
23 CLARENDON 3	1,587	1,800,898	1.299949	\$363,762	\$571,377
24 COLLETON	7,832	7,128,799	1.042402	\$2,085,281	\$2,261,779
25 DARLINGTON	15,601	14,335,887	1.052343	\$4,729,252	\$4,548,397
26 DILLON 1	1,263	1,359,819	1.233077	\$352,532	\$431,435
27 DILLON 2	5,410	5,853,233	1.239148	\$1,678,238	\$1,857,076
28 DILLON 3	2,004	2,269,981	1.297231	\$515,487	\$720,205
29 DORCHESTER 1	1,858	1,892,519	1.166627	\$621,027	\$600,446
30 DORCHESTER 2	13,990	13,509,172	1.105860	\$3,261,076	\$4,286,102
31 DORCHESTER 3	1,155	671,639	0.467608	\$407,652	\$149,639
32 EDGEFIELD	4,515	4,504,783	1.142569	\$1,301,686	\$1,429,248
33 FAIRFIELD	5,312	2,534,647	0.546430	\$1,746,311	\$804,176
34 FLORENCE 1	17,089	15,239,107	1.021234	\$5,013,213	\$4,834,965
35 FLORENCE 2	1,685	1,685,185	1.145596	\$505,841	\$534,665
36 FLORENCE 3	5,486	5,908,490	1.233381	\$1,677,385	\$1,874,607
37 FLORENCE 4	1,732	1,822,912	1.205212	\$542,148	\$578,362
38 FLORENCE 5	1,588	1,541,723	1.111705	\$506,705	\$489,148
39 GEORGETOWN	12,198	8,011,543	0.752154	\$3,613,912	\$2,541,850
40 GREENVILLE	61,049	47,861,976	0.897863	\$17,878,711	\$15,185,335

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Appendix I
FY 88-89 EIA Funds Allocated Using EPA Funding Variance

SCHOOL DISTRICT	WPU	ACTUAL EPA FUNDS	EPA FUNDING VARIANCE	ACTUAL EIA FUNDS	VARIANCE EIA ALLOCATION
41 GREENWOOD 50	10,493	9,333,531	1.018703	\$3,127,957	\$2,961,282
42 GREENWOOD 51	1,390	1,392,336	1.147085	\$364,056	\$441,751
43 GREENWOOD 52	1,773	1,488,733	0.961340	\$499,651	\$472,336
44 HAMPTON 1	3,233	3,275,794	1.160374	\$1,013,973	\$1,039,323
45 HAMPTON 2	1,848	1,993,866	1.235813	\$502,190	\$432,601
46 Horry	27,741	16,265,636	0.671489	\$6,964,001	\$5,160,655
47 JASPER	3,416	3,361,723	1.127105	\$1,019,849	\$1,066,586
48 KERSHAW	10,732	9,448,423	1.008257	\$2,495,185	\$2,997,734
49 LANCASTER	13,016	13,463,703	1.184591	\$3,672,402	\$4,271,677
50 LAURENS 55	6,508	6,420,779	1.129879	\$1,844,066	\$2,037,143
51 LAURENS 56	4,475	4,408,951	1.128268	\$1,332,488	\$1,398,843
52 LEE	4,362	4,616,164	1.212065	\$1,357,061	\$1,464,586
53 LEXINGTON 1	11,656	11,267,309	1.107072	\$2,966,919	\$3,574,818
54 LEXINGTON 2	12,040	10,723,831	1.020003	\$3,431,963	\$3,402,387
55 LEXINGTON 3	2,717	2,744,025	1.157372	\$785,125	\$871,261
56 LEXINGTON 4	2,206	2,071,313	1.073327	\$533,462	\$657,173
57 LEXINGTON 5	12,942	11,320,769	1.001764	\$3,505,802	\$3,591,780
58 MCCORMICK	1,947	2,042,262	1.201619	\$734,612	\$647,949
59 MARION 1	3,982	4,073,819	1.171526	\$1,097,813	\$1,292,515
60 MARION 2	3,430	3,650,175	1.218635	\$1,022,885	\$1,158,104
61 MARION 3	830	891,533	1.230387	\$285,243	\$282,860
62 MARION 4	738	821,433	1.274154	\$222,728	\$260,619
63 MARLBORO	7,612	8,399,262	1.263582	\$2,209,120	\$2,664,863
64 NEWBERRY	7,619	7,368,038	1.107461	\$2,018,184	\$2,337,683
65 OCONEE	12,352	9,620,634	0.892002	\$3,166,712	\$3,052,372
66 ORANGEBURG 1	1,390	1,347,669	1.275085	\$426,976	\$491,098
67 ORANGEBURG 2	999	1,069,378	1.225468	\$264,106	\$339,285
68 ORANGEBURG 3	3,986	4,218,993	1.212032	\$1,048,560	\$1,338,575
69 ORANGEBURG 4	2,095	2,124,161	1.161082	\$526,376	\$673,940
70 ORANGEBURG 5	7,663	6,781,389	1.013443	\$2,550,462	\$2,151,553
71 ORANGEBURG 6	1,071	1,144,277	1.223539	\$421,557	\$363,049
72 ORANGEBURG 7	1,119	1,157,910	1.185539	\$369,832	\$367,374
73 ORANGEBURG 8	738	823,532	1.278050	\$217,202	\$261,285
74 PICKENS	17,023	15,197,377	1.022419	\$4,070,804	\$4,821,725
75 RICHLAND 1	33,228	25,251,690	0.870306	\$9,104,529	\$8,011,692
76 RICHLAND 2	13,761	12,722,826	1.058783	\$3,297,085	\$4,036,615
77 SALUDA	2,853	2,911,626	1.168739	\$765,002	\$923,782
78 SPARTANBURG 1	4,471	4,367,695	1.118710	\$1,114,254	\$1,385,754
79 SPARTANBURG 2	7,739	7,940,624	1.175093	\$1,869,086	\$2,519,349
80 SPARTANBURG 3	4,012	3,643,868	1.040702	\$1,026,252	\$1,156,737
81 SPARTANBURG 4	2,885	2,662,325	1.056845	\$791,772	\$844,685
82 SPARTANBURG 5	5,034	4,320,051	0.982712	\$1,035,577	\$1,370,638
83 SPARTANBURG 6	8,935	7,030,541	0.901087	\$2,337,139	\$2,230,604
84 SPARTANBURG 7	12,573	9,922,934	0.903835	\$3,041,745	\$3,148,284
85 SUMTER 2	10,421	11,008,326	1.209725	\$2,887,540	\$3,492,650

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Appendix I
FY 88-89 EIA Funds Allocated Using EPA Funding Variance

SCHOOL DISTRICT	MPU	ACTUAL EFA FUNDS	EFA FUNDING VARIANCE	ACTUAL EIA FUNDS	VARIANCE EIA ALLOCATION
86 SUMTER 17	10,763	10,780,934	1.149259	\$3,341,505	\$3,420,504
87 UNION	6,923	6,758,619	1.117968	\$2,160,492	\$2,144,331
88 WILLIAMSBURG	9,670	9,708,058	1.173783	\$2,748,205	\$3,079,675
89 YORK 1	4,705	4,641,174	1.129690	\$1,155,798	\$1,672,521
90 YORK 2	3,578	2,998,127	0.959639	\$957,074	\$951,226
91 YORK 3	14,715	13,002,676	1.011934	\$3,912,436	\$4,125,404
92 YORK 4	3,597	3,169,877	1.009253	\$894,401	\$1,005,718
TOTAL	729,710	\$637,180,049	1.000000	\$202,160,332	\$202,160,332

Source: Calculated from SDE financial records.

Appendix J

Methodology for Allocating Fringe Benefits Using the EFA Formula

The Audit Council allocated FY 86-87 fringe benefits using the EFA formula. However, since the base student cost portion of the EFA formula was not applicable, a statewide average fringe benefit per weighted pupil unit was used.

$$\text{District Allocation} = (\text{DWPU} \times \text{Avg. Fringe Benefit}) - (J \times \text{SWPU} \times \text{Avg. Fringe Benefit} \times \text{Tax Index})$$

In FY 86-87, the actual allocation statewide was 77%, and the local share was 23%. In this analysis, the Audit Council used the EFA formula in which the statewide share is 70% and the local share is 30%. This accounts for the difference between the \$158 million actually spent in FY 86-87, and the \$143 million which would have been spent if the funds were distributed through the EFA formula on a 70%/30% basis.

Appendix J
Methodology for Allocating Fringe Benefits Using the EFA Formula

SCHOOL DISTRICT	135-DAY WPU	ACTUAL FRINGE BENEFIT FUNDS	1987 TAX INDEX	FRINGE BENEFITS ALLOCATED WITH EFA FORMULA
1 ASBEVILLE	4,723.63	\$1,097,449	0.00514684	\$1,010,750
2 AIKEN	26,787.36	5,620,060	0.02973442	5,698,234
3 ALLENDALE	2,860.78	616,570	0.00283724	629,337
4 ANDERSON 1	6,873.01	1,410,804	0.00755343	1,466,692
5 ANDERSON 2	4,316.63	929,247	0.00429578	948,734
6 ANDERSON 3	2,854.76	578,010	0.00340108	592,980
7 ANDERSON 4	3,015.55	618,931	0.00616442	668,175
8 ANDERSON 5	12,967.11	2,913,338	0.01810622	2,529,999
9 BAMBERG 1	2,385.24	497,959	0.00166081	568,097
10 BAMBERG 2	2,008.08	464,831	0.00139292	478,593
11 BARNWELL 19	1,449.61	319,098	0.00076612	360,218
12 BARNWELL 29	1,263.45	280,638	0.00106688	289,967
13 BARNWELL 43	2,921.72	597,702	0.00254986	664,160
14 BEAUFORT	13,177.68	2,819,468	0.05028192	609,866
15 BERKELEY	29,923.27	6,015,860	0.03333868	6,357,720
16 CALHOUN	2,363.95	599,151	0.00551497	325,024
17 CHARLESTON	50,196.78	10,967,392	0.09537445	8,237,938
18 CHEROKEE	10,436.61	2,399,699	0.01136291	2,233,680
19 CHESTER	8,208.13	1,696,104	0.00762885	1,837,227
20 CHESTERFIELD	9,303.50	1,953,135	0.00866122	2,081,523
21 CLARENDON 1	1,588.91	379,922	0.00144785	357,425
22 CLARENDON 2	3,963.16	794,329	0.00256844	950,046
23 CLARENDON 3	1,586.54	316,812	0.00076379	398,840
24 COLLETON	7,831.94	1,685,202	0.01022346	1,571,907
25 DARLINGTON	15,601.11	3,302,085	0.01919403	3,203,248
26 DILLON 1	1,262.93	257,610	0.00075829	308,242
27 DILLON 2	5,409.55	1,134,340	0.00363673	1,296,391
28 DILLON 3	2,003.98	420,083	0.00106461	497,637
29 DORCHESTER 1	1,857.79	395,035	0.00151120	429,084
30 DORCHESTER 2	13,989.98	2,662,228	0.01413257	3,061,872
31 DORCHESTER 3	1,155.09	268,264	0.00357176	104,867
32 EDGEFIELD	4,515.23	945,877	0.00401773	1,021,644
33 FAIRFIELD	5,312.16	1,181,066	0.01522519	554,154
34 FLORENCE 1	17,089.23	3,713,958	0.02302096	3,386,000
35 FLORENCE 2	1,684.63	347,614	0.00148271	382,179
36 FLORENCE 3	5,466.15	1,108,868	0.00328930	1,339,289
37 FLORENCE 4	1,732.17	379,726	0.00127829	408,112
38 FLORENCE 5	1,588.20	328,560	0.00155532	350,614
39 GEORGETOWN	12,198.26	2,651,672	0.02616626	1,818,132
40 GREENVILLE	61,049.03	13,064,569	0.10369049	10,776,463

(Continued to next page.)

Appendix J
Methodology for Allocating Fringe Benefits Using the EPA Formula

SCHOOL DISTRICT	135-DAY WPU	ACTUAL FRINGE BENEFIT FUNDS	1987 TAX INDEX	FRINGE BENEFITS ALLOCATED WITH EPA FORMULA
41 GREENWOOD 50	10,492.69	2,320,285	0.01343136	2,122,253
42 GREENWOOD 51	1,390.07	317,186	0.00130848	310,123
43 GREENWOOD 52	1,773.49	417,883	0.00258676	339,232
44 HAMPTON 1	3,233.01	676,336	0.00270270	742,232
45 HAMPTON 2	1,847.70	387,822	0.00116720	447,411
46 Horry	27,740.88	5,341,207	0.06619770	3,725,380
47 JASPER	3,413.73	731,836	0.00320071	762,947
48 KERSHAW	10,731.90	2,197,042	0.01409570	2,148,606
49 LANCASTER	13,016.21	2,844,533	0.01186882	2,927,494
50 LAURENS 55	6,507.95	1,387,441	0.00602697	1,458,009
51 LAURENS 56	4,475.19	1,028,289	0.00418143	1,000,325
52 LEE	4,361.58	871,461	0.00292063	1,045,958
53 LEXINGTON 1	11,655.55	2,359,730	0.01196530	2,539,207
54 LEXINGTON 2	12,040.29	2,836,892	0.01570665	2,417,170
55 LEXINGTON 3	2,717.19	605,181	0.00248951	610,398
56 LEXINGTON 4	2,205.94	440,518	0.00244137	469,696
57 LEXINGTON 5	12,941.93	2,937,880	0.01726458	2,576,698
58 MCCORMICK	1,946.71	429,258	0.00164028	446,131
59 MARION 1	3,982.34	836,125	0.00316893	924,116
60 MARION 2	3,430.27	703,260	0.00254404	807,423
61 MARION 3	829.82	205,327	0.00050372	202,196
62 MARION 4	738.31	160,755	0.00034852	186,029
63 MARLBORO	7,612.48	1,687,637	0.00510094	1,825,352
64 NEWBERRY	7,619.24	1,517,084	0.00810204	1,642,638
65 OGDON	12,351.69	2,706,909	0.02076366	2,194,821
66 ORANGEBURG 1	1,390.22	311,361	0.00082850	339,692
67 ORANGEBURG 2	999.35	226,396	0.00071308	236,958
68 ORANGEBURG 3	3,986.42	834,666	0.00315690	926,003
69 ORANGEBURG 4	2,095.14	445,152	0.00175285	480,916
70 ORANGEBURG 5	7,663.16	1,870,743	0.00991407	1,543,512
71 ORANGEBURG 6	1,071.03	241,322	0.00074613	255,065
72 ORANGEBURG 7	1,118.51	227,369	0.00084046	262,605
73 ORANGEBURG 8	737.94	154,955	0.00040562	182,413
74 PICKENS	17,022.68	3,531,751	0.02159611	3,454,949
75 RICHLAND 1	33,228.22	8,356,982	0.05938829	5,683,970
76 RICHLAND 2	13,761.47	3,154,540	0.01709370	2,815,504
77 SALUDA	2,853.03	604,006	0.00228913	660,897
78 SPARTANBURG 1	4,471.19	1,036,872	0.00443559	983,566
79 SPARTANBURG 2	7,738.73	1,668,359	0.00701314	1,743,205
80 SPARTANBURG 3	4,012.02	1,020,481	0.00483031	830,255

(Continued to next page.)

Appendix J
Methodology for Allocating Fringe Benefits Using the EFA Formula

SCHOOL DISTRICT	135-DAY VPU	ACTUAL FRINGE BENEFIT FUNDS	1987 TAX INDEX	FRINGE BENEFITS ALLOCATED WITH EFA FORMULA
81 SPARTANBURG 4	2,884.95	644,367	0.00354327	592,717
82 SPARTANBURG 5	5,036.44	1,028,990	0.00702043	982,834
83 SPARTANBURG 6	8,935.33	2,137,946	0.01469864	1,606,671
84 SPARTANBURG 7	12,573.01	3,270,369	0.01763953	2,447,965
85 SUMTER 2	10,421.33	2,273,642	0.00702056	2,496,565
86 SUMTER 17	10,743.03	2,171,353	0.01027126	2,386,996
87 UNION	6,923.36	1,527,021	0.00666202	1,535,474
88 WILLIAMSBURG	9,469.86	1,974,102	0.00765363	2,202,557
89 YORK 1	4,704.97	1,030,122	0.00445498	1,048,066
90 YORK 2	3,577.92	787,685	0.00525037	682,432
91 YORK 3	14,715.29	3,314,445	0.01913645	2,957,871
92 YORK 4	3,596.92	721,978	0.00473901	719,227
TOTAL	729,710.41	\$158,659,318	1.00000000	\$143,536,211

Source: Calculated from SDE financial records.

Appendix K

FY 88-89 School District Allocations Addressing York 2's Negative Allocation

Methodology

At the Audit Council's request, staff of the State Department of Education provided the estimated FY 88-89 district allocations found in this appendix on pages 74-77. These figures do not reflect any audit adjustments made by the Department.

The formulas used for each of the four allocation methods are presented below. For all formulas, the FY 88-89 base student cost of \$1,392.02 was used.

EFA Formula

$$\text{District Allocation} = (\text{DWPUS} \times \text{BSC}) - (.3 \times \text{SWPUS} \times \text{Index})$$

DWPUS = 1988 135-Day District Weighted Pupil Units
SWPUS = 1988 135-Day State Weighted Pupil Units = 735,362.9599
Index = 1988 Tax Index for District

Proposal A

Same formula as above, except that York 2's weighted pupil units and tax index are removed from the state totals. This leaves a SWPUS of 731,727.3900, and York 2's tax index of .0377 is redistributed proportionally to the remaining districts.

Proposal B

Using 1988 DWPUS for York 2, the district formula is calculated so that York 2's allocation approximates \$0. This determines the adjusted tax index for York 2. The 1988 SWPUS, including those for York 2, are used.

$$\$-532.16 = (3630.84 \times 1392.02) - (.3 \times 735,362.9599 \times 1392.02 \times .016460)$$

Once York 2's adjusted index is determined, the difference between its true index (i.e. share of the state fiscal capacity) and its adjusted index obtained from setting the formula to equal 0 (.02124) is redistributed to the remaining districts proportionally. With their adjusted indices, the formulas for the remaining districts can then be calculated.

Appendix K
FY 88-89 School District Allocations Addressing York 2's Negative Allocation

Proposal C

The same procedures as in Proposal B are used to set York 2's formula to approximately \$0 and adjust the tax indices. However, the 1987 SWPUs (729,715,3342) and DWPUs figures are used in each district's formula.

Appendix K

FY 86-89 School District Allocations Addressing York 2's Negative Allocation

District	EFA Formula As Originally Mandated York 2 With Negative Allocation		Proposal A York 2 Removed From Formula		Proposal B York 2's Allocation = \$0		Proposal C York 2's Allocation = \$0 With Prior Year's WPU	
	Local Support	State Support	Local Support	State Support	Local Support	State Support	Local Support	State Support
ABBEVILLE	\$1,504,750.72	\$5,089,484.66	\$1,555,370.38	\$5,038,865.00	\$1,538,530.84	\$5,055,704.54	\$1,528,714.84	\$5,048,672.59
AIKEN	8,878,029.26	28,960,582.23	9,179,435.40	28,659,176.09	9,074,568.13	28,764,043.36	9,004,874.98	28,283,665.89
ALLEDALE	740,091.68	3,314,973.94	763,934.37	3,291,131.25	755,446.28	3,299,610.34	749,644.41	3,232,618.57
ANDERSON 1	1,925,466.74	7,814,009.99	1,992,340.84	7,747,135.89	1,968,459.62	7,771,017.11	1,953,341.75	7,614,025.63
ANDERSON 2	1,234,509.78	4,761,936.54	1,277,298.27	4,719,148.04	1,262,148.06	4,734,298.26	1,252,456.69	4,756,380.60
ANDERSON 3	896,708.59	3,060,567.62	925,888.46	3,031,387.76	915,134.11	3,042,142.10	911,153.17	3,062,729.85
ANDERSON 4	1,510,892.56	2,603,361.75	1,561,481.85	2,552,772.46	1,544,672.68	2,569,581.63	1,532,809.51	2,664,806.60
ANDERSON 5	5,085,443.26	13,037,961.13	5,258,924.21	12,864,480.18	5,199,067.29	12,924,337.10	5,159,138.19	12,891,338.27
BAMBERG 1	466,779.82	2,843,248.86	482,806.52	2,827,222.16	475,992.58	2,834,036.10	472,336.93	2,847,964.85
BAMBERG 2	376,652.22	2,336,111.85	388,078.66	2,322,685.41	383,864.98	2,326,809.09	380,916.88	2,414,370.64
BARNWELL 19	227,248.07	1,804,892.33	235,291.79	1,796,848.61	233,380.91	1,798,750.49	231,597.46	1,786,288.65
BARNWELL 29	276,382.79	1,491,440.85	287,239.32	1,480,584.32	282,524.63	1,485,299.01	280,354.82	1,481,176.89
BARNWELL 45	724,737.08	3,381,137.27	748,655.68	3,357,218.67	740,091.68	3,365,782.67	734,407.74	3,332,684.93
BEAUFORT	14,697,422.37	4,087,497.77	15,199,238.25	3,585,681.88	15,022,939.87	3,761,980.27	14,907,562.91	3,436,031.20
BERKELEY	8,890,312.94	33,748,080.95	9,191,658.35	33,446,735.54	9,086,851.81	33,551,542.08	9,017,064.32	32,636,725.99
CALHOUN	1,756,566.15	1,590,003.05	1,815,108.07	1,531,461.13	1,796,488.11	1,550,081.09	1,782,690.99	1,507,974.69
CHARLESTON	28,525,774.42	41,926,056.05	29,497,033.94	40,954,796.52	29,155,312.98	41,296,517.48	28,934,446.00	40,937,691.66
CHEROKEE	3,390,295.51	10,879,579.92	3,504,930.89	10,764,944.53	3,463,997.58	10,805,877.84	3,440,441.24	11,087,250.21
CHESTER	2,072,870.89	9,417,182.35	2,142,071.98	9,347,981.26	2,118,934.69	9,371,118.55	2,102,661.16	9,323,219.96
CHESTERFIELD	2,373,821.04	10,567,148.57	2,453,757.20	10,487,212.41	2,426,026.68	10,516,942.94	2,407,394.66	10,543,263.41
CLARENDON 1	472,921.66	1,684,291.74	488,918.00	1,668,295.39	482,134.42	1,675,078.98	478,431.60	1,733,362.90
CLARENDON 2	773,871.80	4,879,970.55	800,603.22	4,853,239.13	792,297.32	4,861,545.03	786,212.43	4,702,745.15
CLARENDON 3	193,467.95	2,006,174.21	201,678.67	1,997,963.49	196,538.87	2,003,103.29	195,029.44	2,013,465.97

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LAC/SDE-88-1 Education Finance (v)

REC024535

LAC-00082

PLT_0389-0078

Appendix K

FY 88-89 School District Allocations Addressing York 2's Negative Allocation

District	EFA Formula As Originally Mandated York 2 With Negative Allocation		Proposal A York 2 Removed From Formula		Proposal B York 2's Allocation = \$0		Proposal C York 2's Allocation = \$0 With Prior Year's WPU	
	Local Support	State Support	Local Support	State Support	Local Support	State Support	Local Support	State Support
COLLETON	2,825,246.25	8,207,291.78	2,921,285.03	8,111,253.00	2,886,664.65	8,145,873.38	2,864,404.92	8,037,722.20
DARLINGTON	5,315,762.25	16,420,936.30	5,497,271.73	16,239,426.81	5,432,457.20	16,304,241.34	5,390,735.65	16,326,321.49
DILLON 1	175,042.43	1,588,465.95	180,288.51	1,583,219.87	178,113.35	1,585,395.03	176,745.43	1,581,278.39
DILLON 2	988,836.19	6,481,341.70	1,023,672.06	6,446,505.83	1,010,332.63	6,459,845.26	1,002,573.22	6,527,628.57
DILLON 3	300,950.14	2,522,400.50	311,685.22	2,511,665.42	307,091.98	2,516,258.66	304,733.50	2,484,846.76
DORCHESTER 2	4,290,075.02	16,219,557.89	4,436,930.83	16,072,702.08	4,385,273.53	16,124,359.38	4,351,594.41	15,122,737.55
DORCHESTER 4	1,197,658.74	3,087,563.47	1,237,573.68	3,047,648.53	1,225,297.02	3,059,925.19	1,215,886.67	2,978,102.55
EDGEFIELD	1,148,524.02	5,137,921.82	1,188,681.88	5,097,763.96	1,173,091.38	5,113,354.46	1,164,081.98	5,121,208.48
FAIRFIELD	3,792,586.01	3,519,388.81	3,920,511.19	3,391,483.63	3,875,500.84	3,436,473.97	3,845,736.79	3,548,896.17
FLORENCE 1	5,985,222.77	17,821,325.99	6,187,868.41	17,618,680.35	6,117,272.33	17,689,276.44	6,070,291.36	17,718,258.58
FLORENCE 2	304,021.06	2,024,271.59	314,740.96	2,013,551.69	310,162.90	2,018,129.75	307,780.84	2,037,257.81
FLORENCE 3	875,212.16	6,752,083.03	904,498.30	6,722,796.89	893,637.67	6,733,657.51	886,776.49	6,750,056.03
FLORENCE 4	300,950.14	2,178,432.36	311,685.22	2,167,697.28	307,091.98	2,172,290.52	304,733.50	2,106,481.78
FLORENCE 5	411,503.26	1,809,464.65	424,747.51	1,796,220.40	420,716.02	1,800,251.89	417,484.90	1,793,321.26
GEORGETOWN	8,196,285.06	9,016,223.20	8,476,615.78	8,735,892.48	8,377,469.33	8,835,038.93	8,313,129.93	8,667,091.06
GREENVILLE	30,656,992.79	54,903,474.75	31,700,220.66	53,860,246.88	31,332,595.15	54,227,872.39	31,095,006.53	53,886,464.21
GREENWOOD 50	3,801,798.76	10,706,070.32	3,932,734.14	10,575,134.94	3,884,713.60	10,623,155.48	3,857,926.13	10,748,108.20
GREENWOOD 51	285,595.55	1,636,603.11	296,406.56	1,625,792.12	291,737.39	1,630,461.27	289,496.83	1,645,508.41
GREENWOOD 52	690,956.96	1,700,714.36	715,042.57	1,676,628.75	706,311.56	1,685,359.76	700,887.05	1,767,846.50
HAMPTON 1	773,871.80	3,701,166.26	800,603.22	3,674,434.84	792,297.32	3,682,740.74	786,212.43	3,714,202.15
HAMPTON 2	316,304.74	2,320,863.23	326,963.91	2,310,204.06	322,446.58	2,314,721.39	319,970.18	2,252,065.17
HORRY	24,066,798.80	14,852,702.30	24,885,926.07	14,033,575.03	24,598,067.94	14,321,433.16	24,412,200.83	14,203,658.95
JASPER	893,637.67	3,837,796.55	922,832.72	3,808,601.50	912,063.19	3,819,371.03	905,058.50	3,849,733.82
KERSHAW	3,829,437.04	11,205,840.58	3,960,235.78	11,075,041.84	3,915,422.80	11,119,854.82	3,885,352.15	11,053,667.29
LANCASTER	3,193,756.64	14,858,835.70	3,303,252.22	14,749,340.11	3,264,387.79	14,788,204.54	3,239,317.12	14,879,507.52
LAURENS 55	1,661,367.63	7,453,287.00	1,717,324.47	7,397,330.17	1,698,210.67	7,416,435.96	1,685,176.27	7,374,020.29

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LAC/SDE-88-1 Education Finance Act

REC024536

LAC-00083

PLT_0389-0079

Appendix K

FY 88-89 School District Allocations Addressing York 2's Negative Allocation

District	EFA Formula As Originally Mandated York 2 With Negative Allocation		Proposal A York 2 Removed From Formula		Proposal B York 2's Allocation = \$0		Proposal C York 2's Allocation = \$0 With Prior Year's WPU	
	Local Support	State Support	Local Support	State Support	Local Support	State Support	Local Support	State Support
LAURENS 56	1,191,516.90	4,978,152.38	1,231,462.21	4,938,207.07	1,219,155.18	4,950,514.11	1,209,792.00	5,019,761.98
LEE	816,864.68	5,400,161.13	843,383.55	5,373,642.25	835,290.20	5,381,735.61	828,875.13	5,242,531.46
LEXINGTON 1	3,645,181.85	13,132,292.32	3,770,780.06	13,006,694.11	3,725,025.77	13,052,648.40	3,696,417.38	12,528,341.33
LEXINGTON 2	4,489,684.81	12,093,630.41	4,641,665.24	11,941,649.98	4,587,954.24	11,995,360.98	4,552,718.52	12,207,605.97
LEXINGTON 3	792,297.32	2,987,120.50	818,937.65	2,960,480.17	810,722.84	2,968,694.08	804,466.44	2,977,886.38
LEXINGTON 4	620,325.81	2,636,611.23	641,704.87	2,615,232.16	632,609.49	2,624,327.55	630,798.35	2,439,914.25
LEXINGTON 5	5,211,350.97	13,127,204.03	5,390,320.92	12,948,234.08	5,324,975.01	13,013,579.99	5,287,126.26	12,728,299.14
MCCORMICK	417,645.10	2,237,591.29	430,858.99	2,224,377.40	426,857.86	2,228,378.53	423,579.57	2,286,279.68
MARION 1	924,346.87	4,791,732.69	956,445.83	4,759,633.74	945,843.31	4,770,236.25	938,579.19	4,604,917.74
MARION 2	595,758.45	4,270,423.31	617,258.97	4,248,922.79	608,042.13	4,258,139.63	603,372.33	4,171,632.12
MARION 3	119,765.87	1,033,954.22	125,285.24	1,028,434.86	122,836.79	1,030,883.30	121,893.40	1,033,232.64
MARION 4	92,127.60	883,692.34	94,727.86	881,092.08	95,198.52	880,621.43	94,467.39	933,274.90
MARLBORO	1,219,155.18	9,284,039.41	1,262,019.58	9,241,175.01	1,246,793.46	9,256,401.13	1,237,218.02	9,359,506.39
NEWBERRY	2,324,686.32	8,237,585.59	2,404,865.40	8,157,406.51	2,376,891.96	8,185,379.98	2,358,637.30	8,247,497.16
OCONEE	6,537,988.34	10,482,059.23	6,759,291.32	10,260,756.26	6,682,321.58	10,337,726.00	6,631,001.00	10,562,798.51
ORANGEBURG 1	239,531.75	1,713,876.00	244,459.00	1,708,948.75	242,602.67	1,710,805.08	240,739.47	1,694,474.57
ORANGEBURG 2	208,822.55	1,241,258.60	216,957.36	1,233,123.79	214,964.39	1,235,116.77	213,313.45	1,177,801.74
ORANGEBURG 3	881,353.99	4,790,487.18	910,609.77	4,761,231.40	899,779.51	4,772,061.66	892,869.16	4,656,307.21
ORANGEBURG 4	506,701.77	2,504,223.57	525,586.85	2,485,338.49	518,985.45	2,491,930.89	514,999.62	2,401,477.16
ORANGEBURG 5	2,849,813.61	7,867,028.20	2,945,730.93	7,771,110.89	2,911,232.01	7,805,609.80	2,891,920.93	7,775,351.05
ORANGEBURG 6	214,964.39	1,346,784.61	223,068.84	1,338,680.16	221,106.23	1,340,642.77	219,408.12	1,271,487.06
ORANGEBURG 7	328,588.42	1,303,833.43	339,186.86	1,293,234.99	334,730.26	1,297,691.59	332,159.52	1,224,828.77
ORANGEBURG 8	113,624.03	1,028,291.73	116,118.02	1,025,797.75	116,694.95	1,025,220.81	115,798.73	911,428.51
PICKENS	5,886,953.34	17,894,135.38	6,087,029.07	17,694,059.65	6,015,931.97	17,765,156.75	5,972,776.64	17,723,134.37
RICHLAND 1	18,809,384.03	27,589,384.85	19,449,769.09	26,948,999.79	19,223,958.21	27,174,810.67	19,079,364.55	27,174,982.25
RICHLAND 2	6,058,924.85	13,871,739.11	6,264,261.84	13,666,402.12	6,194,045.32	13,736,618.63	6,166,474.73	13,009,766.74

(Continued on Next Page)

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LAC/SDE-88-1 Education Finance Act

REC024537

LAC-00084

PLT_0389-0080

Appendix K

FY 88-89 School District Allocations Addressing York 2's Negative Allocation

District	EFA Formula As Originally Mandated York 2 With Negative Allocation		Proposal A York 2 Removed From Formula		Proposal B York 2's Allocation = \$0		Proposal C York 2's Allocation = \$0 With Prior Year's WPU	
	Local Support	State Support	Local Support	State Support	Local Support	State Support	Local Support	State Support
SALUDA	660,247.77	3,350,022.65	681,429.46	3,328,840.96	675,602.37	3,334,668.05	670,413.70	3,301,061.12
SPARTANBURG 1	1,421,835.89	4,767,349.52	1,469,809.73	4,719,375.67	1,452,545.09	4,736,640.32	1,441,389.46	4,782,596.44
SPARTANBURG 2	2,045,232.61	8,701,843.87	2,114,570.34	8,632,506.15	2,091,296.41	8,655,780.08	2,075,235.15	8,697,259.63
SPARTANBURG 3	1,824,126.39	3,707,858.54	1,885,390.03	3,646,596.89	1,864,048.34	3,667,936.58	1,849,732.36	3,735,079.72
SPARTANBURG 4	899,779.51	3,037,465.54	931,999.93	3,005,245.12	918,205.03	3,019,040.02	916,200.51	3,101,707.59
SPARTANBURG 5	2,115,863.77	4,962,209.92	2,187,908.04	4,890,165.66	2,161,927.57	4,916,146.13	2,145,323.83	4,862,717.32
SPARTANBURG 6	4,170,309.15	8,337,255.04	4,311,645.59	8,195,918.59	4,262,436.74	8,245,127.44	4,229,701.01	8,208,457.06
SPARTANBURG 7	4,833,627.83	12,478,117.54	4,999,186.52	12,312,558.85	4,941,110.03	12,370,635.34	4,903,162.04	12,598,719.34
SUMTER 2	2,042,161.70	12,715,185.21	2,111,516.60	12,645,832.31	2,088,225.49	12,669,121.42	2,072,187.81	12,434,511.98
SUMTER 17	3,015,643.29	12,172,812.22	3,119,907.97	12,068,547.53	3,083,203.52	12,105,251.98	3,059,524.36	11,894,988.26
UNION	1,824,126.39	7,755,128.84	1,885,390.03	7,693,865.20	1,864,048.34	7,713,206.89	1,849,732.36	7,787,723.23
WILLIAMSBURG	2,079,012.73	11,038,813.02	2,151,239.19	10,966,586.56	2,125,076.53	10,992,749.22	2,108,755.83	11,073,478.69
YORK 1	1,200,729.66	5,500,092.70	1,240,629.42	5,460,192.93	1,228,367.94	5,472,454.42	1,218,934.01	5,330,478.33
YORK 2	11,577,367.81	(6,523,165.91)	0.00	0.00	5,054,734.06	(532.16)	4,079,345.42	1,190.78
YORK 3	7,324,143.82	13,156,340.19	7,572,117.49	12,908,366.53	7,486,902.58	12,993,581.44	7,429,402.78	13,054,575.21
YORK 4	1,689,005.91	3,407,040.10	1,747,881.84	3,348,164.18	1,725,856.95	3,370,189.07	1,712,602.28	3,294,382.30
STATE TOTALS	\$307,091,984.23	\$716,541,379.11	\$305,573,748.43	\$713,005,412.96	\$307,091,984.23	\$716,541,379.11	\$304,733,501.86	\$711,037,983.05

Source: State Department of Education.

Appendix L

Weighted Pupil Units by District FY 84-85 Through FY 87-88

DISTRICTS	135-DAY 1985 SUPU	135-DAY 1986 SUPU	135-DAY 1987 SUPU	135-DAY 1988 SUPU	CHANGE 85 TO 86	% CHANGE 85 TO 86	CHANGE 86 TO 87	% CHANGE 86 TO 87	CHANGE 87 TO 88	% CHANGE 87 TO 88
1 ABBEVILLE	4,861	4,805	4,724	4,737	(56.31)	-1.2%	(81)	-1.7%	14	0.3%
2 AIKEN	25,731	26,090	26,787	27,183	359.14	1.4%	697	2.7%	395	1.5%
3 ALLENDALE	2,846	2,874	2,861	2,913	28.07	1.0%	(13)	-0.5%	52	1.8%
4 ANDERSON 1	6,834	6,833	6,873	6,997	(0.51)	.0%	40	0.6%	124	1.8%
5 ANDERSON 2	4,288	4,296	4,317	4,308	7.82	0.2%	21	0.5%	(9)	-0.2%
6 ANDERSON 3	2,868	2,860	2,855	2,843	(8.46)	-0.3%	(5)	-0.2%	(12)	-0.4%
7 ANDERSON 4	3,034	2,954	3,016	2,956	(79.49)	-2.6%	61	2.1%	(60)	-2.0%
8 ANDERSON 5	13,420	13,258	12,967	13,020	(161.27)	-1.2%	(291)	-2.2%	52	0.4%
9 BAMBERG 1	2,429	2,395	2,385	2,378	(34.10)	-1.4%	(10)	-0.4%	(7)	-0.3%
10 BAMBERG 2	2,094	2,091	2,008	1,947	(2.28)	-0.1%	(83)	-4.0%	(61)	-3.0%
11 BARNWELL 19	1,423	1,414	1,450	1,460	(8.77)	-0.6%	36	2.5%	10	0.7%
12 BARNWELL 29	1,295	1,293	1,265	1,270	(1.24)	-0.1%	(28)	-2.2%	5	0.4%
13 BARNWELL 45	2,844	2,911	2,922	2,950	66.60	2.3%	11	0.4%	28	1.0%
14 BEAUFORT	11,976	12,544	13,178	13,495	568.74	4.7%	633	5.0%	317	2.4%
15 BERKELEY	27,763	28,490	29,923	30,631	726.84	2.6%	1,434	5.0%	707	2.4%
16 CALHOUN	2,417	2,416	2,364	2,404	(1.00)	.0%	(52)	-2.1%	40	1.7%
17 CHARLESTON	49,096	49,559	50,195	50,611	463.00	0.9%	636	1.3%	416	0.8%
18 CHEROKEE	10,683	10,548	10,436	10,251	(134.59)	-1.3%	(112)	-1.1%	(185)	-1.8%
19 CHESTER	8,187	8,222	8,208	8,254	34.88	0.4%	(14)	-0.2%	46	0.6%
20 CHESTERFIELD	9,350	9,358	9,304	9,297	7.84	0.1%	(54)	-0.6%	(7)	-0.1%
21 CLARENDON 1	1,706	1,672	1,589	1,550	(34.28)	-2.0%	(83)	-5.0%	(39)	-2.5%
22 CLARENDON 2	3,854	3,892	3,943	4,062	37.61	1.0%	52	1.3%	118	3.0%
23 CLARENDON 3	1,536	1,534	1,587	1,580	(1.96)	-0.1%	53	3.4%	(6)	-0.4%
24 COLLETON	7,739	7,750	7,832	7,926	10.19	0.1%	82	1.1%	94	1.2%
25 DARLINGTON	15,518	15,508	15,601	15,615	(9.84)	-0.1%	93	0.6%	14	0.1%
26 DILLON 1	1,245	1,258	1,263	1,267	13.15	1.1%	5	0.4%	4	0.3%
27 DILLON 2	5,454	5,426	5,410	5,366	(28.33)	-0.5%	(16)	-0.3%	(43)	-0.8%
28 DILLON 3	2,025	1,979	2,004	2,028	(45.56)	-2.3%	25	1.3%	26	1.2%
29 DORCHESTER 2	12,984	13,524	13,990	14,734	540.58	4.2%	666	3.4%	744	5.3%
30 DORCHESTER 4	3,150	3,056	3,013	3,078	(94.31)	-3.0%	(43)	-1.4%	66	2.2%
31 EDGEFIELD	4,346	4,403	4,515	4,516	56.93	1.3%	113	2.6%	1	.0%
32 FAIRFIELD	5,381	5,306	5,312	5,253	(75.51)	-1.4%	6	0.1%	(59)	-1.1%
33 FLORENCE 1	16,950	17,028	17,089	17,102	78.07	0.5%	61	0.4%	13	0.1%
34 FLORENCE 2	1,690	1,671	1,685	1,673	(19.42)	-1.1%	14	0.8%	(12)	-0.7%
35 FLORENCE 3	5,293	5,420	5,486	5,479	126.50	2.4%	66	1.2%	(7)	-0.1%
36 FLORENCE 4	1,728	1,723	1,732	1,781	(2.77)	-0.2%	9	0.5%	49	2.8%
37 FLORENCE 5	1,570	1,616	1,588	1,596	45.61	2.9%	(28)	-1.7%	7	0.5%
38 GEORGETOWN	11,797	11,971	12,198	12,365	173.62	1.5%	227	1.9%	167	1.4%
39 GREENVILLE	61,375	61,121	61,049	61,465	(254.24)	-0.4%	(72)	-0.1%	416	0.7%
40 GREENWOOD 50	10,499	10,390	10,493	10,422	(109.41)	-1.0%	103	1.0%	(71)	-0.7%

(Continued to next page.)

Appendix L
Weighted Pupli Units by District FY 84-85 Through FY 87-88

DISTRICTS	135-DAY 1985 SUPU	135-DAY 1986 SUPU	135-DAY 1987 SUPU	135-DAY 1988 SUPU	CHANGE 85 TO 86	% CHANGE 85 TO 86	CHANGE 86 TO 87	% CHANGE 86 TO 87	CHANGE 87 TO 88	% CHANGE 87 TO 88
41 GREENWOOD 51	1,425	1,422	1,390	1,381	(3.60)	-0.3%	(32)	-2.2%	(9)	-0.7%
42 GREENWOOD 52	1,786	1,743	1,773	1,718	(43.80)	-2.5%	31	1.8%	(55)	-3.1%
43 HAMPTON 1	3,052	3,104	3,233	3,215	51.85	1.7%	129	4.2%	(18)	-0.6%
44 HAMPTON 2	1,779	1,795	1,848	1,894	15.19	0.9%	53	3.0%	47	2.5%
45 Horry	28,241	28,804	27,741	27,959	562.54	2.1%	937	3.5%	218	0.8%
46 JASPER	3,455	3,382	3,416	3,399	(72.89)	-2.1%	34	1.0%	(17)	-0.5%
47 KERSHAW	10,406	10,570	10,732	10,801	163.25	1.6%	162	1.5%	69	0.6%
48 LANCASTER	13,242	13,168	13,016	12,969	(74.15)	-0.6%	(152)	-1.2%	(48)	-0.4%
49 LAURENS 55	6,522	6,429	6,508	6,548	(92.84)	-1.4%	79	1.2%	40	0.6%
50 LAURENS 56	4,456	4,450	4,475	4,432	(5.97)	-0.1%	26	0.6%	(43)	-1.0%
51 LEE	4,284	4,299	4,362	4,466	16.72	0.3%	63	1.5%	105	2.4%
52 LEXINGTON 1	10,752	11,282	11,656	12,053	529.72	4.9%	374	3.3%	397	3.4%
53 LEXINGTON 2	12,222	12,065	12,040	11,913	(156.43)	-1.3%	(25)	-0.2%	(127)	-1.1%
54 LEXINGTON 3	2,786	2,759	2,717	2,715	(26.88)	-1.0%	(42)	-1.5%	(2)	-0.1%
55 LEXINGTON 4	2,138	2,124	2,206	2,340	(13.80)	-0.6%	82	3.9%	134	6.1%
56 LEXINGTON 5	12,457	12,617	12,942	13,174	160.17	1.3%	325	2.6%	232	1.8%
57 MCCORMICK	2,053	1,972	1,947	1,907	(80.52)	-3.9%	(25)	-1.3%	(39)	-2.0%
58 MARION 1	4,003	3,990	3,982	4,106	(12.87)	-0.3%	(8)	-0.2%	124	3.1%
59 MARION 2	3,359	3,392	3,430	3,496	33.15	1.0%	38	1.1%	66	1.9%
60 MARION 3	870	843	830	829	(27.43)	-3.2%	(13)	-1.5%	(1)	-0.1%
61 MARION 4	670	702	738	701	31.64	4.7%	37	5.2%	(37)	-5.1%
62 MARLBORO	7,840	7,680	7,612	7,545	(159.93)	-2.0%	(67)	-0.9%	(67)	-0.9%
63 NEWBERRY	7,445	7,508	7,619	7,588	42.50	0.6%	112	1.5%	(32)	-0.4%
64 OCONEE	12,102	12,313	12,352	12,227	211.12	1.7%	39	0.3%	(125)	-1.0%
65 ORANGEBURG 1	1,492	1,411	1,390	1,403	(81.78)	-5.5%	(20)	-1.4%	13	0.9%
66 ORANGEBURG 2	978	986	999	1,042	8.27	0.8%	16	1.4%	42	4.2%
67 ORANGEBURG 3	3,873	3,867	3,986	4,075	(6.63)	-0.2%	120	3.1%	88	2.2%
68 ORANGEBURG 4	1,991	1,980	2,095	2,163	(10.97)	-0.6%	115	5.8%	68	3.2%
69 ORANGEBURG 5	7,476	7,633	7,663	7,699	157.00	2.1%	30	0.4%	36	0.5%
70 ORANGEBURG 6	1,133	1,083	1,071	1,122	(52.38)	-6.6%	(12)	-1.1%	51	4.8%
71 ORANGEBURG 7	1,110	1,131	1,119	1,173	20.77	1.9%	(12)	-1.1%	54	4.8%
72 ORANGEBURG 8	674	699	738	820	25.61	3.8%	39	5.5%	82	11.2%
73 PICKENS	16,439	16,759	17,023	17,084	320.64	2.0%	263	1.6%	61	0.4%
74 RICHLAND 1	33,564	33,214	33,228	33,332	(350.07)	-1.0%	14	.0%	104	0.3%
75 RICHLAND 2	12,765	13,450	13,761	14,318	704.57	5.5%	312	2.3%	556	4.0%
76 SALLIDA	2,858	2,831	2,853	2,881	(27.23)	-1.0%	22	0.8%	28	1.0%
77 SPARTANBURG	4,638	4,570	4,471	4,446	(68.01)	-1.5%	(99)	-2.2%	(25)	-0.6%
78 SPARTANBURG	7,646	7,640	7,739	7,720	(6.82)	-0.1%	99	1.3%	(18)	-0.2%
79 SPARTANBURG	4,101	4,041	4,012	3,974	(60.66)	-1.5%	(29)	-0.7%	(38)	-0.9%
80 SPARTANBURG	2,996	2,926	2,885	2,828	(70.12)	-2.3%	(41)	-1.4%	(57)	-2.0%
81 SPARTANBURG	4,995	5,036	5,034	5,085	40.15	0.8%	(1)	.0%	50	1.0%
82 SPARTANBURG	9,103	9,072	8,935	8,985	(31.00)	-0.3%	(136)	-1.5%	50	0.6%
83 SPARTANBURG	13,076	12,768	12,573	12,436	(307.54)	-2.4%	(195)	-1.5%	(137)	-1.1%
84 SUMTER 2	10,164	10,324	10,421	10,601	160.42	1.6%	97	0.9%	160	1.7%
85 SUMTER 17	10,591	10,606	10,743	10,911	16.24	0.1%	137	1.3%	168	1.6%

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Appendix L
Weighted PupB Units by District FY 84-85 Through FY 87-88

DISTRICTS	135-DAY 1985 SUPU	135-DAY 1986 SUPU	135-DAY 1987 SUPU	135-DAY 1988 SUPU	CHANGE 85 TO 86	% CHANGE 85 TO 86	CHANGE 86 TO 87	% CHANGE 86 TO 87	CHANGE 87 TO 88	% CHANGE 87 TO 88
86 UNION	7,101	7,012	6,923	6,882	(88.26)	-1.2%	(89)	-1.3%	(42)	-0.6%
87 WILLAMSBURG	9,605	9,546	9,470	9,424	(59.84)	-0.6%	(76)	-0.8%	(46)	-0.5%
88 YORK 1	4,529	4,588	4,705	4,814	58.72	1.3%	117	2.6%	109	2.3%
89 YORK 2	3,558	3,515	3,578	3,631	(43.07)	-1.2%	63	1.8%	53	1.5%
90 YORK 3	14,543	14,696	14,715	14,713	153.01	1.1%	19	0.1%	(3)	.0%
91 YORK 4	3,342	3,386	3,597	3,661	44.39	1.3%	210	6.2%	64	1.8%
STATE TOTALS	718,964	722,634	729,710	735,358	3,669.69	0.5%	7,076	1.0%	5,648	0.8%

Source: Calculated from SDE financial records.

Appendix M

Accreditation Checklist Form

Office of Accreditation and Assessment
School Visitation Report

Date: _____

Schools: _____ County/District: _____

Grade Span: _____ Enrollment: _____ # Teachers: _____

Self-Contained () Departmentalized () Other () If other, explain: _____

Last Year's Status: _____

Supervisor(s) on visit: _____

Nature of Visit: Accreditation () Summer School () Other ()

If other, explain: _____

Contact Person(s)/Title(s): _____

Follow-up letter written: YES () NO () If yes, To Whom? Principal ()

Assistant Principal () Superintendent () Other () If other,

Who/Title? _____

Materials Collected (List): _____

Accreditation Deficiencies:
YES () NO ()

If YES, please list the deficiency below.
If the deficiency was not directly observed
by you, specify the source by NAME.

A list of school activities is on the back of this sheet. You may use this list as a GUIDE in selecting or choosing items to discuss or review on your visit.

Supervisor's Signature: _____

**Appendix M
Accreditation Checklist Form**

ATTENDANCE

Dropouts _____
 Expulsions _____
 Retentions _____
 Suspensions _____

CLASSES

Classroom displays _____
 Equipment _____
 Sizes _____
 Student work displays _____
 Supplies _____
 Teacher/pupil ratios _____

FACILITIES

External appearance _____
 Internal appearance _____
 Maintenance _____
 Play areas/equipment _____

LIBRARY

Audio-visual usage _____
 Hours _____
 Print material usage _____
 Services _____

PROGRAMS

Alternative Schools _____
 AP _____
 Chapter I _____
 Clubs _____
 College Co-Op _____
 Compensatory _____
 Driver education _____
 Experimental _____
 Exploratory offerings _____
 Extracurricular activities _____
 Fine arts _____
 Gifted _____
 Health _____
 In school suspension _____
 Kindergarten _____
 Physical education _____
 Reading _____
 Remediation _____
 School incentive _____

PROGRAMS: Cont

Special education _____
 Substance abuse _____
 Vocational _____

REPORTS/MANUALS

Bell Schedule _____
 Disaster Plan _____
 District Policy Manual _____
 Fire drills record _____
 Fire Marshall's report _____
 School Improvement Report _____
 School Calendar _____

SUPPORT SERVICES

Aides _____
 Counseling _____
 Curriculum coordination _____
 Custodial _____
 Food Services _____
 Instructional Support _____
 Principal's Instruction time _____
 Staff development _____
 Volunteer services _____

TEACHER INFORMATION

Attitudes _____
 Certification _____
 Evaluations (AFT, etc.) _____
 Health reports, etc. _____
 Extra-duty assignments _____
 Teaching techniques _____
 Turn-over rates _____

TESTING

ACT _____
 AP _____
 CSAS _____
 CSAP _____
 CT25 _____
 SAT _____
 Exit Exam _____

OTHER

Source: SDE Office of Accreditation and Assessment

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LAC-00090

PLT_0389-0086

REC024543

LAC-00091

Appendix N

State Department of Education Agency Comments

LAC-00091

PLT_0389-0087

REC024544



Charlie G. Williams
State Superintendent of Education

STATE OF SOUTH CAROLINA
DEPARTMENT OF EDUCATION

COLUMBIA 29201

TO: Mr. George Schroeder, Director
Legislative Audit Council

FROM: Charlie G. Williams *CW*
State Superintendent of Education

SUBJECT: State Department of Education's Response to Legislative Audit
Council Review of the Education Finance Act

DATE: December 13, 1988

We commend the staff of the Legislative Audit Council on the constructive manner of this audit. We are pleased with the principal finding that the State Department of Education and South Carolina school districts are complying with the provisions of the Education Finance Act.

We recognize that even though the EFA is working and the original legislative intent is being carried out, constant review and refinement is necessary to maintain the effectiveness of the law.

Improvement and refinement have taken place as a result of studies in the past and this agency will seriously consider the recommendations included in this report as we seek to improve the administration of this program.

We have responded to the recommendations in the Audit Council report based on the perception of the council as to the major issues concerning the distribution of state funds as well as improvements which could be made in the agency's operations. In some instances we have agreed with these perceptions but in others we have suggested further review and considerations. Our response is based on the draft copy made available to us for review on Tuesday, December 6, 1988.

CHAPTER 2
State Funding and Wealth Disparity Issues

1. The General Assembly may wish to review whether all education funds should be distributed based on relative district wealth.

RESPONSE: Within the confines of the EFA formula the equalization concept continues to work as originally conceived. The implementation of the Education Improvement Act in 1984-85 provided various strategies designed to address specific educational priorities by appropriating state funds to serve specific student categories

LAC-00092

PLT_0389-0088

REC024545

Mr. Schroeder
Page 2
December 13, 1988

such as remedial/ compensatory. This legislative program was designed to be paid for with state funds. Any decision to shift EIA, Fringe Benefits, school building funds, bus drivers salaries, and other state program costs to the local property tax burden could create significant problems for some school districts.

Due to the complexity of this recommendation it should receive detailed study as to the impact on school districts before any serious consideration toward implementation is given.

CHAPTER 3 Finance

Districts Receiving Negative Allocations

2. The General Assembly may wish to consider hiring a consultant knowledgeable about education funding formulas to recommend solutions which would revise or replace the EFA formula so that negative allocations cannot occur.

RESPONSE: The Department believes that the EFA formula adopted by the Legislature for the current fiscal year is a satisfactory solution and is working effectively. In reality, other districts are not absorbing an increase in the local share for York School District 2. Under the current system negative allocations are not possible. The problems ascribed to the method adopted by the legislature for the current FY may be overstated and seem to be related to the old system rather than the current formula.

Base Student Cost Studies

3. The General Assembly may wish to require SDE to contract periodically with an independent consultant for a study of base student costs and the pupil weighting system. These studies should review the effects on costs of all changes to the Defined Minimum Program and should examine the appropriateness of the pupil weighting system.

RESPONSE: Any changes in the base student cost or pupil weighting system have significant implications on school district operations. The Department of Education contracted for such a study with the College of Business Administration at the University of South Carolina in 1982. The study was very helpful in answering questions regarding program costs and the pupil weightings. A periodic review would be a decided asset. If a study is funded by the Legislature we concur that it would be in the best interest of all the education community to contract with an independent organization.

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Defined Minimum Program

4. State Department of Education should conduct comprehensive analyses of the potential cost effects of all proposed changes to the Defined Minimum Program. This function should be coordinated by the SDE Office of Finance.

RESPONSE: The Department of Education agrees that a cost impact study should be made of all proposed changes to the Defined Minimum Program. The Office of School District Accreditation and Assessment and the Office of Finance will work cooperatively in developing cost impact analyses of proposed changes in the Defined Minimum Program.

Teacher Incentive Pay

5. State Department of Education should apply the same criteria and methodology to the development of the teacher incentive factor as is applied to other component factors of the average teacher salary figure.

RESPONSE: The State Department of Education must use the amount appropriated for Teacher Incentive pay as the basis for average salary computation because the actual expenditure data are not known until a year after the point in time that the estimated average salary must be determined. For example, in projecting the average teacher's salary in South Carolina for the FY 1990 budget request, the Department utilized estimated expenditure data from FY 1988 and estimated salary information for FY 1988-89. This determination had to be made in July 1988 in order to comply with the Budget and Control Board's mandated budget submission date of August 15, 1988. At this point in time, we did not know actual teacher incentive expenditures for FY 1988 because the districts have until FY 1989 to disburse these funds.

6. If teacher incentive funds are used to project salary information, the professional certified staff listing should reflect the expended funds or accounting adjustments should reflect the amount that was returned to the statewide building fund.

RESPONSE: In FY 1987-88 the General Assembly first mandated that the Teacher Incentive pay be included in the South Carolina Average Salary computation. No funds from this line item of the EIA have lapsed to the school building program since that time. Should circumstances develop that teacher incentive pay funds revert to the building fund our current accounting system will reflect that fact, however, the final payment of incentive funds can occur one year after the appropriation year. The Professional Certified Staff Listing is updated by school districts and submitted to the Department three times during any given school year. This

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document should not be used as a vehicle to collect the prior year's expenditures for teacher incentive awards. Teachers who received awards for the prior year may not be employed by the district during the current school year. This document should only be used to display staff who are employed during the current school year. If this listing is used, it may cause confusion and funding errors. Our current method of estimating the average incentive award is adequate and conforms to the intent of the General Assembly.

District Financial and Pupil Audits

7. State Department of Education's financial audits of school districts should include a review of compliance with the DMP's minimum funding requirements.

RESPONSE: The Department agrees with the recommendation to check the accuracy of certain data reported by school districts to comply with the DMP. The monitoring method will be determined after further analysis by the Office of Finance.

Eighty-Five Percent Clause Penalty

When districts do not meet the 85% requirement, SDE should penalize them the full amount as required by law.

RESPONSE: The Department of Education has interpreted the intent of the EFA legislation to require the district to pay to the state only the state share of EFA funding, in the event the 85% expenditure requirement is not met. The Department has taken the position that the penalty does not apply to local funds generated by the EFA.

Statewide Weighted Pupil Units Projections

9. The General Assembly may wish to consider alternatives to the present method of projecting statewide weighted pupil units for budget purposes. Proposals should allow district level administrators to have accurate funding information as early as possible in the local government budget process.

RESPONSE: The Department agrees that in order to provide accurate financial projections during the budget cycle, consideration should be given to changing the present method. One feasible option is the proposal to base school district funding on the second prior year's figures with a growth/decrease factor.

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CHAPTER 4 Accreditation

Adequacy of Accreditation Process

10. State Department of Education should adopt a single accreditation rating system which measures educational quality as well as compliance with the Defined Minimum Program.

RESPONSE: The Department of Education concurs that an accreditation system should be implemented that measures educational quality through the application of procedural standards and performance standards. As noted in the Legislative Audit Council report, such a system was proposed by the Department of Education, and regulations were promulgated by the State Board of Education on January 13, 1988, to implement such a system.

The Department of Education continues to support the concept of including performance standards in the accreditation system, and specific proposals to accomplish this revision are being developed for consideration.

Accreditation Checklists

11. State Department of Education should develop written guidelines to assist Accreditation Section staff in defining and assessing DMP deficiencies. Such guidelines should minimize the opportunity for subjective assessment.

RESPONSE: The Department of Education concurs with this recommendation. Guidelines to assist Accreditation Section staff in conducting on-site monitoring visits will be developed by the Office of School District Accreditation and Assessment to specify documentation procedures and provide instructions for assessing those DMP standards that are subject to interpretation.

12. State Department of Education should ensure that accreditation staff use checklists for all schools reviewed during on-site visits.

RESPONSE: The Department of Education agrees with the recommendation to use appropriate checklists for on-site visits by accreditation staff. Utilization of these forms will be monitored by the Chief Supervisor, Accreditation Section, on a routine basis.

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13. State Department of Education should appoint staff to devise a checklist with assessment categories which appropriately reflect specific DMP requirements.

RESPONSE: The Department of Education agrees with this recommendation. Staff are currently revising the checklist form to include specific DMP standard references, assessment categories, and a summary of problems that result in deficiency citations.

14. State Department of Education should develop and use checklist forms for on-site reviews that specifically address district offices, local boards of trustees, and vocational education centers.

RESPONSE: The Department of Education agrees with this recommendation. Checklist forms for on-site assessment of appropriate DMP standards will be developed by Accreditation Section staff for district offices, local boards of trustees, and vocational education centers.

Management Controls for On-Site Visits

15. To document on-site reviews, the State Department of Education should maintain a log of schools visited, dates of visits, and deficiencies found.

RESPONSE: The Department of Education agrees with this recommendation. A log of schools visited, dates of visits, and deficiencies found will be maintained by the Accreditation Section.

PLAINTIFF'S
EXHIBIT
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SOUTH CAROLINA STATE DEPARTMENT OF EDUCATION
1999-2000 STATE MINIMUM SALARY SCHEDULE

VRS EXP	CLASS 4		CLASS 3		CLASS 2				CLASS 1				CLASS 7				CLASS 3							
	MASTERS DEGREE + 30 HRS		MASTERS DEGREE + 30 HRS		BACHELORS DEGREE + 18 HRS				MASTERS DEGREE				BACHELORS DEGREE + 18 HRS				MASTERS DEGREE							
	A	B	A	B	A	B	C	D	A	B	C	D	A	B	A	B	C	D						
0	28,370	26,261	24,151	20,460	22,042	18,878	21,093	21,093	18,667	13,394	11,285		11	37,651	33,221	31,112	25,101	28,412	23,519	27,358	22,717	16,284	14,174	
	2,984	2,762	2,540	2,152	2,318	1,986	2,219	2,219	1,963	1,408	1,187			3,960	3,494	3,272	2,640	2,988	2,474	2,877	2,389	1,713	1,491	
	31,354	29,023	26,691	22,612	24,360	20,864	23,312	23,312	20,630	14,803	12,472			41,611	36,715	34,384	27,741	31,400	25,993	30,235	25,106	17,997	15,665	
1	29,214	26,994	24,784	20,892	22,512	19,300	21,557	21,557	19,026	13,642	11,538		12	38,495	33,854	31,745	25,523	29,003	23,941	27,948	23,097	16,558	14,449	
	3,073	2,829	2,607	2,196	2,378	2,030	2,267	2,267	2,001	1,435	1,214			4,049	3,561	3,339	2,684	3,031	2,518	2,940	2,429	1,742	1,520	
	32,287	29,723	27,391	23,078	24,990	21,330	23,824	23,824	21,027	15,082	12,752			42,544	37,415	35,084	28,207	32,034	26,459	30,888	25,526	18,300	15,968	
2	30,058	27,576	25,412	21,304	23,107	19,722	22,148	22,148	19,406	13,921	11,812		13	39,338	34,497	32,378	25,944	29,572	24,362	28,518	23,465	16,811	14,702	
	3,161	2,895	2,673	2,241	2,440	2,074	2,330	2,330	2,041	1,464	1,242			4,138	3,627	3,406	2,729	3,110	2,582	3,000	2,467	1,758	1,546	
	33,219	30,471	28,080	23,545	25,542	21,796	24,478	24,478	21,447	15,385	13,054			43,176	38,114	35,764	28,673	32,682	26,924	31,318	25,922	18,579	16,248	
3	30,901	28,153	26,050	21,726	23,772	20,144	22,717	22,717	19,764	14,174	12,065		14	40,182	35,126	33,011	26,366	30,163	24,784	29,109	23,835	17,085	14,976	
	3,250	2,962	2,740	2,285	2,500	2,119	2,389	2,389	2,079	1,491	1,269			4,226	3,694	3,472	2,773	3,173	2,607	3,062	2,507	1,797	1,575	
	34,151	31,171	28,790	24,011	26,272	22,263	25,106	25,106	21,843	15,665	13,334			44,408	38,914	36,483	29,139	33,336	27,391	32,170	26,342	18,882	16,551	
4	31,745	28,792	26,683	22,148	24,262	20,568	23,308	23,308	20,144	14,449	12,339		15	41,026	35,753	33,643	26,788	30,733	25,206	29,678	24,194	17,338	15,229	
	3,339	3,078	2,857	2,330	2,582	2,163	2,452	2,452	2,119	1,520	1,298			4,315	3,760	3,539	2,816	3,237	2,551	3,122	2,545	1,824	1,602	
	35,084	31,870	29,400	24,478	26,844	22,720	25,760	25,760	22,263	15,969	13,637			45,341	39,513	37,182	29,606	34,365	27,657	32,000	26,739	19,162	16,831	
5	32,589	29,425	27,315	22,570	24,932	20,948	23,877		20,592	14,702	12,593		16	41,870	36,385	34,276	27,210	31,323	25,629	30,260	24,573	17,613	15,503	
	3,428	3,095	2,873	2,374	2,622	2,208	2,511		2,156	1,546	1,324			4,404	3,827	3,605	2,862	3,295	2,696	3,184	2,585	1,852	1,631	
	36,017	32,520	30,188	24,944	27,554	23,156	26,388		22,698	16,248	13,917			46,274	40,212	37,881	30,072	34,619	28,324	33,452	27,158	19,465	17,134	
6	33,432	30,058	27,948	22,991	25,523	21,409	24,468		20,882	14,976	12,867		17	42,713	37,018	34,909	27,632	31,893	26,050	30,838	24,932	17,866	15,756	
	3,516	3,161	2,940	2,418	2,684	2,252	2,573		2,198	1,575	1,353			4,493	3,894	3,672	2,906	3,354	2,740	3,244	2,627	1,879	1,657	
	36,948	33,219	30,888	25,409	28,207	23,661	27,041		23,078	15,551	14,220			47,206	40,912	38,581	30,538	35,247	28,790	34,082	27,554	19,745	17,413	
7	34,276	30,600	28,581	23,413	26,092	21,831	25,037		21,241	15,229	13,120		18	43,140	37,388	35,259	27,908	32,212	26,310	31,146	25,181	18,044	15,914	
	3,605	3,228	3,006	2,463	2,744	2,290	2,633		2,234	1,602	1,380			4,538	3,933	3,708	2,935	3,388	2,767	3,276	2,649	1,898	1,674	
	37,881	33,918	31,587	25,876	28,836	24,127	27,670		23,475	15,831	14,500			47,678	41,321	38,988	30,843	35,600	29,077	34,422	27,830	19,942	17,588	
8	35,120	31,323	29,214	23,835	26,683	22,253	25,628		21,620	15,503	13,394		19	43,572	37,762	35,611	28,187	32,534	26,573	31,458	25,433	18,225	16,073	
	3,694	3,295	3,073	2,507	2,807	2,341	2,696		2,274	1,631	1,408			4,581	3,972	3,746	2,965	3,422	2,795	3,308	2,679	1,917	1,691	
	38,814	34,618	32,287	26,342	29,490	24,584	28,324		23,894	17,134	14,803			48,155	41,734	39,357	31,152	35,356	29,308	34,767	28,108	20,142	17,764	
9	35,964	31,956	29,847	24,257	27,752	22,675	26,198		21,979	15,756	13,647		20	44,008	38,140	35,967	28,469	32,859	26,839	31,772	25,687	18,407	16,236	
	3,783	3,361	3,139	2,551	2,886	2,385	2,755		2,312	1,657	1,435			4,629	4,012	3,783	2,994	3,456	2,823	3,342	2,702	1,936	1,707	
	39,747	35,317	32,986	26,808	30,118	25,060	28,953		24,291	17,413	15,082			48,637	42,152	39,750	31,463	36,315	29,662	35,114	29,389	20,343	17,941	
10	36,807	32,589	30,479	24,679	27,943	23,097	26,788		22,359	16,031	13,921													
	3,871	3,428	3,206	2,596	2,928	2,429	2,818		2,352	1,686	1,464													
	40,678	36,017	33,685	27,275	30,172	25,526	29,606		24,711	17,717	15,385													

NOTES:

1st Figure - Base Salary

2nd Figure - EIA Supplement

3rd Figure - Total Minimum Salary

Base

EIA

% 18 20 Adjusted

0.31000

0.10844

NOTES: 1st Figure - Base Salary
2nd Figure - EIA Supplement
3rd Figure - Total Minimum Salary

Base 0.31000
EIA 0.10844
% 18.70 Adjusted

DRAFT

FILED IN 1999-05-15

HWM-01409

REC024794

PLT_0474



Dr. Barbara Stock Nielsen
STATE SUPERINTENDENT OF EDUCATION

STATE OF SOUTH CAROLINA

DEPARTMENT OF EDUCATION

MEMORANDUM



TO: Honorable Carole C. Wells
Chairperson, Public Education and Special Schools Subcommittee
Ways and Means

FROM: Barbara S. Nielsen, Ed.D. *Barbara Nielsen*
State Superintendent of Education

DATE: January 23, 1995

SUBJECT: Public Education and Special Schools Subcommittee Request

Putting Children and Families First, South Carolina Plan to reach the National Education Goals proposes a dramatic restructuring of South Carolina schools to provide unprecedented local control over education decisions in exchange for strict accountability for both costs and student achievement.

The plan is designed not to tinker with our current system, but to reinvent education altogether along the themes of restructuring that the General Assembly has advocated. The bottom line will be a guarantee of results for ALL South Carolina's children.

The plan contains proposals to revise dramatically the structure, governance and funding of education. Specifically in regard to the latter, we recommend that K-12 funding start at the schoolhouse level — that our priorities reflect a zero-based process which focuses on the basics needed by every classroom and school in order to prepare our young people to live, work and raise a family in the 21st century.

These recommendations are based on several underlying principals:

- Funding for K-12 education should be based on a new foundation program designed to provide adequacy and equity across all districts. (The current program was defined 18 years ago.)
- A single budget should be developed that allows us to look holistically at the business of operating schools.
- A designated source of K-12 funding should be established to maximize efficiency.

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HWM-02251

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REC024802

- Funding should provide adequacy and equity without increasing taxes -- by placing a new priority on education as the state economy grows and by funding K-12 education first.
- Administrative expenses should be limited to 4 percent at the district office level, ensuring that 96 percent of every education dollar directly reaches the classroom. State administrative funding will be limited to 1 percent of total state funds.
- The development of local budgets should be aligned with the district strategic plans and school renewal plans required by Act 135.
- Funds should be distributed to school districts in block grants, with 80 percent coming from the state. Districts would raise the remaining 20 percent, and they can raise additional funds if local voters approve.
- Accountability should be established for academic results and for the efficient use of education dollars. Detailed student achievement data should be provided to the public through yearly state, district and school profiles.
- "Micro-finance" cost-analysis computer software should be used to track and report all expenditures in a usable format. Results should be reported annually for each district and school.

June, 1995	District and State Analysis
June, 1996	School Analysis
June, 1997	"Productivity Quotients" - for all schools which compare dollars spent with academic results

These funding changes require a fundamental shift in how we develop K-12 education budget requests. The request that follows incorporates Total Quality Management principles and focuses on returning to the basics of what classrooms and schools need, and on results (student achievement). This request does not represent an evaluation of any program or group of programs. Rather, it represents a commitment to funding basic operating costs first.

The Department has prioritized two major programs. The first is the foundation program for school districts to operate schools. This could also be a solution for the lawsuit on adequacy/equity for every district. The second priority is the support cost to operate and implement laws and mandates at the Department. The following pages represent the cost to phase-in the foundation program over a three year period. It is "site-responsible-based" -- in other words, based on what schools are responsible for. The third priority is other considerations as outlined in this letter.

HWM-02252

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REC024803

PRIORITY ONE

ADEQUATE STUDENT BASED COST

YEAR ONE (FY 95-96)

A: SCHOOL PERSONNEL COST

POSITIONS	RATIOS	NUMBER REQUIRED	ANNUAL SALARY	COST
GUIDANCE COUNSELORS	1 PER SCHOOL + 1 PER ADDITIONAL 375	1,444	37,000	53,484,318
ART TEACHERS	1 PER SCHOOL + 2 FTE PER 100 ADM > 800	1,384	31,740	43,300,830
MUSIC TEACHERS	1 PER SCHOOL + 2 FTE PER 100 ADM > 500	1,384	31,740	43,300,830
PE TEACHERS	1 PER SCHOOL + 2 FTE PER 100 ADM > 800	1,384	31,740	43,300,830
LIBRARIANS	1 PER SCHOOL + 1 FTE > 750	1,307	34,875	45,581,825
LIBRARIAN ASSISTANTS	1 PER SCHOOL + 1 FTE > 750	1,307	12,000	15,684,000
NURSES 50% SDE / 50% NRS	1 PER SCHOOL	1,002	11,785	11,789,740
TEACHERS KINDERGARTEN	27:1 STUDENT/TEACHER RATIO	1,741	31,740	55,275,000
TEACHERS GRADES 1-3	18:1 STUDENT/TEACHER RATIO (LESS AIDES)	8,240	31,740	261,897,501
TEACHERS GRADES 4-8	28:1 STUDENT/TEACHER RATIO	10,290	31,740	326,891,202
TEACHERS GRADES 9-12	28:1 STUDENT/TEACHER RATIO	7,132	31,740	226,582,013
VOC ED DIRECTORS	47 VOC ED CENTERS	47	58,818	2,013,852
ASST VOC ED DIRECTORS	CURRENT STAFFING	18	48,500	734,430
SPECIAL ED TEACHERS	11% X 639,613 ADM / 15	4,890	31,740	148,902,810
SPECIAL ED ASSISTANTS	11% X 639,613 ADM / 15	4,890	18,000	70,380,000
SCHOOL SECRETARIES	1 PER SCHOOL + 1 PER ADDITIONAL 500	1,200	18,000	21,600,000
ATTENDANCE CLERKS	1 PER SCHOOL	1,002	18,000	18,036,000
CUSTODIANS	300:1 STUDENT/CUSTODIAN RATIO	2,132	18,000	38,376,000
PRINCIPALS - ELEMENTARY	1 PER SCHOOL	622	62,862	39,050,664
PRINCIPALS - MIDDLE	1 PER SCHOOL	177	84,880	14,922,760
PRINCIPALS - HIGH SCHOOL	1 PER SCHOOL	233	58,773	13,684,439
ASSISTANT PRINCIPALS - ELEMENTARY	1 PER SCHOOL OVER 500 + 2 PER 100 ADM > 500	358	42,277	15,000,338
ASSISTANT PRINCIPALS - MIDDLE	1 PER SCHOOL OVER 500 + 2 PER 100 ADM > 500	278	44,249	12,272,724
ASSISTANT PRINCIPALS - HIGH SCHOOL	1 PER SCHOOL OVER 500 + 2 PER 100 ADM > 500	293	48,887	13,972,291
TEACHER AIDES - KINDERGARTEN	20:1 STUDENT/AIDE RATIO	2,350	18,000	36,250,000
PERSONNEL SUB-TOTAL		54,720		1,551,470,280
FRINGE @ 17.891% OF TOTAL SALARIES				277,573,548
HEALTH AND DENTAL @ \$1,878 PER FTE				102,782,000
PERSONNEL & FRINGE TOTAL				1,931,825,828

Notes:

* TAKEN FROM "ANNUAL SALARY STUDY 1990-94" PLUS 6% INCREASE

** ESTIMATED FY 96 SOUTHEASTERN AVERAGE FOR TEACHERS = \$37,740

ESTIMATED SALARIES

ADM = 639,613 (FY 95 45-DAY ADM REPORT)

B: SCHOOL BASE SUPPORT

INSTRUCTIONAL SUPPLIES (\$20 X 639,613 ADM)	12,792,260
MEDIA RESOURCE (18 X 639,613 ADM)	3,198,085
INSTRUCTIONAL TECHNOLOGY (\$25 X 639,613 ADM)	1,599,325
PROFESSIONAL DEVELOPMENT (\$50 PER FTE)	2,736,000
FAMILY LITERACY (\$20 X 639,613 ADM)	12,792,260
GIFTED AND TALENTED (\$400 X 639,613 ADM X 10% POPULATION)	26,584,870
ADVANCED PLACEMENTS (\$104 X 639,613 ADM X 2% POPULATION)	1,338,395
CHILD DEVELOPMENT - 4 YEAR OLDS (\$11,500 X 14,000 COUNT)	31,000,000
EARLY CHILDHOOD/CAD ASSISTANCE (\$100 AYO X 639,613 ADM)	102,338,080
HANDICAPPED TRAINABLE/PROFOUNDLY (\$1,400 X 3,000 COUNT)	4,200,000
ARTS CURRICULA (\$2 X 639,613 ADM)	1,279,229
PRESCHOOL CHILDREN W/DRUGS (\$900 X 4,500 COUNT)	4,050,000
CONTINUOUS IMPROVEMENT/INNOVATION PROJECTS (\$8 X 639,613 ADM)	3,837,079
COMMUNITY INVOLVEMENT/PARTNERSHIP (\$3 X 639,613 ADM)	1,918,839
TECH PREP/SCHOOL TO WORK (ESTIMATED COST)	8,000,000
SCHOOL FACILITIES IMPROVEMENTS (\$30 X 639,613 ADM)	18,188,290
SCHOOL SUPPORT (HEAT, LIGHT, TELEPHONE, BUILDING MAINTENANCE, ETC) (ESTIMATED COST)	143,000,000
INSTRUCTIONAL MATERIALS/TEXTBOOKS (\$40 X 639,613 ADM)	26,584,870
HOME INSTRUCTION (\$100 X 2,500 COUNT)	250,000
VOCATIONAL EQUIPMENT (ESTIMATED COST)	8,000,000
COMPETITIVE TEACHERS GRANTS (\$40 PER TEACHER)	1,200,000
SCHOOL BASE SUPPORT	299,670,569

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REC024804

PRIORITY ONE

ADEQUATE STUDENT BASED COST

SUBTOTAL PERSONNEL & SCHOOL BASE SUPPORT

2,291,508,299

ADMINISTRATIVE COST:

DISTRICT ADMINISTRATIVE COST @ 4% OF PERSONNEL & SCHOOL BASE SUPPORT

95,000,260

TOTAL FOUNDATION PROGRAM (FP)

2,487,108,045

ADEQUATE STUDENT BASED COST (Foundation Program divided by ADM)

\$3,889

STATE SHARE (80%) 3,111

LOCAL SHARE (20%) 778

1,983,733,318

PRIORITY TWO

SIDE ADMINISTRATIVE COST (1% X FP)

24,871,080

TOTAL COST - STATE SHARE

\$2,014,604,982

HWM-02254

PLT_0545-0004

REC024805

PRIORITY ONE

ADEQUATE STUDENT BASED COST

YEAR TWO (FY 96-97)

A: SCHOOL PERSONNEL COST

POSITIONS	RATIOS	NUMBER REQUIRED	ANNUAL SALARY	COST
GUIDANCE COUNSELORS	1 PER SCHOOL + 1 PER ADDITIONAL 375	1,444	38,087 *	54,997,828
ART TEACHERS	1 PER SCHOOL + .3 FTE PER 100 ADM > 500	1,384	32,701 **	44,804,184
MUSIC TEACHERS	1 PER SCHOOL + .2 FTE PER 100 ADM > 500	1,384	32,701 **	44,804,184
PE TEACHERS	1 PER SCHOOL + .3 FTE PER 100 ADM > 500	1,384	32,701 **	44,804,184
LIBRARIANS	1 PER SCHOOL + 1 FTE > 750	1,307	35,892 *	46,971,834
LIBRARIAN ASSISTANTS	1 PER SCHOOL + 1 FTE > 750	1,307	12,360 #	16,184,820
PSYCHOLOGIST	1 PER 1,000 ADM	638	40,701 *	25,983,438
NURSES 50% SDE / 50% HHS	1 PER SCHOOL	1,032	12,122 *	12,508,804
TEACHERS - KINDERGARTEN	24:1 STUDENT/TEACHER RATIO	1,888	32,701 **	61,828,588
TEACHERS GRADES 1-3	17:1 STUDENT/TEACHER RATIO (LESS AIDES)	3,220	32,701 **	105,500,220
TEACHERS GRADES 4-8	23:1 STUDENT/TEACHER RATIO	11,184	32,701 **	364,864,894
TEACHERS GRADES 9-12	25:1 STUDENT/TEACHER RATIO	7,137	32,701 **	233,387,037
VOC ED DIRECTORS	47 VOC ED CENTERS	47	57,180 *	2,687,590
ASST VOC ED DIRECTORS	CURRENT STAFFING	18	47,208 *	768,228
SPECIAL ED TEACHERS	11% X 638,813 ADM / 15	4,886	32,701 **	159,287,090
SPECIAL ED ASSISTANTS	11% X 638,813 ADM / 18	4,886	18,450 #	72,460,900
SCHOOL SECRETARIES	1 PER SCHOOL + 1 PER ADDITIONAL 500	1,700	18,540 #	22,348,000
ATTENDANCE CLERKS	1 PER SCHOOL	1,032	18,450 #	18,944,400
CUSTODIANS	300:1 STUDENT/CUSTODIAN RATIO	2,132	18,450 #	37,838,400
PRINCIPALS - ELEMENTARY	1 PER SCHOOL	822	84,080 *	33,818,160
PRINCIPALS - MIDDLE	1 PER SCHOOL	177	80,846 *	10,008,642
PRINCIPALS - HIGH SCHOOL	1 PER SCHOOL	233	80,388 *	14,089,786
ASSISTANT PRINCIPALS - ELEMENTARY	1 PER SCHOOL OVER 500 + .2 PER 100 ADM > 500	385	43,474 *	15,433,270
ASSISTANT PRINCIPALS - MIDDLE	1 PER SCHOOL OVER 500 + .2 PER 100 ADM > 500	270	48,501 *	12,884,278
ASSISTANT PRINCIPALS - HIGH SCHOOL	1 PER SCHOOL OVER 500 + .2 PER 100 ADM > 500	283	48,008 *	14,068,344
TEACHER AIDES - KINDERGARTEN	20:1 STUDENT/AIDE RATIO	2,380	18,450 #	39,107,800
PERSONNEL SUB-TOTAL		57,443		1,631,674,479
				302,821,889
				170,892,928
				2,164,989,302

FRINGE @ 17.891% OF TOTAL SALARIES
HEALTH AND DENTAL @ \$2,975 PER FTE
PERSONNEL & FRINGE TOTAL

Notes:

* TAKEN FROM "ANNUAL SALARY STUDY 1980-84" PLUS 9% INCREASE (AVERAGE 3% INCREASE PER YEAR)
** ESTIMATED FY 96 SOUTHEASTERN AVERAGE FOR TEACHERS = \$37,743 PLUS 3% INCREASE (AVERAGE 3% INCREASE PER YEAR)
ESTIMATED SALARIES
ADM = 638,813 OF 95 45-DAY ADM REPORT

B: SCHOOL BASE SUPPORT

INSTRUCTIONAL SUPPLIES (120 X 638,813 ADM)	12,792,200
MEDIA RESOURCE (18 X 638,813 ADM)	3,186,088
INSTRUCTIONAL TECHNOLOGY (125 X 638,813 ADM)	1,880,325
PROFESSIONAL DEVELOPMENT (175 PER FTE)	6,308,225
FAMILY LITERACY (120 X 638,813 ADM)	12,792,200
GIFTED AND TALENTED (1400 X 638,813 ADM X 10% POPULATION)	25,184,520
ADVANCED PLACEMENTS (8104 X 638,813 ADM X 2% POPULATION)	1,330,336
CHILD DEVELOPMENT - 4 YEAR OLDS (81,500 X 14,000 COUNT)	31,000,000
EARLY CHILDHOOD/CAD ASSISTANCE (1100 AYS X 638,813 ADM)	102,338,000
HANDICAPPED TRAINABLE/PROFOUNDLY (11,400 X 3,000 COUNT)	4,200,000
ARTS CURRICULA (12 X 638,813 ADM)	1,378,228
PRESCHOOL CHILDREN W/DESB (1800 X 4,500 COUNT)	4,050,000
CONTINUOUS IMPROVEMENT/INNOVATION PROJECTS (18 X 638,813 ADM)	3,837,078
COMMUNITY INVOLVEMENT/PARTNERSHIP (13 X 638,813 ADM)	1,918,838
TECH PREP/SCHOOL TO WORK (ESTIMATED COST)	5,000,000
SCHOOL FACILITIES IMPROVEMENTS (120 X 638,813 ADM)	18,188,380
SCHOOL SUPPORT HEAT, LIGHT, TELEPHONE, BUILDING MAINTENANCE, ETC (ESTIMATED COST)	142,000,000
INSTRUCTIONAL MATERIALS/TEXTBOOKS (140 X 638,813 ADM)	25,584,820
HOME INSTRUCTION (1100 X 2,500 COUNT)	250,000
VOCATIONAL EQUIPMENT (ESTIMATED COST)	8,000,000
COMPETITIVE TEACHERS GRANTS (140 PER TEACHER)	1,344,040
SCHOOL BASE SUPPORT	401,242,783

PRIORITY ONE

ADEQUATE STUDENT BASED COST

SUBTOTAL PERSONNEL & SCHOOL BASE SUPPORT

2,588,271,888

ADMINISTRATIVE COST:

DISTRICT ADMINISTRATIVE COST @ 4% OF PERSONNEL & SCHOOL BASE SUPPORT

102,848,275

TOTAL FOUNDATION PROGRAM (FP)

2,691,120,163

ADEQUATE STUDENT BASED COST (Foundation Program divided by ADM)

\$4,173

STATE SHARE (80%) 3,338

LOCAL SHARE (20%) 835

2,135,104,929

PRIORITY TWO

EDS ADMINISTRATIVE COST (1% & FP)

28,088,812

TOTAL COST - STATE SHARE

\$2,163,193,741

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PRIORITY ONE

ADEQUATE STUDENT BASED COST

YEAR THREE (FY 97-98)

A: SCHOOL PERSONNEL COST

POSITIONS	RATIOS	NUMBER REQUIRED	ANNUAL SALARY	COST
GUIDANCE COUNSELORS	1 PER SCHOOL + 1 PER ADDITIONAL 375	1,444	30,138	58,510,840
ART TEACHERS	1 PER SCHOOL + .2 FTE PER 100 ADM > 500	1,384	33,684	46,604,056
MUSIC TEACHERS	1 PER SCHOOL + .2 FTE PER 100 ADM > 500	1,384	33,684	46,604,056
PE TEACHERS	1 PER SCHOOL + .2 FTE PER 100 ADM > 500	1,384	33,684	46,604,056
LIBRARIANS	1 PER SCHOOL + 1 FTE > 750	1,307	38,848	50,881,043
LIBRARIAN ASSISTANTS	1 PER SCHOOL + 1 FTE > 750	1,307	12,720	16,825,080
PSYCHOLOGIST	1 PER 1,000 ADM	839	42,478	35,521,864
SOCIAL WORKERS 50% SDE / 50% DSS	1 PER SCHOOL	1,002	18,919	17,460,408
NURSES 50% SDE / 50% DSS	1 PER SCHOOL	1,002	12,450	12,484,082
TEACHERS KINDERGARTEN	20:1 STUDENT/TEACHER RATIO	2,360	33,684	79,088,960
TEACHERS GRADES 1-3	15:1 STUDENT/TEACHER RATIO (LESS AIDES)	10,448	33,684	351,680,948
TEACHERS GRADES 4-8	20:1 STUDENT/TEACHER RATIO	12,873	33,684	433,227,042
TEACHERS GRADES 9-12	20:1 STUDENT/TEACHER RATIO	7,137	33,684	240,186,536
VOC ED DIRECTORS	47 VOC ED CENTERS	47	58,784	2,771,908
ASST VOC ED DIRECTORS	CURRENT STAFFING	10	48,505	775,080
SPECIAL ED TEACHERS	11% X 839,813 ADM / 15	4,690	33,684	157,837,280
SPECIAL ED ASSISTANTS	11% X 839,813 ADM / 15	4,690	15,900	74,571,000
SCHOOL SECRETARIES	1 PER SCHOOL + 1 PER ADDITIONAL 500	1,700	19,080	32,636,000
ATTENDANCE CLERKS	1 PER SCHOOL	1,002	18,900	18,408,900
CUSTODIANS	200:1 STUDENT/CUSTODIAN RATIO	2,132	18,900	33,888,900
PRINCIPALS - ELEMENTARY	1 PER SCHOOL	822	16,837	13,844,014
PRINCIPALS - MIDDLE	1 PER SCHOOL	177	58,101	10,284,064
PRINCIPALS - HIGH SCHOOL	1 PER SCHOOL	233	62,047	14,458,961
ASSISTANT PRINCIPALS - ELEMENTARY	1 PER SCHOOL OVER 500 + .2 PER 100 ADM > 500	356	44,870	15,987,856
ASSISTANT PRINCIPALS - MIDDLE	1 PER SCHOOL OVER 500 + .2 PER 100 ADM > 500	278	46,753	12,998,728
ASSISTANT PRINCIPALS - HIGH SCHOOL	1 PER SCHOOL OVER 500 + .2 PER 100 ADM > 500	293	49,329	14,453,397
TEACHER AIDES - KINDERGARTEN	20:1 STUDENT/AIDE RATIO	2,360	15,900	37,365,000
PERSONNEL SUB-TOTAL		81,770		1,889,635,383
FRINGE @ 17.831% OF TOTAL SALARIES				334,496,874
HEALTH AND DENTAL @ \$1,975 PER FTE				163,750,020
PERSONNEL & FRINGE TOTAL				2,387,882,277

Notes:

* BASED FROM "ANNUAL SALARY STUDY 1990-94" PLUS 12% INCREASE (AVERAGE 3% INCREASE PER YEAR)

** ESTIMATED FY 98 SOUTH-EASTERN AVERAGE FOR TEACHERS - \$31,743 PLUS 6% INCREASE (AVERAGE 3% INCREASE PER YEAR)

ESTIMATED SALARIES

ADM = 839,813 (FY 95 45-DAY ADM REPORT)

B: SCHOOL BASE SUPPORT

INSTRUCTIONAL SUPPLIES (\$20 X 839,813 ADM)	12,792,260
MEDIA RESOURCE (\$15 X 839,813 ADM)	3,148,088
INSTRUCTIONAL TECHNOLOGY (\$25 X 839,813 ADM)	1,699,325
PROFESSIONAL DEVELOPMENT (\$100 PER FTE)	8,177,500
FAMILY LITERACY (\$20 X 839,813 ADM)	12,792,260
GIFTED AND TALENTED (\$400 X 839,813 ADM X 10% POPULATION)	26,684,520
ADVANCED PLACEMENT (\$100 X 839,813 ADM X 2% POPULATION)	1,330,388
CHILD DEVELOPMENT - 4 YEAR OLDS (\$1,500 X 14,000 COUNT)	21,000,000
EARLY CHILDHOOD/ACAD ASSISTANCE (\$100 AVG X 839,813 ADM)	102,338,080
HANDICAPPED TRAINABLE/PROFOUNDLY (\$1,400 X 3,000 COUNT)	4,200,000
ARTS CURRICULA (\$2 X 839,813 ADM)	1,279,226
PRESCHOOL CHILDREN W/DEAB (\$900 X 4,800 COUNT)	4,050,000
CONTINUOUS IMPROVEMENT/INNOVATION PROJECTS (\$6 X 839,813 ADM)	3,657,878
COMMUNITY INVOLVEMENT/PARTNERSHIP (\$3 X 839,813 ADM)	1,918,839
TECH PREP/SCHOOL TO WORK (ESTIMATED COST)	5,000,000
SCHOOL FACILITIES IMPROVEMENTS (\$30 X 839,813 ADM)	19,194,380
SCHOOL SUPPORT (HEAT, LIGHT, TELEPHONE, BUILDING MAINTENANCE, ETC) (ESTIMATED COST)	140,000,000
INSTRUCTIONAL MATERIALS/TEXTBOOKS (\$40 X 839,813 ADM)	26,594,520
HOME INSTRUCTION (\$100 X 2,500 COUNT)	250,000
VOCATIONAL EQUIPMENT (ESTIMATED COST)	8,000,000
COMPETITIVE TEACHERS GRANTS (\$40 PER TEACHER)	1,478,080
SCHOOL BASE SUPPORT	463,112,068

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PRIORITY ONE

ADEQUATE STUDENT BASED COST

SUBTOTAL PERSONNEL & SCHOOL BASE SUPPORT

2,791,825,240

ADMINISTRATIVE COST:

DISTRICT ADMINISTRATIVE COST @ 4% OF PERSONNEL & SCHOOL BASE SUPPORT

111,641,016

TOTAL FOUNDATION PROGRAM (FFP)

2,903,466,256

ADEQUATE STUDENT BASED COST (Foundation Program divided by ADM)

94,538

STATE SHARE (80%)

3,831

LOCAL SHARE (20%)

908

2,322,133,000

PRIORITY TWO

SDC ADMINISTRATIVE COST (1% X FFP)

29,029,663

TOTAL COST - STATE SHARE

42,351,169,663

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OTHER CONSIDERATIONS:

Enhancement Programs

(These programs enhance but are not part of the basic everyday school operations.)

Governor's School for the Arts	135,000
Critical Teaching Needs	700,000
Junior Scholars	250,000
Archibald Rutledge Scholarship	19,147
Junior Academy of Science	5,000
Youth in Government (YMCA)	22,714
12 Month Agriculture Teachers	585,000

(It is recommended that these categories be budgeted as separate line items or part of another agency budget where coordinated state wide services would be more efficient.)

Other Recommendations:

	CURRENT FUNDING	RECOMMENDATION
1. Transportation	\$59,413,648	Dept of Transportation Coord. statewide Public and Private Partnership
2. School Facilities	\$0.00	A) Local bond referendum capacity B) State Bond Pool FY 96 - \$50,000,000 FY 97 - \$100,000,000 FY 98 - \$150,000,000
3. Technology	\$0.00	Budget & Control Board Information highway network for all agencies to use Public and Private Partnership

Recommendation to be Discontinued or Moved from the K-12 Budget:

A. Current Programs:	COST
School Incentive Grants	\$5,000,000
Paperwork Reduction Equipment	231,775
Pathways Coordinators	1,248,000

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Tuition Reimbursement

910,000

B. Program Transfer:

Adult Education*

11,284,507

*Transfer to Technical College Board for linkage with job training (Family Literacy would stay within K-12 Budget).

C. Program Transfer to Agency with budget responsible for the Activities:

PROGRAM	AGENCY	DEPARTMENT	COST
Dept. of Juvenile Justice	Juvenile Justice	Juvenile Justice	6,800,000
Dept. of Corrections	Corrections	Corrections	4,700,000
Mental Retardation	Disabilities	Disabilities/Special Needs	1,030,435
National Science Foundation- Match	Gov	Governor	1,800,000
Alcohol/Drug Abuse	Gov.	Dept. of Drug/Alcohol	1,104,921
Continuum of Care	Gov.	Governor	6,929,663
Governor's School Math/Science	Gov.	Board	2,100,000
African-American Loan	Gov.	Governor	335,000
Business, Ed. Partnership	CHE	Winthrop	109,706
Jt. Business Ed. Program	CHE	Winthrop	108,189
Teacher Recruitment	CHE	Winthrop	1,359,736
Center of Excellence	CHE	Winthrop	387,850
Center for School Leadership	CHE	Winthrop	715,000
Felton Lab.	CHE	S.C. State University	204,000
Accelerated Schools Project	CHE	College of Charleston	125,000
G & T 8th Grade Advise ment	CHE	CHE	402,250
Child Abuse Awareness	CHE	Winthrop	200,000
School Improvement Council	USC	USC	192,208
Remedial Writing	USC	USC	312,000
Teacher Pay State Agencies	B&C Bd	B&C Board	540,171
Teacher Loan	State Treasurer	State Treasurer	5,016,250
Comprehensive Health Assessment	DHEC	DHEC	94,658
Health Education	DHEC	DHEC	100,000
Will Low Gray	Will Low Gray	Board	348,909
School for Deaf & Blind	Sch Deaf and Blind	Board	2,023,099
John De La Howe	John De La Howe	Board	243,277
States Offend: John De La Howe	John De La Howe	Board	650,000
ELA Select Committee	Senate	Senate	205,000

Budgeting by special project and proviso has eroded the resources needed to fund schools' basic operating costs. I realize this new approach is a dramatic departure from the existing system, but you have provided us with the opportunity to make dramatic improvements by "zero-basing" the state's K-12 education budget and

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setting priorities to ensure that students, teachers, classrooms and schools have adequate resources to guarantee learning.

The education system South Carolina has now is one where there are many state mandates, but no clear lines of responsibility for results. Local communities have little say in the decisions that affect their children, and state taxpayers have no redress when their investment produces a poor return.

If our proposal were a mathematical equation, it might look like this:

High Academic Standards

Adequate Resources

Local Control

+ Accountability for Results and Costs

Excellence for ALL Children

We cannot afford to play around the margins of reform. Creating a system that can produce means empowering the people who can make a difference, giving them the tools they need to succeed and refusing to tolerate failure.

It is time for us to move forward. It is time to put children's needs and classrooms first. It is time for South Carolina to reinvent education.

cc: Carl Jordan

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Public & Special Schools - Re-entry
Originals 12-99

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In recent years the state has begun to develop intervention strategies to address deficiencies in underachieving schools. These efforts should be significantly expanded in light of what is known about the prevalence of low-performing schools in South Carolina.

III. Enhance Access of Low-Income and Minority Students to Higher Education by Fully Funding Need-Based Scholarships

The data demonstrate the need for greater and more sustained outreach efforts and more financial aid to increase the number of poor and minority group students admitted to two- and four-year institutions of higher education. Too much talent is being wasted.

This need goes far beyond simply having more diverse student bodies by class, race and ethnicity. The fundamental need for this outreach is to reduce group-identifiable disparities in education and economic well-being; to ensure that the state has an adequate teacher force in the future; to promote access of poor and minority group residents to professional careers; and to enhance the quality of life for all of the people of South Carolina.

The state's recent step toward fully funding access by all qualified persons to two-year institutions of higher education is a major step in the right direction. By taking this step, South Carolina's leaders have recognized how need-based scholarships can inspire and enable low-income students to seek higher education. The task force is hopeful that the new effort will broaden the number of African Americans and other low-income people able to receive education after high school.

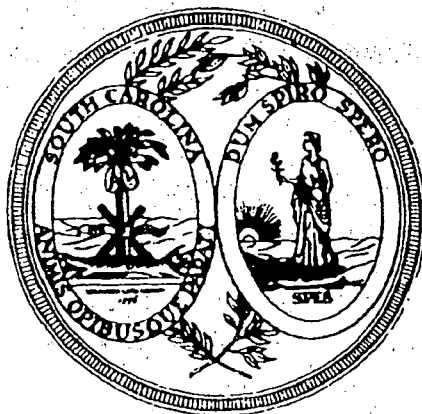
The task force is aware that there are many uses to which lottery funds may be put, but there is no higher use than to address fairness in educational access. Various two- and four-year institutions have put articulation agreements in place to promote transfer opportunities for students in two-year institutions. By fully funding need-based scholarships and monitoring "articulation agreements" to be sure they achieve their aim, the state can significantly open up the talent flow into four-year institutions.

The task force is concerned that without adequate provision of counseling services, many low-income high-school students who pursue education at two- and four-year institutions may, if the past is a portent of the future, fail to receive degrees. Without need-based scholarship aid for four-year institutions, many students may not take advantage of transfer/articulation agreements. Hence, the task force recommends that state policymakers adopt

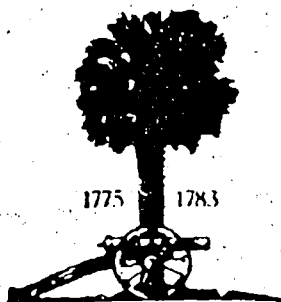
- guidelines to govern both recruitment and retention efforts for low-income students to ensure that two-year institutions achieve high levels of educational attainment and graduation rates;
- criteria for remedial courses to promote alignment of what is taught in two-year institutions with requirements for successful transfer/matriculation at four-year institutions.

The task force strongly recommends full funding of need-based scholarships to enable larger numbers of poor and minority group students to attend four-year institutions by transfer or direct admission. Full funding will not be easy, but it is necessary if the state is to meet workforce

South Carolina General Assembly



Legislative Audit Council



The State of South Carolina
General Assembly
Legislative Audit Council
A Review of the
Education Finance Act of 1977
June 1, 1983

PLAINTIFF'S
EXHIBIT

736

HRSE 03303

PLT_0736

REC025593

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GLOSSARY OF TERMS

Accreditation - The process used to ensure school and district compliance with educational standards set out in the Defined Minimum Program. Every school receives an accreditation rating to indicate the degree of its compliance.

Add-on Method - A method of counting students which counts students first in the category where they spend most of their time. Students who also receive services within other categories are counted a second time.

Average Daily Membership (ADM) - A method of counting students in which enrollment is averaged over 135 of the 180 days schools are in session.

Base Student Cost (BSC) - The amount of money required to provide the Defined Minimum Program for the most economically educated student in the school system. This has been determined to be those students in grades 4 through 8, in a regular classroom setting. The BSC figure is established each year by the Legislature.

Basic Educational Data System (BEDS) - A computerized reporting system which provides statistical information on each school. The information is provided for use in monitoring compliance with the Defined Minimum Program (DMP).

Category, Classification - Any specific student definition that is assigned a single weighting, i.e., kindergarten, speech, vocational. These terms are used interchangeably in the Act with "program."

85% Clause (Expenditure Requirements) - A provision of the EFA which requires school districts to expend 85% of the dollars generated by the pupil membership in the categories where the students generating the revenues are classified.

Coefficient of Variation - A statistical measure, expressed as a percentage, indicating the degree to which districts' per-pupil revenues cluster around the State average revenue per pupil. To obtain the coefficient, the standard deviation is divided by the mean of per-pupil revenues of the districts.

Correlation Coefficient - A statistical measure used to indicate whether a relationship exists between districts' property wealth per pupil and districts' revenues per pupil. The elasticity of this measure indicates the magnitude of the relationship.

Defined Minimum Program (DMP) - The program established annually by the State Board of Education that is necessary to provide public school students in South Carolina with minimum educational programs to meet their needs. The DMP provides the criteria establishing cost estimates of the foundation program (Base Student Cost). Districts must give first spending priority of funds allocated under EFA to meeting standards established by the DMP.

GLOSSARY OF TERMS (CONTINUED)

- District Annual Report - Refers to the financial reports sent by district superintendents to SDE by August 15.
- Equalization Formula - The funding formula which determines State and local allocations to school districts. The total amount of funding a district receives is the base student cost times the district's weighted pupil units. The percentage of the amount funded by the State is determined by the index of taxpaying ability.
- Exceptional - Educational categories other than regular or vocational/technical, i.e., handicapped or gifted.
- Federal Range - The ratio measuring the restricted range (5th - 95th percentiles) to the revenues per pupil at the 5th percentile.
- "Flat Grant" Funding - The method used for financing education prior to the 1977 EFA. Funds were allocated to school districts based a specified student count.
- Foundation Program - The Defined Minimum Program and any special services provided by the districts to meet student needs.
- Full-Time Equivalency (FTE) - A method of counting students for funding purposes which counts a student in each weight category according to the time spent in each category.
- Holdharmless - No district qualifying for holdharmless receives less than the prior year's State EFA funding plus four-fifths of the inflation factor. Under holdharmless, a district's State fund allotment is not dependent on the number of pupils or its index of taxpaying ability.
- Index of Taxpaying Ability - A formula used to compute the local school district's property taxing capacity in relationship to all other districts in the State. The formula divides district property wealth by total State property wealth and, therefore, provides a percentage of State wealth taxable in each district. The State Tax Commission adjusts the index so that districts' property is represented at fair market value.
- Inflation Factor - A cost factor developed by the Division of Research and Statistics, to indicate the needed percentage increase in the BSC to counter inflation.
- In-Service - Professional training required of school staff each year (in addition to college courses needed to maintain certification).
- McLoone Index - A measure which examines the amount of State and local funding which would be needed to raise the revenues of all lower revenue districts up to the State median for per-pupil revenues.

GLOSSARY OF TERMS (CONTINUED)

Phase-in - EFA has as one of its purposes State Assumption of 70% of the cost of providing the basic education of the State's students. The 70% assumption is scheduled to be reached in steps by 1984.

PL 94-142 - The Education for all Handicapped Children Act of 1975 (implemented in 1977). Federal law requiring the State to provide a free, appropriate education, in the least restrictive environment, to handicapped students (ages 3-21).

Program - The combination of educational activities designed to meet a student's specific needs. For example, one student's program may consist of classes in regular, vocational and handicapped categories. This term is used interchangeably in the Act with "classification."

Range - The dollar difference between the district with the lowest amount of per-pupil revenues and the district with the highest amount of per-pupil revenues.

Relative Mean Deviation - A statistical measure showing the differences between each districts' revenues per pupil and the State average of revenues per pupil.

Restricted Range - The dollar difference between the districts with per-pupil revenues above the 5th percentile and below the 95th percentile. Also measures the dollar difference of per-pupil revenues between districts above the 25th percentile and below the 75th percentile.

Salary Schedule - Minimum salaries to be paid teachers, by education and years experience, based on an index established by EFA.

State Superintendent's Annual Report - Report to the Legislature by the State Superintendent each legislative session.

Teacher Incentive - Additional funds are given to districts for each teacher (in excess of 25% of staff) with a Master's Degree or higher certification.

Weighted Pupil Units (WPU) - A method of counting students using average daily membership and the cost ratios (weights) assigned the various education programs. Used as an indicator of pupil need for services in the statistical sections of this report.

Weighting System (Weights) - Cost ratio assigned to different student classifications based on the relative cost of their education program to that of the base student, which is given a weighting of 1.00 (see "Base Student Cost"). All other categories of students, particularly vocational and handicapped, require additional services, thus their weightings are greater. In South Carolina, a pupil is counted in only one educational category, regardless of other educational services received.

INTRODUCTION

Act 163 of 1977, the Education Finance Act, directs the Legislative Audit Council to assess compliance with the provisions of the Act and to make recommendations to the General Assembly concerning necessary changes. The first comprehensive report, "Study of the Implementation of the Education Finance Act of 1977," published by the Council in December 1980, presented a broad review of the Finance Act after one year of implementation. This second comprehensive report analyzes the Finance Act's impact on the funds available for education after four years of implementation and the progress made in accomplishing the mandates of the Act.

The Background section provides a description of the State's educational system and reviews the provisions of the Finance Act. Chapter I analyzes various provisions of the Act for their effects on the equalization formula and examines the impact of the Act on the funding differences of the school districts and on the tax efforts required to raise revenues. Chapter II presents an overview of school district financial and reporting practices and their impact upon implementation of the Act. Chapter III reviews the ability of the weighting system and student count methods to carry out the Act's intent. Chapter IV examines the role of the State Board of Education and State Department of Education in relation to the Act. A summary of this report is available under separate cover from the Legislative Audit Council.

Numerous interviews were held with district officials, SDE staff, legislative committee staff and education professionals outside SDE. The Council appreciates the cooperation and assistance of education officials and SDE staff during the course of this study.

BACKGROUND

Overview of the State Education System

Education in South Carolina is regulated on two levels, State and local. At the State level, educational responsibilities are vested in the State Board of Education, the State Superintendent of Education and the State Department of Education. The framework of responsibility at the State level dates from 1966 when the State Educational Finance Commission and the State Schoolbook Commission were dissolved and their duties given to the State Board of Education.

The State Board of Education is composed of 17 members, 16 appointed by the legislative delegation from each judicial circuit and one appointed by the Governor. According to the Board's educational philosophy, its primary role is that of a policy making body designed to regulate, evaluate, upgrade and control the state-wide educational system. To carry out its responsibilities, the Board has been delegated ten powers by the Legislature. Generally, the Board adopts policies and procedures to govern public schools; prescribes minimum standards for any phase of education; adopts and enforces rules for the examination and certification of teachers and grants teachers' certificates; and sets the courses of study and textbooks for the schools (Section 59-5-60 of the 1976 South Carolina Code of Laws).

The State Superintendent of Education is a constitutional officer elected by the people. The Superintendent serves as the secretary and administrative officer to the State Board of Education, which considers the Superintendent as the primary education leader in the State. The Superintendent is empowered by law to organize, staff and administer a

State Department of Education; administer, through the Department, all policies and procedures adopted by the Board; manage all State and Federal funds for public schools; and perform other duties as prescribed by law or assigned by the Board (Section 59-3-30).

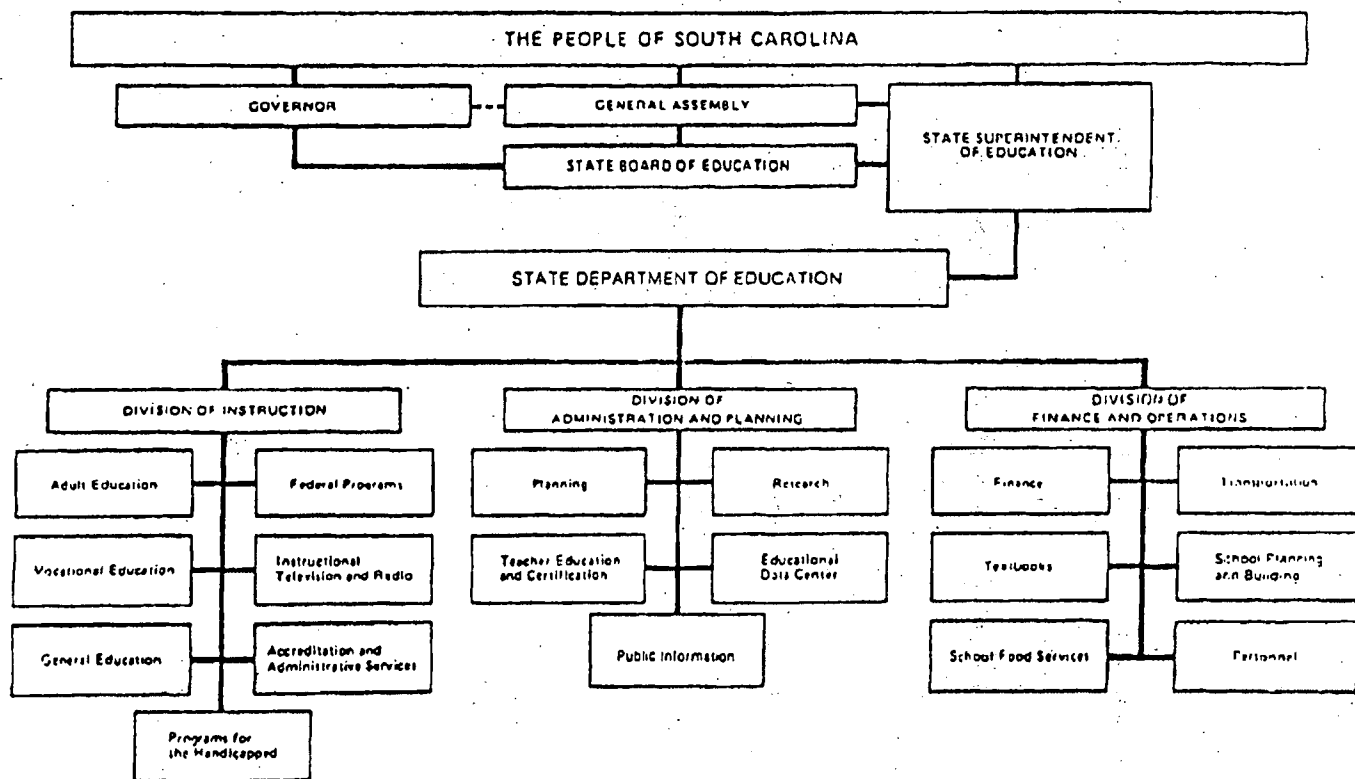
The State Department of Education has no enabling legislation in the traditional sense. The creation and purpose of the Department are found in the duties assigned to the State Superintendent. The Superintendent shall:

organize, staff and administer a State Department of Education which shall include such divisions and departments as are necessary to render the maximum service to public education in the State [Section 59-3-30(3)].

According to a 1965 Opinion of the Attorney General, the State Board of Education has no administrative authority over the Department. That authority is assigned only to the State Superintendent of Education. The organization of education at the State level is depicted in Table 1.

At the local level, the responsibilities for education are carried out in each school district by the board of trustees, the district superintendent and the district office staff. The board of trustees determines policy for the district. By law, the school board has the power to provide suitable school buildings, employ teachers, prescribe standards of achievement and conduct, and manage and control the educational interests of the district (Section 59-19-90). The district superintendent manages the district, while the district office staff provides assistance to the schools and school personnel.

TABLE 1
ORGANIZATION OF THE STATE DEPARTMENT OF EDUCATION



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The Education Finance Act

The Constitution of South Carolina requires the General Assembly to provide for the maintenance and support of a system of free public schools open to all children in the State (Article XI, Section 3). In continuing to meet this responsibility, the General Assembly passed Act 163 of 1977, known as the Education Finance Act (EFA). The purpose of the Act is to provide equity of funding for a basic educational program, equity of effort for taxpayers, and the availability of comparable educational programs for all primary and secondary school students.

Prior to the implementation of the Finance Act, the State relied on a "flat-grant" system to provide funding to schools. The "flat-grant" system allocated dollars to school districts based on pupils, staffing, or a percentage of a district's expenditures for an activity. However, this system resulted in inequitable funding for individual pupils among the State's school districts. Because local funds for education are derived from property taxes and the property wealth of districts varies, the funds available to operate school districts have varied.

The Education Finance Act changes the method of distributing State funding to local school districts to reduce the differences in funding created by variances in local wealth and to ensure that funds are provided on the basis of need. The Act provided for a five-year phase-in period, beginning in FY 78-79, with full implementation of the Act occurring in 1983. Due to a revenue shortfall, the General Assembly, in the FY 82-83 Appropriation Act, delayed full implementation until FY 83-84.

The amount of State and local funding required under the Finance Act is calculated on the base student cost and the weighted pupil units.

The base student cost is the amount deemed necessary to fund a minimum educational program for an elementary (4-8) grade student. This amount is adjusted annually by an inflation factor to reflect the inflated cost of providing the State Board of Education's Defined Minimum Program. In FY '81-82, the base student cost was funded at \$941.75.

The Act's weighted pupil system provides for the relative cost differences between educational programs for different students. This system was established to distribute funds equitably on the basis of pupil needs:

<u>Pupil Classification</u>	<u>Weights (Ratios to the base student cost)</u>
Kindergarten	1.30
Primary	1.30
Elementary	1.00
High School	1.25
Vocational Education	1.29
Educable Mentally Handicapped	1.74
Learning Disabled	1.74
Trainable Mentally Handicapped	2.04
Emotionally Handicapped	2.04
Orthopedically Handicapped	2.04
Visually Handicapped	2.57
Hearing Handicapped	2.57
Speech Handicapped	1.90
Homebound	2.10

The amount of funding a school district receives from the State varies with each district's ability to raise local revenues for schools. By using an index of taxpaying ability (explained on p. 2), districts with a smaller amount of property wealth receive a larger percentage of State funding. This is to enable each district to provide a required minimum educational program for each student, with a more equitable tax burden for taxpayers. Inequities in education funding caused by variances in property wealth should be reduced with this method.

The concerns of the Education Finance Act go beyond those of financial equity. The Act also seeks to guarantee to each student a basic education appropriate to his or her needs. By committing State funds toward ensuring that every school will live up to a specified set of educational standards, the Act is designed to provide equal educational opportunities for every student in the State.

The Finance Act further attempts to assure program effectiveness by emphasizing the evaluation of district and school needs and staff development. Districts are required to develop long-range plans and to evaluate how well goals and objectives of the plans are being met. Furthermore, districts are required to participate in a state-wide testing program which assists in planning and evaluation by enabling districts and schools to observe student performance in fundamental skills. The State Department of Education assists the districts in improving the effectiveness of local district programs by providing technical and programmatic aid. The Department is also directed to monitor programs and appraise districts' goals and plans.

The following tables show the sources and uses of education funds for five fiscal years (FY 77-78 to FY 81-82) and the State funds allocated to school districts by program for the same period.

TABLE 2
STATE DEPARTMENT OF EDUCATION
STATEMENT OF SOURCES AND USES OF FUNDS FY 77-78 TO FY 81-82

(In Millions)
 000,000

Sources	FY 77-78	FY 78-79	FY 79-80	FY 80-81	FY 81-82
State Funds	\$451.6	\$508.4	\$599.5	\$648.5	\$704.6
Federal Funds	111.5	125.2	149.6	156.9	149.2
Other Funds	20.3	14.3	13.0	2.2	4.6
TOTAL SOURCES	\$583.4	\$647.9	\$762.1	\$807.6	\$858.4
Uses					
State Board	\$.03	\$.04	\$.05	\$.05	\$.05
State Department: Office of Superintendent	.12	.15	.26	.20	.20
Division of Instruction:					
Office of Federal Programs	42.8	54.8	58.9	62.5	53.1
Office of Vocational Education	18.9	18.1	20.6	17.3	15.1
Office of Programs for Handicapped	2.9	6.5	9.9	15.2	21.2
Other Programs ¹	9.3	9.1	9.7	11.8	12.4
Division of Administration & Planning ²	2.0	2.1	2.2	2.6	2.0
Division of Finance & Operation:					
Office of School Planning & Building	18.9	22.8	30.9	18.8	17.4
Textbooks & Films	8.0	9.8	6.7	9.9	9.1
Office of School Food Service	48.8	46.0	63.7	61.0	58.7
Transportation	32.6	30.6	41.7	46.6	43.8
Other Expenditures ³	2.3	2.4	14.4 ⁵	3.3	5.4
Employee Benefits ⁴	86.1	93.6	105.1	109.0	125.5
Education Finance Act	310.6 ⁶	351.9	397.8	449.4	494.4
TOTAL USES	\$583.4	\$647.9	\$762.1	\$807.6	\$858.4

¹ Other Programs for FY 81-82, include Adult, General, Teacher Education and Certification, Instructional TV, and Accreditation and Administration.

² Division of Administration and Planning includes deputy superintendents, finance and personnel for Staff Administration.

³ Other expenditures include Auditing and Field Services, Technical Assistance, Planning, Research, Public Information, Educational Products Center and Data Processing. Technical Assistance and Educational Products Center were not funded in FY 81-82.

⁴ Employee Benefits include total public school employee benefits, plus benefits for SDE employees.

⁵ Includes \$11,605,684 of Non-Recurring Appropriations.

⁶ EFA did not begin until FY 78-79; expenditures are included here for comparative purposes.

Source: State Budget Documents, FY 77-78 through FY 81-82, and SDE Balance Sheets, FY 81-82.

TABLE 3

STATE FUNDS BY PROGRAM TO SCHOOL DISTRICTS FY 77-78 TO FY 81-82

Program	FY 77-78	% of Total	FY 78-79	% of Total	FY 79-80	% of Total	FY 80-81	% of Total	FY 81-82	% of Total
Program for Gifted	\$ 325,751	0.1%	\$ 330,771	0.1%	\$ 655,649	0.1%	\$ 1,400,606	0.2%	\$ 1,582,356	0.2%
Basic Skills Assessment	-	-	-	-	-	-	576,806	0.1	938,024	0.1
Allocations to County Superintendents & Attendance Supervisors	854,079	0.1	900,333	0.2	961,027	0.2	1,025,895	0.1	641,652	0.1
School Lunch Program	898,600	0.2	913,085	0.2	939,415	0.1	978,180	0.1	995,452	0.1
Day Care Centers	966,644	0.2	997,230	0.2	1,099,973	0.1	1,099,830	0.1	1,063,928	0.1
Program for Handicapped	1,284,597	0.3	-	-	-	-	-	-	-	-
Adult Education	2,140,598	0.5	2,070,193	0.4	2,394,548	0.4	2,003,364	0.3	1,902,030	0.3
Free Textbook Program	6,042,098	1.0	9,000,027	2.0	9,374,767	2.0	8,663,568	1.0	7,921,660	1.0
Vocational Education	16,955,450	4.0	30,057,23	0.0	378,515	0.1	599,834	0.1	558,025	0.1
School Planning & Building	18,760,054	4.0	22,706,639	4.0	19,105,303	3.0	19,185,303	3.0	17,358,262	3.0
Transportation	28,631,510	6.0	35,894,800	7.0	47,917,218	8.0	44,470,060	7.0	42,859,615	6.0
Public School Employee Benefits	86,083,391	18.0	91,491,136	17.7	102,320,142	18.0	106,259,767	17.0	122,379,950	18.0
Education Finance Act	310,592,216	65.6	351,681,754	68.2	397,770,535	68.0	449,309,922	71.0	494,354,464	71.0
TOTAL	\$473,534,908		\$516,216,025		\$583,005,992		\$635,573,135		\$692,555,418	

1. EFA did not begin until FY 78-79; expenditures shown are the former State Aid Program.

2. Funding for Handicapped Programs and Vocational Education incorporated into EFA after FY 77-78.

3. Funds for Vocational Education Equipment, FY 78-79 and FY 79-80, and Vocational Education Nurse Program, FY 80-81 and FY 81-82.

4. Funds include appropriation for County School Lunch Supervisor.

5. Funds include Testing Services.

Source: State Budget Documents, FY 79-80 through FY 82-83; Appropriation Acts, FY 79-80 through FY 81-82; and SDE Balance Sheets, FY 81-82.

CHAPTER I
ANALYSIS OF THE EFA FUNDING

Introduction

Under the State's former educational funding program (the State Aid Program), funds for education were distributed on a flat per-pupil basis. Variances in local wealth resulted in inequitable funding for individual pupils among the State's school districts, and the revenue differences were not reduced by the State funding method. Property-poor districts, taxing themselves at a rate three times as great as wealthy districts, could generate only 68% as much State and local revenue.

The Education Finance Act attempts to correct these funding differences in several ways. The Act provides funds for a minimum program which is to be substantially equal for all students and appropriate to student needs. Also, funding is to be available notwithstanding local economic factors and with an equal tax effort. In this chapter, the extent to which these objectives have been achieved is measured through statistical analysis. The effects of holdharmless and teacher incentive provisions on the equalization formula are reviewed and the overall impact of the Finance Act is examined.

Holdharmless Provision

The holdharmless provision interferes with the functioning of the Finance Act and contributes to an increase in revenue disparity among the districts. Moreover, holdharmless districts have received a total of \$256,951 to which they were not entitled because of administrative decisions by SDE and computational errors.

The holdharmless provision was designed to ease the transition to the EFA funding formula by ensuring that State funds to the districts would not fall below their pre-EFA level. Districts under this provision receive, as their EFA allocation, the prior year's State funding plus four-fifths of the inflation factor. Otherwise, under the EFA formula, a district's State fund allotment is to be dependent on the number of pupils and its index of taxpaying ability. If a district's enrollment drops or if its property wealth increases, its share of State funds is to decrease. This does not occur for districts on holdharmless. For FY 82-83, funding for holdharmless is estimated to be \$6.6 million.

Impact on Equity

The holdharmless provision interferes with the functioning of the Finance Act, increasing the revenue disparity among districts. To test the effects of holdharmless funds on districts' revenues in FY 79-80 and FY 80-81, the Council examined six statistical measures of revenue disparity and a seventh measure showing the relationship between district wealth and revenues per pupil. When holdharmless funds were excluded from the total State and local revenues, the statistics indicated a decrease in revenue disparity and a reduction in the relationship between wealth and revenues. For example, the revenue differences between districts, represented by the range and both restricted ranges, were reduced in FY 79-80 and in FY 80-81 (see Table 4). The relationship between wealth and revenues declined in both years, as seen in the correlation coefficient.

Until the holdharmless provision is repealed, the equity of funding intended by the Act will not be fully achieved. If the adjustment of

four-fifths of the inflation factor continues to be used, two districts, Beaufort and Calhoun, are estimated to receive holdharmless for another 47 and 57 years, respectively. If the holdharmless provision is retained, the Legislature should consider making the temporary proviso from the FY 82-83 Appropriation Act a permanent part of the Finance Act. This proviso permits no additional districts to receive holdharmless funds due to decreases in student numbers or upward adjustments in the index of taxpaying ability. Holdharmless could be phased out by eliminating the inflation factor when calculating holdharmless districts' State allocations. These districts would then receive the same amount of State funds they received in the prior year. This would reduce the phase-out of holdharmless for Beaufort and Calhoun to 15 and six years, respectively, and would minimize the impact on holdharmless districts of eliminating the holdharmless provision. The effects of the phase-out are shown in Table 5.

TABLE 4
MEASURING THE IMPACT OF HOLDHARMLESS
FUNDING ON LOCAL AND STATE REVENUES

Statistical Measures ³	Per Pupil			
	FY 79-80 ¹		FY 80-81 ²	
	Total Local and State Revenues	Total Revenues Without Holdharmless	Total Local and State Revenues	Total Revenues Without Holdharmless
1. Range	\$ 785	\$ 775	\$ 808	\$ 808
Lowest	917	917	1,090	1,090
Highest	1,702	1,692	1,898	1,898
2. Restricted Range	\$ 465	\$ 449	\$ 525	\$ 503
Lowest (5%)	979	979	1,142	1,142
Highest (95%)	1,444	1,428	1,667	1,645
3. Restricted Range	\$ 239	\$ 235	\$ 213	\$ 212
Lowest (25%)	1,047	1,048	1,231	1,231
Highest (75%)	1,286	1,283	1,444	1,443
4. Federal Range	.48	.46	.46	.44
5. Relative Mean Deviation	.099	.098	.092	.091
6. Coefficient of Variation	12.53	12.66	12.6	12.2
7a. Correlation Coefficient between wealth & revenue	.48	.42	.51	.45
7b. Elasticity between wealth & revenue	.14	.12	.15	.13

Statistical Measure ³	Per Weighted Pupil Unit			
	FY 79-80 ¹		FY 80-81 ²	
	Total Local and State Revenues	Total Revenues Without Holdharmless	Total Local and State Revenues	Total Revenues Without Holdharmless
1. Range	\$ 633	\$ 627	\$ 666	\$ 666
Lowest	757	757	885	885
Highest	1,392	1,384	1,551	1,551
2. Restricted Range	\$ 406	\$ 403	\$ 457	\$ 416
Lowest (5%)	794	794	946	946
Highest (95%)	1,200	1,197	1,403	1,362
3. Restricted Range	\$ 182	\$ 172	\$ 183	\$ 183
Lowest (25%)	875	875	1,011	1,011
Highest (75%)	1,057	1,047	1,194	1,194
4. Federal Range	.51	.51	.48	.44
5. Relative Mean Deviation	.096	.095	.090	.088
6. Coefficient of Variation	12.8	12.5	12.43	12.10
7a. Correlation Coefficient between wealth & revenue	.47	.41	.50	.44
7b. Elasticity between wealth & revenue	.14	.12	.15	.13

¹In FY 79-80, nine of the 92 school districts received holdharmless aid, totaling \$958,352.

²In FY 80-81, eight school districts received holdharmless aid, totaling \$1,365,702.

³Refer to "Glossary of Terms" and "Impact of the Finance Act" for discussion of the statistical measures used.

TABLE 5
EFFECTS OF THE PHASE-OUT ON HOLDHARMLESS DISTRICTS¹

FY 83-84 Holdharmless Districts	State Funds Under EFA Formula	Holdharmless Funds	
		4/5 Inflation Factor	No Inflation Factor
Anderson #4			
FY 83-84	\$ 1,297,909	\$ 143,241	N/A
FY 84-85	1,373,188	134,255	\$ 67,963
FY 85-86	1,452,833	123,953	-
Years to Fund Out		11	2
Beaufort			
FY 83-84	\$ 2,607,787	\$3,393,417	N/A
FY 84-85	2,759,039	3,518,221	\$3,242,165
FY 85-86	2,919,063	3,646,951	3,082,141
Years to Fund Out		47	15
Calhoun			
FY 83-84	\$ 1,084,140	\$ 379,172	N/A
FY 84-85	1,147,020	383,605	\$ 316,292
FY 85-86	1,213,547	387,486	249,765
Years to Fund Out		57	6
Charleston			
FY 83-84	\$33,973,388	\$ 555,297	N/A
FY 84-85	35,943,844	173,160	-
FY 85-86	38,028,587	-	-
Years to Fund Out		2	1

¹ FY 83-84 EFA formula allocations projected at a 97.1% rate of full implementation and the prior year's funding amounts were used, with inflation projected at 5.8% each year.

Note: Districts are shown receiving no holdharmless funds when the EFA formula allocation equals or exceeds the amount received under the holdharmless provision.

Holdharmless Computed on Wrong Figures

In FY 82-83, eight holdharmless districts received \$247,618 to which they were not entitled because holdharmless funds were not

calculated, as required by Section 59-20-50(1), on the prior year's actual State funding. The funds, instead, were computed on the originally budgeted amount. For FY 81-82, districts' originally budgeted funds for education were reduced by 2.19% at the direction of the Budget and Control Board and many districts had to take all or part of the cut in the EFA allocation.

The FY 82-83 holdharmless allocations were calculated on the budgeted amount because of an administrative decision by SDE. Since the budgeted amount was larger than the amount actually received, six districts received more in holdharmless funds than the Finance Act allows and two districts, which should have received no holdharmless funds, qualified for holdharmless aid. Table 6 shows the effects on each district's holdharmless revenues of calculating the holdharmless funds on the budgeted amount.

As a result of the holdharmless calculations, the eight districts were allocated the funds cut from their FY 81-82 allotment in the next fiscal year, increased by four-fifths of the inflation factor. This reduced the funds available for distribution to other districts through the EFA formula by \$247,618.

TABLE 6
EFFECTS OF COMPUTING FY 82-83 HOLDHARMLESS FUNDS ON BUDGETED
RATHER THAN ACTUAL PRIOR YEAR'S STATE FUNDING

<u>FY 82-83</u> <u>Holdharmless</u> <u>Districts</u>	<u>Holdharmless Computed on:</u> <u>Actual</u> <u>Prior Year's</u> <u>State Funding</u>	<u>Original</u> <u>Budgeted</u> <u>Amount</u>	<u>Difference</u>
<u>Allendale</u>	No Holdharmless	\$ 25,294	\$ 25,294
<u>Anderson #4</u>	\$ 78,004	79,548	1,544
<u>Beaufort</u>	1,610,289	1,615,053	4,764
<u>Calhoun</u>	492,252	528,528	36,276
<u>Charleston</u>	2,410,094	2,474,441	64,347
<u>Dorchester #3</u>	16,196	38,543	22,347
<u>Fairfield</u>	No Holdharmless	52,495	52,495
<u>Richland #1</u>	1,804,789	1,845,330	40,541
<u>Totals</u>	<u>\$6,411,624</u>	<u>\$6,659,232</u>	<u>\$247,618</u>

Source: FY 81-82 and FY 82-83 Final Financial Requirements, State Department of Education.

Computational Errors by SDE

SDE has made two computational errors in calculating holdharmless funds for FY 81-82 and FY 82-83. As a result, one district received \$5,321 in holdharmless funds when it was not entitled to receive them and four other holdharmless districts received \$4,012 in additional funds.

Three months after the beginning of FY 82-83, the Council found that Orangeburg #6 was paid holdharmless funds of \$5,321 in FY 81-82 when the district was not entitled to receive these funds. A computer

error was confirmed by SDE staff, but could not be explained. SDE staff stated that the district's FY 82-83 EFA allocation would be adjusted to recover the holdharmless funds it received as a result of the error. Therefore, the district, in effect, will pay a penalty for SDE's error.

An error was also made by SDE in calculating holdharmless for FY 82-83. Because the school districts qualified for more than the amount appropriated to the Finance Act in FY 81-82, all districts were required to take an additional .15% cut in order to comply with the "cap" on EFA funds mandated by the FY 81-82 Appropriation Act. The cut was applied to each district equally in FY 81-82; however, in calculating holdharmless funds for FY 82-83, a portion of the cut was not removed from the amount on which holdharmless was calculated. SDE staff could not explain the reason that the full .15% cut was not made in FY 81-82 holdharmless districts' allocations. Districts receiving holdharmless funds obtained an additional \$4,012 in FY 82-83, as a result. Districts not covered by the holdharmless provision had the full .15% taken from their funding. As a result of SDE's administrative decisions and these computational errors, holdharmless districts received a total of \$256,951 to which they were not entitled.

District Option in Reducing Funds for Budget Cuts

When the 2.19% budget cut was required in FY 81-82, districts were given an option in determining which program funds would be reduced. This option allowed the districts to avoid taking all or any portion of the 2.19% cut in EFA funds by having funds reduced in other State-funded areas. For districts on holdharmless, the option of taking cuts in program funds, other than EFA, has statewide impact

and lessens the funds that otherwise might be distributed through the EFA formula to all districts.

Holdharmless funds are based on the prior year's EFA allocation plus four-fifths of the inflation factor. Holdharmless districts that are able to avoid a cut in EFA funds will maintain a higher prior year's base for calculating holdharmless and will, therefore, receive larger holdharmless payments in the next year(s). The Council estimates that as much as \$1.7 million in additional holdharmless payments would have gone to the eight holdharmless districts in FY 82-83, if all these districts had been able to avoid taking the 2.19% cut in EFA funds (see Example 1). Furthermore, allowing holdharmless districts an option to avoid cuts in EFA funds ensures that future holdharmless payments to these districts remain large. In FY 81-82, four holdharmless districts did avoid cuts in their EFA funds.

EXAMPLE 1
EFFECTS OF DISTRICT OPTION ON HOLDHARMLESS FOR SAMPLE DISTRICT¹
IN FY 82-83

	<u>District Taking 2.19% Cut in EFA Funds</u>	<u>District Avoiding 2.19% Cut in EFA Funds</u>
Prior Year's Base	$16,097,514 \times 1.0568^2 = 16,443,653$	$16,234,039 \times 1.0568^2 = 16,589,133$
FY 82-83 State Allocation	<u>- 4,751,109</u>	<u>- 4,751,109</u>
FY 82-83 Holdharmless Funds	\$1,632,744	\$1,837,024
	Difference	<u>\$144,280</u>

¹Figures used for FY 81-82 prior year's base represent actual figures for one holdharmless district in FY 81-82.

²Increased by 4/5's of the 2.1% inflation factor.

SDE acted legally and correctly in allowing the option; however, the holdharmless system interferes with the fairness of allowing an option in determining where funds are cut. Having flexibility in determining where to take budget cuts is beneficial; however, the state-wide consequences and effects of permitting such an option for holdharmless districts should be fully considered.

RECOMMENDATIONS

THE GENERAL ASSEMBLY SHOULD CONSIDER REPEALING SECTION 59-20-50(1) AND REDISTRIBUTING THESE "HOLDHARMLESS" FUNDS TO THE DISTRICTS THROUGH THE EQUALIZATION FORMULA OF THE EFA.

IF THE HOLDHARMLESS PROVISION IS RETAINED, THEN THE GENERAL ASSEMBLY SHOULD CONSIDER THE FOLLOWING:

- A) THE TEMPORARY PROVISIO FROM THE FY 82-83 APPROPRIATION ACT, STATING THAT NO ADDITIONAL DISTRICTS SHALL RECEIVE HOLDHARMLESS FUNDS DUE TO DECREASES IN STUDENT NUMBERS OR UPWARD ADJUSTMENTS IN THE INDEX OF TAXPAYING ABILITY, SHOULD BE MADE A PERMANENT PROVISION OF THE EFA.
- B) HOLDHARMLESS SHOULD BEGIN TO BE PHASED OUT BY ELIMINATING THE FOUR-FIFTHS

INFLATION FACTOR IN SECTION 59-20-50(1)
SO THAT NO DISTRICT WILL RECEIVE LESS
STATE FUNDS THAN IN THE PRIOR FISCAL
YEAR.

IF THE HOLDHARMLESS PROVISION IS RETAINED,
SDE SHOULD CALCULATE HOLDHARMLESS FUNDS
ON THE AMOUNT ACTUALLY RECEIVED FROM THE
STATE FOR THE FOUNDATION PROGRAM IN THE
PRIOR FISCAL YEAR, AS REQUIRED BY SECTION
59-20-50(1).

Teacher Incentive Provision

Introduction

The Education Finance Act provides districts with additional funding for "strengthening" their instructional staffs (teachers, guidance counselors, and librarians) when over 25% of their personnel have a Master's Degree or higher. In FY 81-82, this resulted in the allocation of \$7.1 million in teacher incentive funds to 79 districts, in amounts ranging from \$361 to \$831,545. The Council examined the effects of the teacher incentive provision on the number of instructional staff with higher degrees and on the equity of the revenues districts receive.

Section 59-20-40(2) of the Act specifies that for each instructional member with a graduate degree, above 25% of the total staff, a district will receive incentive funds. The amount per staff is calculated by multiplying \$2,000 by the State portion of the State/local percentage for the foundation program (i.e., based on the index of taxpaying ability).

Teacher Incentive and Number of Degrees

The teacher incentive provision has demonstrated mixed success during the years of the Finance Act. The Council found that the rate of increase in the number of instructional staff with Master's Degrees or better has slowed since the implementation of the Act. The percentage increase in professional staff, the large majority of which are instructional staff, with Master's Degrees or better averaged 13.2% a year in the three years prior to the Act. The average yearly percentage increase dropped to 6.1% in the three years after implementation. Records were not kept on the number of instructional staff with higher degrees prior to the EFA. However, the 6.1% increase in professional staff with higher degrees is similar to the 7.3% average yearly percentage increase in instructional staff with Master's Degrees or higher from FY 78-79 to FY 81-82.

The average percentage of district staff with higher degrees has increased from 31.3% to 38.5% since the implementation of the Act (FY 78-79 to FY 81-82). The number of districts receiving teacher incentive funds has also increased from 66 in FY 78-79 to 79 districts in FY 81-82. However, the method by which teacher incentive funds are allocated has an effect on the equity of the distribution of State funds to school districts.

Allocation of Teacher Incentive Funds

The teacher incentive provision interferes with the functioning of the Finance Act. The Council concluded this from examining several aspects of the equity of teacher incentive funding. First, the state-wide impact of teacher incentive funding on local and State revenues was

determined. Second, the equity of teacher incentive funding was examined by the wealth of the districts; and third, the amounts available per higher degree were analyzed.

Six statistical measures were used to determine the state-wide impact of teacher incentive funds on local and State revenues per pupil and per weighted pupil. When teacher incentive funds were excluded from total local and State revenues, all statistics, except one, showed that revenue disparity was decreased in both years examined, FY 79-80 and FY 80-81 (see Table 7).

The Council examined the property wealth of individual districts receiving teacher incentive funds and found that the districts best able to locally support education were receiving the most teacher incentive funds. For example, the ten districts receiving the highest total allocations were among the wealthiest 22 districts, according to the index of taxpaying ability. These ten districts received 50% of total teacher incentive funds (approximately \$3.5 million) in FY 80-81 and FY 81-82. Of the 13 districts receiving no teacher incentive funds, nine were in the lower third of the index of taxpaying ability.

Districts with over 35% of their instructional staff with higher degrees averaged \$554 for each higher degree, over two times the amount available (\$207) for districts having 25%-35% with higher degrees. As a result, districts with larger percentages of instructional staff with higher degrees can more easily afford to hire even more.

Alternative Method for Allocating Teacher Incentive

Since the allocation of teacher incentive funds has an effect on the equity of the distribution of State funds to school districts, the teacher

TABLE 7
MEASURING THE IMPACT OF TEACHER INCENTIVE
FUNDING ON LOCAL AND STATE REVENUES

<u>Statistical Measures</u> ²	<u>Per Pupil</u>			
	<u>FY 79-80 Total Local and State Revenues¹</u>		<u>FY 80-81 Total Local and State Revenues¹</u>	
	<u>With</u> <u>Teacher Incentive</u>	<u>Without</u> <u>Teacher Incentive</u>	<u>With</u> <u>Teacher Incentive</u>	<u>Without</u> <u>Teacher Incentive</u>
1. <u>Range</u>	\$ 775	\$ 763	\$ 808	\$ 794
Lowest	917	917	1,091	1,090
Highest	1,692	1,630	1,898	1,884
2. <u>Restricted Range</u>	\$ 449	\$ 436	\$ 503	\$ 490
Lowest (5%)	919	976	1,142	1,138
Highest (95%)	1,428	1,412	1,645	1,628
3. <u>Restricted Range</u>	\$ 235	\$ 228	\$ 212	\$ 213
Lowest (25%)	1,048	1,045	1,231	1,219
Highest (75%)	1,283	1,273	1,443	1,432
4. <u>Federal Range</u>	.46	.45	.44	.43
5. <u>Relative Mean Deviation</u>	.098	.095	.091	.088
6. <u>Coefficient of Variation</u>	12.66	12.43	12.18	11.97

<u>Statistical Measures</u> ²	<u>Per Weighted Pupil Unit</u>			
	<u>FY 79-80 Total Local and State Revenues¹</u>		<u>FY 80-81 Total Local and State Revenues¹</u>	
	<u>With</u> <u>Teacher Incentive</u>	<u>Without</u> <u>Teacher Incentive</u>	<u>With</u> <u>Teacher Incentive</u>	<u>Without</u> <u>Teacher Incentive</u>
1. <u>Range</u>	\$ 627	\$ 617	\$ 666	\$ 655
Lowest	757	757	885	884
Highest	1,384	1,374	1,531	1,529
2. <u>Restricted Range</u>	\$ 403	\$ 391	\$ 416	\$ 409
Lowest (5%)	794	793	946	941
Highest (95%)	1,197	1,184	1,362	1,350
3. <u>Restricted Range</u>	\$ 172	\$ 170	\$ 183	\$ 174
Lowest (25%)	875	871	1,011	1,007
Highest (75%)	1,047	1,041	1,194	1,181
4. <u>Federal Range</u>	.51	.49	.44	.43
5. <u>Relative Mean Deviation</u>	.095	.092	.088	.086
6. <u>Coefficient of Variation</u>	12.53	12.29	12.10	11.88

¹The statistical measures were applied to total local and State revenues, excluding funds for holdharmless, debt service, adult education, summer school, building and construction, community services, and fringe benefits.

²Refer to "Glossary of Terms" and "Impact of the Finance Act" for discussion of the statistical measures used.

incentive provision should be eliminated from the Act. Teacher incentive funds could then be distributed to all districts to aid in full funding of the foundation program. However, if the teacher incentive provision is retained, an alternative method for allocating teacher incentive funds should be used to provide a more equitable distribution of these funds. The Council derived an alternative method which would require no additional funds. By the proposed method, each district would be provided State funds for each instructional staff member with a Master's Degree or higher certification. The amount a district would receive for each such instructional staff member would be weighted by the State portion of the State/local percentage for the foundation program for the district, multiplied by \$825.

The Council compared the effects of the current and proposed methods on district revenues. The range and restricted ranges, which show the variance among the districts, were calculated for FY 80-81 using total local and State revenues, including teacher incentive funds. The range and both restricted ranges, which eliminate the extremes, decreased with the proposed method and indicate a more equitable distribution of funds (see Table 8).

TABLE 8
COMPARISON OF THE EFFECTS ON DISTRICT REVENUES
OF THE CURRENT AND PROPOSED METHODS
FOR ALLOCATION OF TEACHER INCENTIVE FUNDS
FY 80-81¹

Statistical Measures	Total Local and State Revenues Per Pupil Including Teacher Incentive Funds	
	Current Method	Proposed Method
1. Range	\$ 808	\$ 798
Lowest	1,091	1,098
Highest	1,898	1,896
2. Restricted Range	\$ 503	\$ 453
Lowest (5%)	1,142	1,147
Highest (95%)	1,645	1,600
3. Restricted Range	\$ 212	\$ 209
Lowest (25%)	1,231	1,231
Highest (75%)	1,443	1,440

¹ Ranges were examined for the most recent year for which necessary data was available.

All districts would receive teacher incentive funds under the proposed method. Overall, 57 districts would receive more teacher incentive funds by the proposed method than under the current formula, using FY 81-82 data. These districts would gain an average of \$18,848 in teacher incentive funds, an increase of 53.6%. Thirty-five districts would receive less teacher incentive funds under the proposed method. These districts would lose an average of \$33,554 in teacher incentive funds, a decrease of 23.5%. (For a breakdown of the effect of the proposed method on each district, refer to Appendix B).

A major purpose of the Education Finance Act is equity of funding for the basic educational program. Since teacher incentive funds are allocated to districts by the EFA formula only after districts have hired 25% with Master Degrees using local funds, the teacher incentive funding interferes with the Act. Because full implementation of the foundation program has had to be delayed due to revenue shortfalls, teacher incentive funds might be appropriated as part of the basic amount for the foundation program to speed full implementation of the Act and to assure equity in funding. If the teacher incentive provision is retained, the method of allocation should be revised to allocate these funds in a more equitable manner.

RECOMMENDATIONS

THE GENERAL ASSEMBLY SHOULD CONSIDER ONE OF THE FOLLOWING ALTERNATIVES IN AMENDING SECTION 59-20-40(2):

(1) THE GENERAL ASSEMBLY SHOULD CONSIDER AMENDING SECTION 59-20-40(2) TO ELIMINATE THE TEACHER INCENTIVE PROVISION FROM THE ACT AND USE THOSE FUNDS TO AID IN FULL FUNDING OF THE FOUNDATION PROGRAM.

-OR-

(2) THE GENERAL ASSEMBLY SHOULD CONSIDER AMENDING SECTION 59-20-40(2) TO REQUIRE THE ALLOCATION OF TEACHER INCENTIVE FUNDS TO THE DISTRICTS BASED ON A DOLLAR AMOUNT FOR EACH INSTRUCTIONAL

STAFF MEMBER WITH A MASTER'S DEGREE
OR HIGHER (CLASS I CERTIFICATE OR HIGHER
CERTIFICATE), WEIGHTED BY THE STATE
SHARE OF THE STATE/LOCAL PERCENTAGE
FOR THE FOUNDATION PROGRAM.

Impact of the Finance Act

Overall, public education is more equitably funded under the Education Finance Act than under the State's former educational funding program, although the holdharmless and teacher incentive provisions interfere with the functioning of the Act. The Audit Council examined the state-wide impact of the Act on all 92 school districts' total local and State revenues from FY 77-78 to FY 81-82. Eight statistical measures were applied to local and State revenues per pupil, excluding funds for debt services, adult education, summer school, building and construction, community services and fringe benefits. The following summarizes the statistical analyses discussed in detail on pages 31 through 45.

The statistics indicate that lower-revenue districts are better able now than before the EFA to provide an educational program that is substantially equal to other districts. Generally, districts' revenues have not shown as much deviation from the State per-pupil average as they did prior to the Finance Act. The percentage difference in per-pupil funds has continued to decline during the four-year period, although the actual dollar differences per pupil have not shown much improvement. Per-pupil revenues of low-revenue districts have risen toward the State median revenue per pupil since the implementation of the Act. Looking

at district revenues available per weighted pupil, the statistics indicate that the Finance Act has also had a positive effect on the funds available for providing programs appropriate to student needs.

The statistics demonstrate that the Finance Act has reduced the effects of local economic factors on the funds available for education. The relationship between districts' education revenues and property wealth has declined each year of the Act. The unequal tax effort required of property-poor districts has also been reduced. In FY 79-80, property-poor districts taxing themselves at a rate 1.4 times as great as wealthy districts, generated 76% as much local and State revenues. This is an improvement over the pre-EFA situation of three times the tax rate to obtain 68% of the revenues. When Finance Act revenues alone are considered, the tax effort required of all the State's districts is the same. Further, the relationship of personal income and property wealth has remained moderately strong. Since these two factors are generally viewed as affecting the taxes which can be levied within a district, the parallel relationship indicates that property wealth is an adequate measure of a district's taxpaying ability or ability to support education. Therefore, the Act's funding formula adequately reflects both factors that can affect the amount of revenue available for education. The following sections discuss, in detail, the statistical analyses used to examine the impact of the Act on funding differences of districts and on tax efforts required to raise revenues.

Revenue Disparity Among the Districts

Statistically, the range, the difference between two points, is one of the simplest methods which can be used to examine funds available

for educational programs. The Council examined three ranges which compared differences in revenues per pupil among the school districts. The Council's analysis revealed that, in general, absolute dollar differences have not shown consistent improvement, but the relative differences have decreased steadily.

The difference between the lowest and highest per-pupil revenue districts (based on the average daily membership) declined from \$1,072 in FY 77-78 to \$957 in FY 81-82, indicating an overall 11% decrease in disparity from pre-EFA years. For the five-year period, the lowest school district increased revenues 118% while the highest district increased its revenues by 33%. During the first two years of the EFA, the range decreased even more, to a low of \$785, but this trend did not continue in FY 80-81 and FY 81-82. As a result, revenue differences between the districts were not reduced as much as during the first years of the Act (see Table 9).

The Council also examined district revenues per weighted pupil unit. Since the Act seeks to fund educational services based on student needs, weighted pupil units were used as an indicator of pupil need in the school districts. The weighted pupil range showed a reduction in revenue disparities for each year, except in FY 81-82. Overall, the range decreased 16% from \$898 to \$755 since the implementation of the Act.

The Council eliminated the extreme low and high per-pupil revenue districts and looked at the 5th lowest and 5th highest revenue districts (5th and 95th percentile range). The disparity in per-pupil revenues in this restricted range increased from \$479 to \$483 for these districts from FY 77-78 to FY 81-82. Further restriction of the range to the

25th and 75th percentile districts showed a similar increase in revenue disparity. The Council's analysis of both restricted ranges, using revenues per weighted pupil unit, also showed greater revenue differences between these low and high school districts since the implementation of the EFA. The revenue disparities of the restricted ranges, however, have remained fairly stable because both low and high districts have increased revenues approximately the same amount each year (see Figures 1 and 2).

The Council also looked at a measure used by the Federal Government, the Federal Range, which uses a ratio to indicate the relative disparity between districts of the 5th and 95th percentile. The ratios show that in FY 77-78 the district at the 95th percentile had 70% more revenues per pupil than the district at the 5th percentile. By FY 81-82, however, the difference had been reduced to 38%. This improvement is also evident in Table 9, based on weighted pupil units.

TABLE 9
REVENUE DISPARITIES AMONG SCHOOL DISTRICTS

Based on Local and State Revenues Per Pupil

Statistical Measures	Pre-EFA			EFA			
	72-73 ¹	75-76 ¹	77-78	78-79	79-80	80-81	81-82
1. <u>Range</u>			\$ 1,072	\$ 938	\$ 785	\$ 808	\$ 957
Lowest			555	747	917	1,090	1,208
Highest			1,627	1,685	1,702	1,898	2,165
2. <u>Restricted Range</u>	\$296	\$604	\$ 479	\$ 459	\$ 465	\$ 525	\$ 483
Lowest (5%)			683	821	979	1,142	1,286
Highest (95%)			1,162	1,280	1,444	1,667	1,769
3. <u>Restricted Range</u>			\$ 215	\$ 189	\$ 239	\$ 213	\$ 228
Lowest (25%)			789	918	1,047	1,231	1,366
Highest (75%)			1,004	1,107	1,286	1,444	1,594
4. <u>Federal Range</u>	.81	1.05	.70	.56	.48	.46	.38

Based on Local and State Revenues Per Weighted Pupil Unit

Statistical Measures	77-78	78-79	79-80	80-81	81-82
1. <u>Range</u>	\$ 898	\$ 761	\$ 635	\$ 666	\$ 755
Lowest	459	632	757	885	1,011
Highest	1,357	1,393	1,392	1,551	1,766
2. <u>Restricted Range</u>	\$ 386	\$ 393	\$ 406	\$ 457	\$ 425
Lowest (5%)	550	672	794	946	1,057
Highest (95%)	936	1,065	1,200	1,403	1,482
3. <u>Restricted Range</u>	\$ 178	\$ 157	\$ 182	\$ 183	\$ 190
Lowest (25%)	639	759	875	1,011	1,126
Highest (75%)	817	916	1,057	1,194	1,316
4. <u>Federal Range</u>	.70	.58	.51	.48	.40

¹Source: Education Commission of the States, Denver, Colorado.

FIGURE 1

GROWTH IN DISTRICTS' LOCAL AND STATE REVENUES PER PUPIL
SINCE THE IMPLEMENTATION OF DEA

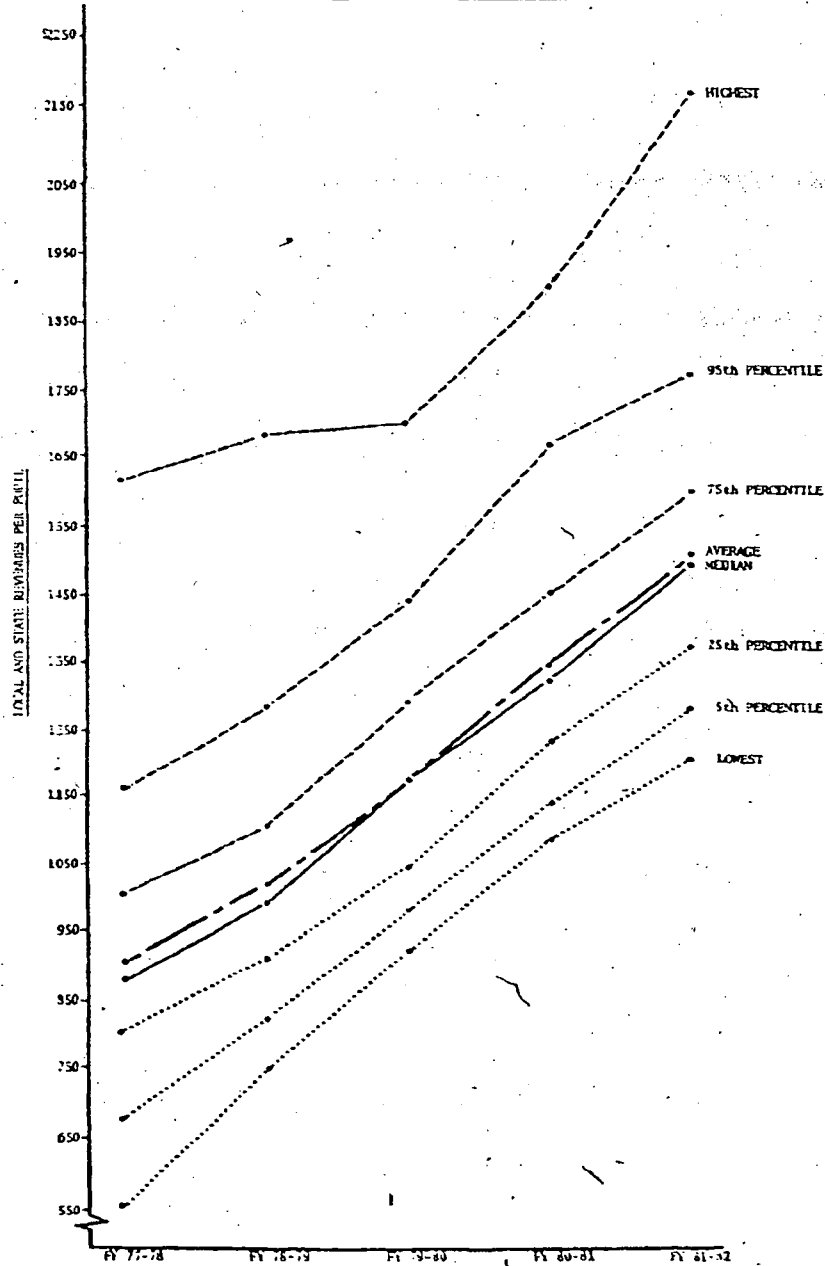
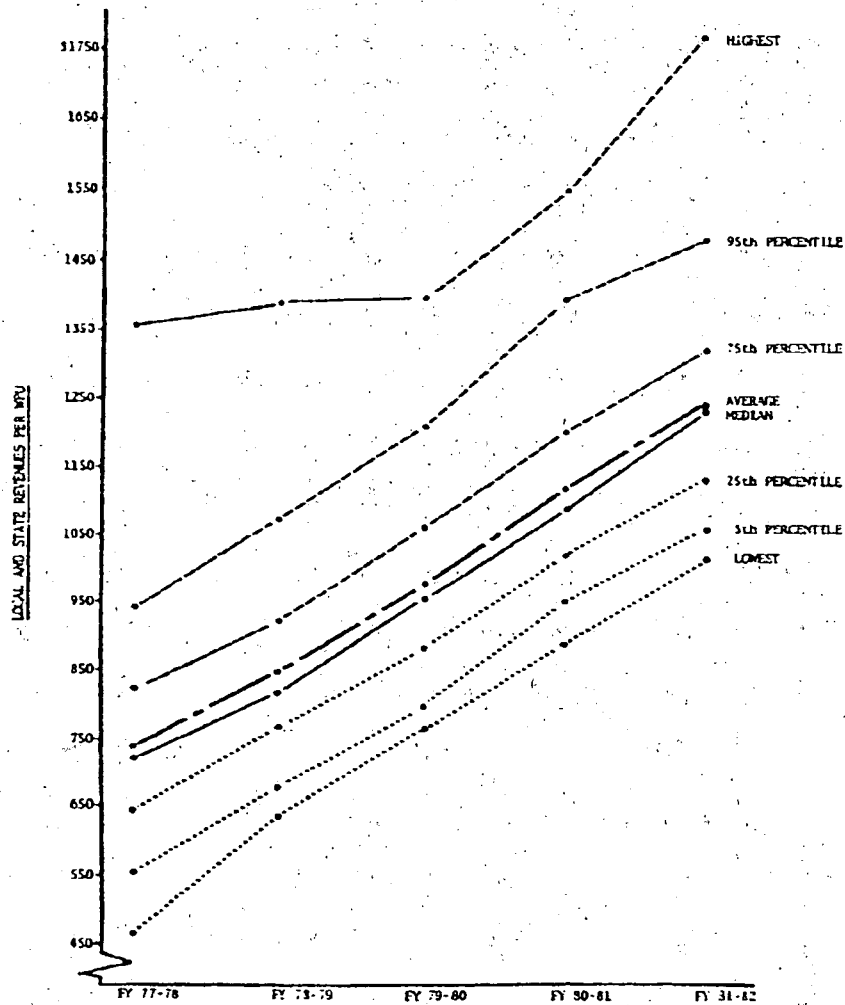


FIGURE 2

GROWTH IN DISTRICTS' LOCAL AND STATE REVENUES PER WEIGHTED PUPIL UNIT
SINCE THE IMPLEMENTATION OF EFA



Revenue Variation from the State Average

One way to examine whether all districts have adequate funds to provide a substantially equal program is to look at how closely districts cluster around the State average of revenues per pupil. The Council found that districts with less than the State average of revenues per pupil have moved closer to the average since the implementation of the EFA. The Council's analysis included three statistics (shown in Table 10) which measure districts' revenues in relation to the State average and the State median.

The relative mean deviation shows the differences between each district's revenues and the State average of revenues per pupil. A decrease in this measure from 1.0 to 0.0 indicates that districts' revenues have moved closer to the State average. The relative mean deviation in FY 77-78 was .130 and declined to .082 in FY 81-82. The Council's analysis, based on weighted pupil units, indicated a similar decline in revenue disparity.

The coefficient of variation also shows a move toward the State average. In FY 77-78, the coefficient of variation was 18.1, indicating that two-thirds of all districts' revenues per pupil were within 18% of the State average. By FY 81-82, two-thirds of the districts had moved within 11.2% of the State average.

The McLoone Index measures how closely districts below the State median of revenues per pupil cluster at the median. The raising of low per-pupil revenues to the State's median is shown as the Index moves from 0.0 to 1.0. The McLoone Index has not shown consistent improvement during the years of the Act; however, a move toward the median has occurred. The amount of actual funding needed to bring districts

below the median up to the State median increased \$13 million, from \$22.7 million in FY 77-78 to \$35.7 million in FY 81-82. Adjusted to constant dollars to control for the Act's inflation factor, there was a \$5 million increase. The McLoone Index, based on revenues per weighted pupil unit, also showed improvement with the implementation of the Act, although slight declines have occurred each year since FY 79-80.

TABLE 10
DISTRICT REVENUE DISPARITIES FROM THE STATE'S AVERAGE

Statistical Measures	Based on Local and State Revenues Per Pupil						
	Pre-EFA			EFA			
	72-73 ¹	75-76 ¹	77-78	78-79	79-80	80-81	81-82
1. Relative Mean Deviation			.130	.106	.099	.092	.082
2. Coefficient of Variation	15.3	20.9	18.1	14.7	12.9	12.6	11.2
3. McLoone Index	.905	.868	.879	.912	.899	.917	.907
Dollars needed to bring below-median districts up to the median (based on the McLoone Index):							
Actual ²			\$22,697,375	\$20,566,868	\$30,486,229	\$28,892,684	\$35,723,135
Constant ²			\$22,697,375	\$19,421,027	\$26,912,278	\$23,641,833	\$27,067,082

Statistical Measures	Based on Local and State Revenues Per Weighted Pupil Unit				
	77-78	78-79	79-80	80-81	81-82
1. Relative Mean Deviation	.130	.104	.096	.090	.081
2. Coefficient of Variation	18.4	14.5	12.8	12.4	11.2
3. McLoone Index	.890	.926	.922	.920	.917
Dollars needed to bring below-median districts up to the median (based on the McLoone Index):					
Actual ²	\$19,288,810	\$17,172,634	\$22,387,217	\$25,425,391	\$31,033,836
Constant ²	\$19,288,810	\$16,215,896	\$19,766,216	\$20,804,673	\$23,513,866

¹Source: Education Commission of the States, Denver, Colorado.

²Adjusted to constant dollars to control for the Act's inflation factor with FY 77-78 = 1.00.

Relationships Between Revenues and District Property Wealth

A purpose of the EFA is to provide minimum educational programs to all public school students in the State, notwithstanding varying local economic factors and with equal tax efforts. Statistics analyzed by the Council indicate that per-pupil revenues are now less dependent on local property wealth than in pre-EFA years. The Council's examination of two additional wealth-related factors found lower-wealth districts are able to obtain more revenue with less tax effort than before the Act. Also, property wealth parallels personal income and so provides a sufficient measure of ability to support education.

The Council first examined the correlation coefficient which measures the dependence of district revenues on property wealth and second, the elasticity which indicates the magnitude of the relationship as a percentage. An analysis of the correlation coefficient, the relationship shown in Table 11, indicates that the dependence of revenues per pupil on local property wealth has declined from the pre-EFA years. The magnitude of the relationship, indicated by the elasticity, has also decreased. Although a slight increase in the relationship was noted in FY 80-81, local and State revenues per pupil are now less dependent upon local property wealth and the magnitude of the relationship is small. According to these measures, property wealth per pupil had to increase approximately 9% in FY 81-82, compared to 4% in FY 77-78, for revenues per pupil to increase by 1%. The Council's analysis of the relationship between revenues per weighted pupil unit and local property wealth indicates the dependence of revenues on property wealth has been reduced since the implementation of the EFA.

TABLE 11
MEASURING THE RELATIONSHIP BETWEEN REVENUES
AND LOCAL PROPERTY WEALTH AMONG THE
STATE'S SCHOOL DISTRICTS

Based on Local and State Revenues and Adjusted
Assessed Property Valuations Per Pupil

<u>Statistical Measures</u>	<u>Pre-EFA</u>			<u>EFA</u>			
	<u>72-73¹</u>	<u>75-76¹</u>	<u>77-78</u>	<u>78-79</u>	<u>79-80</u>	<u>80-81</u>	<u>81-82</u>
1. <u>Correlation Coefficient</u>	.76	.55	.61	.56	.48	.51	.40
2. <u>Elasticity</u>	.38	.36	.25	.18	.14	.15	.11

Based on Local and State Revenues and Adjusted Assessed
Property Valuations Per weighted Pupil Unit

<u>Statistical Measures</u>	<u>77-78</u>	<u>78-79</u>	<u>79-80</u>	<u>80-81</u>	<u>81-82</u>
1. <u>Correlation Coefficient</u>	.62	.56	.47	.50	.40
2. <u>Elasticity</u>	.25	.18	.14	.15	.11

¹Source: Education Commission of the States, Denver, Colorado.

The Council also examined the tax efforts of districts in relation to property wealth and revenues. The State's 92 school districts were ranked according to property wealth per pupil and divided into eight groups with each group containing one-eighth of the State's total property wealth per pupil. A summary of each group's tax efforts and average local and State revenues per pupil in relation to their property wealth for FY 79-80 and FY 80-81 is presented in Table 12. In FY 79-80, the lowest property wealth group of districts, taxing themselves at a rate

1.4 times as great as the wealthiest districts, could generate 76% as much local and State revenue. The average total revenues per pupil for property-poor districts was \$1,109 with a tax effort of 9.8 cents for each dollar of adjusted property assessment. The highest-wealth districts had \$1,459 total revenues per pupil with a lower tax effort of 7.0 cents per dollar. In FY 80-81, the lowest property wealth group, taxing themselves at approximately the same rate as the wealthiest districts, generated 76% of the revenues of the wealthy districts. This is an improvement over the pre-EFA situation in which property-poor districts taxed themselves at three times the rate to generate 68% of wealthy districts' revenues. But Figure 3 shows the differences that still exist in the tax efforts the State's school districts assume for education.

A look at Table 12 also shows the effects of State funding on the revenue differences caused by the variances in local wealth. The results are different from the findings of a 1972 study, "Financing Public Education in South Carolina" by Syracuse University Research Corporation, which noted that the five wealthiest districts averaged \$278 per pupil in State funds while the five poorest property districts averaged \$270. Appendix C ranks the districts by property wealth per pupil, indicates each district's tax effort, local revenues, State revenues, and provides an index of special educational need and a median personal income per pupil (see p. 119).

TABLE 12
RELATIONSHIP OF LOCAL AND STATE REVENUES TO TAX EFFORTS
OF SCHOOL DISTRICTS GROUPED BY PROPERTY WEALTH¹
FY 79-80

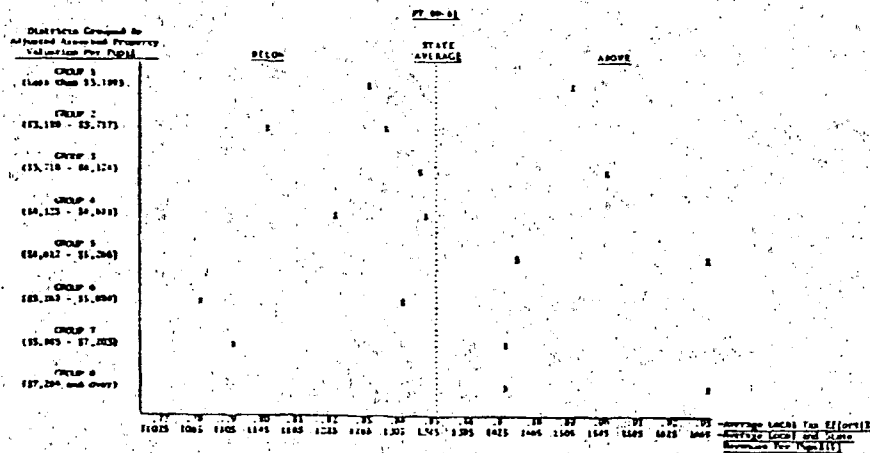
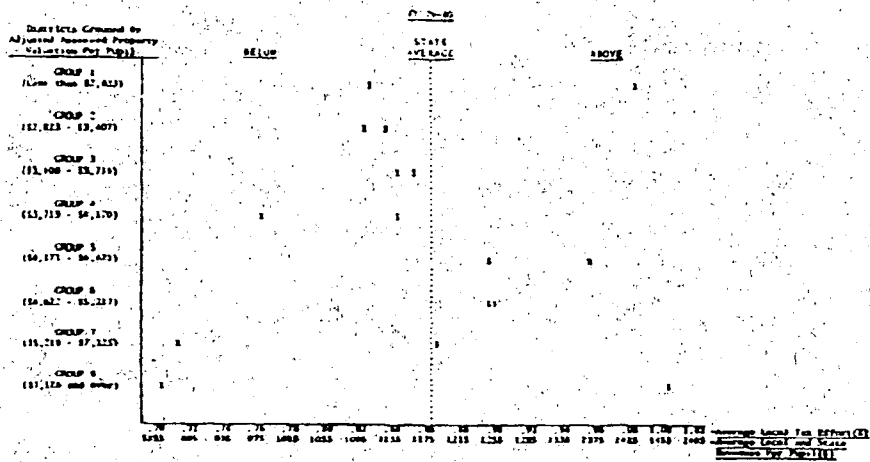
Adjusted Assessed Property Valuation Per Pupil	Tax Effort Index	Revenues Per Pupil		
		Local	State	Total
Group 1 - Lowest (Less than \$2,823)	.98	\$367	\$742	\$1,109
Group 2 (\$2,823-\$3,407)	.82	416	704	1,120
Group 3 (\$3,408-\$3,718)	.84	443	700	1,143
Group 4 (\$3,719-\$4,170)	.76	449	686	1,135
Group 5 (\$4,171-\$4,621)	.95	590	661	1,251
Group 6 (\$4,622-\$5,217)	.90	599	655	1,254
Group 7 (\$5,218-\$7,125)	.71	539	636	1,195
Group 8 - Highest (\$7,126 and Over)	.70	851	608	1,459
State Average	.86	1489	1689	\$1,178

FY 80-81

Adjusted Assessed Property Valuation Per Pupil	Tax Effort Index	Revenues Per Pupil		
		Local	State	Total
Group 1 - Lowest (Less than \$3,189)	.89	\$ 392	\$885	\$1,277
Group 2 (\$3,189-\$3,717)	.80	460	828	1,288
Group 3 (\$3,718-\$4,124)	.90	507	824	1,331
Group 4 (\$4,125-\$4,611)	.82	547	790	1,337
Group 5 (\$4,612-\$5,256)	.93	671	757	1,428
Group 6 (\$5,257-\$5,884)	.78	577	739	1,316
Group 7 (\$5,885-\$7,203)	.79	699	726	1,425
Group 8 - Highest (\$7,204 and Over)	.87	1,010	663	1,673
State Average	.85	\$ 551	\$799	\$1,350

¹ These figures are averaged for each group. See Appendix C for information on individual districts and an explanation of the data included.

FIGURE 3
RELATIONSHIP OF PROPERTY WEALTH AND DISTRICT
TAX SHARPS TO LOCAL AND STATE REVENUES PER RPL



The Council also examined the personal income of the State's school districts in relation to each district's property wealth. The correlation coefficient measured the relationship between property wealth and personal income of the districts' taxpayers. For FY 79-80 and FY 80-81, personal income of the districts was moderately related to property wealth (see Appendix C). Since these two factors are generally viewed as affecting the taxes which can be levied within a district, the parallel relationship indicates property wealth is an adequate measure of a district's taxpaying ability or ability to support education. Therefore, the Act's funding formula adequately reflects both factors that can affect the amount of revenue available for education.

Conclusion

The Council's analyses show that the EFA is providing funding more equitably for minimum educational programs to property-poor and high-need school districts. An overall rise in the level of revenues for education has occurred for both property-poor and wealthy districts since the implementation of the EFA. However, the combined local and State revenues per pupil of the State's wealthier school districts have continued to be much greater than lower property wealth districts. This is due primarily to the local funds that these wealthier districts continue to be able to raise. However, as discussed previously, two factors within the Finance Act itself, the holdharmless and teacher incentive provisions, keep the Act from further reducing the revenue disparities among the districts.

CHAPTER II
DISTRICT-LEVEL FINANCIAL INFORMATION

Introduction

This chapter presents an overview of school district financial practices and their impact on the successful implementation of the EFA and on legislative decision making. Since education funds comprise 38% of the State's budget, the ability to ensure their proper expenditure is important to the State as a whole, as well as, to the effectiveness of the Act itself.

The Council reviewed district audits conducted by SDE and district financial reports submitted to the Department to assess the progress districts have made toward improving financial accounting practices. Reports submitted by SDE to the Legislature were examined to determine the quality of education information received by the General Assembly. The districts' ability to increase their share of educational funding was examined to see if districts have made the fiscal commitment to education, as required by the Act.

The Council concludes that districts continue to have problems in maintaining accurate financial records. Districts have incorrectly charged program costs and made inaccurate reports of both State and Federal funds. As a result, the financial reports available to the Legislature are unreliable and the usefulness of these reports must be questioned. Furthermore, reports to the Legislature do not provide an assessment of compliance with the provisions of the Finance Act, as required. Aside from these problems, districts exceeded local effort requirements with local revenues in FY 80-81 and will have met the required local effort at

full implementation of the foundation program. These areas are discussed in the following pages.

Financial Reports to the Legislature

Financial information available to the Legislature on school district finances is unreliable. Furthermore, an assessment of compliance with the fiscal aspects of the Finance Act has not been included in SDE reports to the Legislature, as required by the Act.

Financial Reports Not Reliable

Problems with the validity of the information contained in the districts' annual reports are acknowledged by both State Department of Education personnel and district superintendents. These reports are the primary source of financial information used by SDE to prepare reports submitted to the Legislature. As a result, the reports to the Legislature are unreliable and their usefulness must be questioned.

Since the format of the district annual report is standardized, it provides the only source of comparable financial information available annually to SDE and, consequently, the Legislature. Therefore, the accuracy of the revenue and expenditure information contained in the district reports is of great importance. Two current SDE publications, the "Annual Report of the State Superintendent of Education" prepared for the General Assembly and the "Rankings of the Counties and School Districts of South Carolina," rely primarily on the district annual reports for financial information. A report on compliance with the fiscal and programmatic mandates of the EFA, sent to the Joint Education Finance Review Committee, also relied upon the district annual reports.

Several factors contribute to the unreliability of the financial information received from the districts. First, problems are experienced in financial management at the local level (see p. 52). Second, according to district superintendents, the required August 15th due date for the district annual reports is too close to the end of the fiscal year for complete information. Third, the information submitted in the annual reports is unaudited. This fact is not noted in most reports sent to the Legislature.

The only audited information on all districts' finances is the annual Certified Public Accountant (CPA) report required by the Defined Minimum Program (DMP). The December 1st due date, however, is too late for SDE to use the reports in preparing the State Superintendent's annual report to the Legislature. Furthermore, the State Board has no required format for the CPA reports and the detail of information they provide varies so that state-wide comparisons cannot be made. SDE audits, performed by the Office of Finance, report information concerning expenditures and compliance with the EFA mandates in a standard format. These audits, however, cannot provide a basis for annual information since they are only performed on a two-to-three-year cycle.

Reliable information is needed by both the Legislature and SDE to make sound decisions and policies regarding funding of the EFA and to annually monitor compliance with the EFA. In order for the Legislature to have access to valid financial reports on school districts, several changes must be made. The due date for the annual CPA audit reports should be moved up to November 1st so that the information in the districts' annual reports can be certified by the CPA. The format for the CPA reports should be specified and should consider all potential

users of the reports. The Legislature should also consider delaying the date by which the State Superintendent's annual report is required. The Appropriation Act has required all State agencies' annual reports to be available to the General Assembly on or before the first of January. A delay of the State Superintendent's report would allow for the use of verified district data and provide more reliable information to the General Assembly.

Legislative Reports Do Not Assess Financial Compliance

The State Board and SDE have not assessed compliance with the fiscal aspects of the Finance Act in reports to the Legislature as required by the Act. The State Board is directed in Section 59-20-60(2) to report the results of fiscal and programmatic audits of compliance to the Act in the Annual Report of the State Superintendent. Section 59-20-60(5)(e) mandates an annual report by SDE to the Governor and the General Assembly to assess compliance with the provisions of the Act and to make recommendations concerning necessary changes.

Officials at SDE have stated that the State Superintendent's annual report to the Legislature meets the reporting requirements. This report, however, does not discuss or evaluate financial compliance with the Finance Act. The only financial information given on the Act is the districts' unaudited statements of revenues and expenditures, which include EFA funds.

SDE submitted its first separate report on the EFA, covering FY 81-82, in January 1983 at the request of the Joint Education Finance Review Committee. The financial information presented in the report originated from the district annual reports, which contain unaudited

information. Therefore, only information on potential compliance or noncompliance was provided.

SDE performs compliance audits of districts which review such areas as the accuracy of the weighted pupil units, compliance to required local effort and the 85% requirement (see p. 52). The information obtained from these reviews was not included in the State Superintendent's annual report or in the report submitted to the Review Committee.

To comply with the reporting requirements of the Finance Act and provide information on the functioning of the Act, the State Board needs to include the results of the individual district fiscal and programmatic audits performed by SDE in the State Superintendent's annual report. This would allow for the use of audited information to verify compliance. Also, an analysis of the effects of the EFA on state-wide education funding, examining per-pupil revenue disparities among the districts, needs to be furnished by SDE. This analysis should be made on total local and State revenues for operations, excluding only revenues for debt service, adult education, summer school, building and construction, community services, and fringe benefits. Without this information, SDE will be hindered in making recommendations for changes in the Act and the Legislature and State Board will not have adequate information on which to base sound decisions and policies regarding the EFA.

RECOMMENDATIONS

THE STATE BOARD OF EDUCATION SHOULD SPECIFY
A FORMAT FOR CPA REPORTS, CONSIDERING ALL
POTENTIAL USERS OF THE REPORTS, AND REQUIRE
THE CPA AUDIT REPORTS BY NOVEMBER 1ST
EACH YEAR.

THE STATE BOARD OF EDUCATION SHOULD REQUIRE
CERTIFICATION OF DISTRICT ANNUAL REPORTS
BY THE CPA.

THE GENERAL ASSEMBLY SHOULD CONSIDER
CHANGING THE SUBMISSION DATE FOR THE
STATE SUPERINTENDENT OF EDUCATION'S
ANNUAL REPORT, REQUIRED BY THE APPROPRIATION ACT, TO ALLOW FOR THE USE OF
VERIFIED INFORMATION.

THE STATE DEPARTMENT OF EDUCATION SHOULD
RELEASE THE ANNUAL FISCAL AND PROGRAM-
MATIC REPORT, REQUIRED BY SECTION
59-20-60(5)(e) OF THE EDUCATION FINANCE ACT,
AT SUCH A DATE AS TO ALLOW FOR THE USE OF
VERIFIED INFORMATION.

THE STATE BOARD OF EDUCATION SHOULD
INCLUDE SUMMARIES OF THE AUDITS OF INDIVIDUAL
DISTRICT'S COMPLIANCE TO THE FINANCIAL
REQUIREMENTS OF THE FINANCE ACT IN THE
ANNUAL REPORT OF THE STATE SUPERINTENDENT, TO COMPLY WITH SECTION 59-20-60(2).

THE STATE DEPARTMENT OF EDUCATION SHOULD
INCLUDE AN ASSESSMENT OF COMPLIANCE WITH

THE PROVISIONS OF THE FINANCE ACT IN ITS REPORT TO THE GOVERNOR AND THE GENERAL ASSEMBLY, AS REQUIRED BY SECTION 59-20-60(5)(e).

THE GENERAL ASSEMBLY SHOULD CONSIDER AMENDING SECTION 59-20-60(5)(e) TO REQUIRE SDE TO INCLUDE, IN ITS ANNUAL FISCAL AND PROGRAMMATIC REPORT TO THE GOVERNOR AND THE GENERAL ASSEMBLY, AN ANALYSIS OF THE EFFECTS OF THE EFA ON STATE-WIDE EDUCATION FUNDING BY EXAMINING TOTAL LOCAL AND STATE REVENUES PER PUPIL FOR ALL DISTRICTS. THE ANALYSIS SHOULD EXCLUDE THOSE AREAS NOT COVERED BY THE ACT.

District Fiscal Accounting Practices

In its first study of the Finance Act, the Council reported that FY 78-79 district financial information contained inaccuracies. A review of audits conducted on districts' EFA information for FY 79-80 and FY 80-81, indicates that problems in maintaining accurate records persist. Furthermore, districts continue to have problems in recording accurate average daily membership of pupils.

District-level audits are conducted by the Auditing and Field Services Section of SDE to test for compliance with the financial requirements of the EFA at the district and school levels. All available SDE

district audits for FY 79-80 and FY 80-81, a total of 63, were reviewed by the Council.

Sixty-one (97%) of the districts incorrectly recorded instructional expenditures. Teachers' salaries were charged to one EFA program when two or more programs should have reflected the cost. Districts also improperly reported the number of teachers funded under the Finance Act and often included Federally-funded teachers in the number reported. The audits revealed that 23 (37%) of the districts commingled State and Federal funds, combining Vocational Education Aid, CETA, and ROTC monies with State General Funds.

As a result, program costs in the EFA continue to be incorrectly charged and inaccurate reports of both State and Federal funds have been made. Furthermore, these difficulties can result in noncompliance with the Finance Act and in repayment of funds to the State. Section 59-20-50(3) directs districts to expend 85% of the dollars generated by their EFA pupil memberships in the categories in which the revenues were generated. Noncompliance with this provision requires that the districts repay the State for funds which were improperly spent. The district audits revealed that 16 (25%) of the districts were not in compliance with the 85% clause and had to repay a total of \$30,967.

Districts also had to repay the State when inaccurate pupil accounting resulted in excessive funding. Section 59-20-40(1)(a) requires that districts maintain current and accurate average daily membership records of pupils. Over the two-year period examined, the Council found that the districts continued to have many problems maintaining accurate records. The inaccuracies fell into two problem areas - procedural problems and misclassification of pupils into the EFA categories. All 63

districts had procedural problems in recording daily membership information. In addition, 49 of the districts had classified pupils in the wrong EFA categories. A total of \$71,300 had to be repaid to the State when 42 districts' weighted pupil units were revised as a result of the SDE audits.

District financial management problems appear to be the major reason for the inaccuracies in district records. SDE has audited 14 districts twice. Six had overclaims in pupil accounting and/or noncompliance with the 85% audit standard in the first audit and again in the second. Three of the districts, cited for commingling funds in FY 78-79, had not corrected the problem in FY 79-80. In one district, SDE was unable to render an opinion on compliance to the Finance Act since "the condition of the district's financial records made it impractical to determine the proper separation of funds..." and General Fund expenditures by EFA classifications could not be ascertained.

The State Department of Education offers several forms of aid to the districts in an effort to increase the accuracy of their accounting practices. The "Financial Accounting Handbook for South Carolina Public School Districts" contains detailed instructions on maintaining records of fund and program costs. The SDE financial audits explicitly describe the problems districts are encountering and recommend necessary corrections to be made in the districts' record-keeping practices. Instructional publications, such as the "South Carolina Pupil Accounting Instructional Manual," are available to all districts to aid in the proper reporting and maintenance of accurate pupil records.

The Defined Minimum Program requires districts to maintain an "accurate accounting record of all transactions" for reporting information

to the Department of Education, the Federal Government, and the General Assembly. Until district financial records improve, districts will continue to be required to repay money to the State and information available to the Legislature on districts' educational costs will suffer. In addition, the district financial reports will not be useful to district boards and administrators as a valuable planning tool.

RECOMMENDATIONS

DISTRICT BOARDS AND ADMINISTRATORS SHOULD HAVE AS A PRIORITY ACCURATE FINANCIAL RECORDS.

SDE SHOULD CONTINUE TO EXPAND TECHNICAL ASSISTANCE TO THE SCHOOLS AND DISTRICTS. THE DEPARTMENT SHOULD EMPHASIZE ASSISTANCE IN THOSE AREAS WHERE THE LOCAL DISTRICTS HAVE DEMONSTRATED PROBLEMS WITH THEIR FINANCIAL ACCOUNTING PRACTICES.

District Compliance with Local Effort

Introduction

The Council analyzed two aspects of the local share of funding, or local effort, required of school districts by the Education Finance Act. First, the compliance of districts with the phase-in of local effort was examined for two years, FY 79-80 and FY 80-81. Second, the progress of the districts was reviewed for indications of compliance with the foundation program as if it had been fully implemented in FY 82-83.

The Council's analysis showed that the districts have satisfied local effort requirements for FY 79-80 and FY 80-81 and will also meet required local effort in FY 82-83. Therefore, the one-year extension of the phase-in period for the Finance Act should present no problems for the districts in meeting requirements for full implementation of the foundation program in FY 83-84.

The EFA provides districts with three methods to annually phase-in the required local support. A district may meet its required local support by: (1) increasing its prior year millage rate by 2.5 mills; (2) increasing its prior year local revenue by 5% in real dollars; or (3) using its combined State and local revenue if the total exceeds the amount needed to fund the minimum foundation program at full implementation. Noncompliance with any of the methods allowed in the Act will result in the reduction of State aid by the same percentage that a district fails to comply [Sections 59-20-40(3)(b) and (6)].

The method for computing the amount of required local revenue in support of the foundation program is specified in the Act:

The amount that each school district shall provide toward the cost of the South Carolina foundation program shall be computed by determining the total statewide collective share (approximately thirty percent) of the total cost of the foundation program, and multiplying this by the index of taxpaying ability of each district... [Section 59-20-40(1)(e)]

Current Local Effort Conditions

For FY 79-80 and FY 80-81, 93% and 100% respectively, of the State's districts exceeded their required local support with local revenues. The six districts which did not exceed required local support with local revenues in FY 79-80 used other methods to comply with the Finance

Act. Five districts complied by increasing the millage rate by 2.5 mills and one satisfied the requirement by relying on its combined State and local revenues which exceeded the amount required at full implementation.

Meeting Full Implementation of the Act

While the Education Finance Act states full implementation of the foundation program would be achieved in substantially equal annual intervals over a period of five years [Section 59-20-40(3)(b)], the FY 82-83 Appropriation Act extends the Act's phase-in period by one year, therefore delaying full implementation of the foundation program until FY 83-84. However, the Council analyzed local efforts as if full implementation had occurred in FY 82-83. Although district records for FY 81-82 were not available for review, the Council projects all districts in the State will have met the required local effort for full implementation in FY 82-83, if past funding trends continue.

Seventy districts (76%) met their projected local effort requirements for FY 82-83 with FY 80-81 local revenues. The remaining 22 districts (24%) were phasing in required local effort and it appears that they could have complied with requirements if full implementation of the foundation program had occurred.

To determine if the State's school districts would meet the required local effort specified by the Act, each district's FY 82-83 local support required for full implementation was projected. The Council concluded that given past funding patterns, all 92 school districts could have met required local support in FY 82-83. This indicates an improvement over the Council's finding in 1980 that 12 districts might not comply within the five-year phase-in period of the Act. It appears that districts are

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now making every effort to meet required local support within the original phase-in period. The extension of the phase-in period for full implementation of the foundation program has reduced required local support for FY 82-83. However, the districts should have no problems in meeting full funding of the foundation program by FY 83-84.

CHAPTER III
REVIEW OF THE WEIGHTING SYSTEM

Introduction

The Education Finance Act establishes a weighted pupil system to distribute funds on the basis of student needs and on the basis of the relative costs of the programs needed by different students [Section 59-20-40(1)c]. To accomplish this, the Act uses 14 program classifications and a base student cost. Each of the State's students is counted in one of the 14 program classifications, which are weighted to provide for the costs of the various programs. The weights are keyed to the base student cost, the amount deemed necessary to fund a minimum education program for a student in the elementary (4-8) grades. A study of the cost of the required minimum program shows the amount necessary for providing that program is included in the base student cost. The structure of the weighted pupil system, however, needs to be changed so that EFA funding can be closely aligned with the costs of needed student programs in the districts.

The primary factors that determine the costs of student programs are the type of service(s) that must be provided and the amount of time the service(s) is required. The weighted pupil system has three characteristics which prevent it from reflecting these factors: the student count method does not accurately indicate the different services actually received by pupils; handicapped program weights make no distinction for the varying amounts of service required by mildly and severely handicapped students; the one vocational education weight provides no adjustment for the range of costs for the different vocational programs.

Based on several studies, by SDE, the Policy Research Center, and the Audit Council, a different weighted pupil system is recommended by the Council (see Table 13). The recommended system would increase State funding to handicapped and vocational education programs by \$2.2 million. Should holdharmless be eliminated as the Audit Council recommends, an estimated \$1.5 million would be available for meeting the increase. The weighted pupil system and recommendations for improvements are discussed in detail in the following sections.

TABLE 13
RECOMMENDED PUPIL WEIGHTING SYSTEM

Programs	Proposed Weights ¹	
	Add-On	Full Weight
<u>REGULAR</u>		
Kindergarten		.65
Primary		1.30
Elementary		1.00
High School		1.25
<u>SPECIAL EDUCATION</u>		
Speech Therapy	.3	
Resource Room I	.8	
Resource Room II	1.1	
High Service I		2.0
High Service II		4.0
Itinerant (for Blind only)	1.8	
<u>VOCATIONAL EDUCATION</u>		
<u>Group A: Level I</u>		
Levels II and III		1.30
Health Occupations		1.60
Occupational Home Economics		
Trade and Industry:		
Air Conditioning, Refrigeration and Heating		
Drafting		
Electricity		
Electronics		
Industrial Sewing		
Masonry		
Painting and Decorating		
Tailoring		
Tilesetting		
<u>Group B: Level I</u>		
Levels II and III		1.32
Trade and Industry:		1.63
Appliance Repair		
Auto Body		
Auto Mechanics		
Auto Services		
Barbering		
Building Construction		
Business Machine Maintenance		
Cabinet Making		
Cosmetology		
Small Engine Repair		
Radio and TV Repair		
Textiles		
<u>Group C: Level I</u>		
Levels II and III		1.34
Trade and Industry:		1.65
Commercial Art		
Graphic Communications		
Machine Shop		
Plumbing		
Sheet Metal		
Welding		
<u>Group D</u>		
Agriculture, all Levels		1.30
Business and Office, Level II		
Distributive Education, all Levels		

¹ Students served by add-on programs would be counted in a basic grade-level program or in the appropriate vocational education program. Speech therapy is an "add-on" regardless of other service(s) in which a student is counted.

Base Student Cost

The amount of State and local funding required under the Finance Act is calculated on the base student cost. This cost is the amount deemed necessary to fund a minimum education program for a student in the elementary (4-8) grades. The base student cost is to include enough funding to support the Defined Minimum Program and to meet, as funds are available, locally identified needs (Section 59-20-20).

The "Defined Minimum Program for South Carolina School Districts," known as the DMP, outlines the minimum standards for schools and districts required by the State Board of Education for accreditation. Before a school is eligible for funding under the Finance Act, these standards must be met. In 1980 the standards were revised with additional requirements to be phased in by FY 82-83. The completion date of the phase-in was delayed a year to FY 83-84, due to the postponement of full implementation of the Finance Act.

A study of the cost of the Defined Minimum Program shows that the funds necessary for providing the DMP are included in the base student cost for districts with salaries at the State-mandated minimum salary schedule. The examination of the revised DMP included those elements required, or implied as required, by the standards and as indicated by district practice. Expenditure information from FY 80-81, the latest year such information was available from the districts, was used. The base student cost was set by the Legislature in FY 80-81 at \$913. For the 26 districts paying according to the State's required minimum salary schedule, the cost of providing the DMP was \$905. For districts paying the State's average salaries, the cost was \$958.

Methodology and Cost Elements Used

The elements included in the study are shown in Table 14, as applied to a hypothetical 6,600 student district, the average size district for the State. Eighteen districts, varying in size from 1,052 to 14,710 students, served as the basis for determining the staff necessary for meeting the DMP. Actual district expenditures were used in determining the costs for all elements, except personnel. Personnel costs for teachers were calculated on two levels, on the minimum salary schedule required by the Finance Act (Section 59-20-20) and on the average of salaries paid by the districts. For FY 80-81, the minimum average salary for a classroom teacher was \$13,403 and the average salary was \$14,318. For other personnel costs, the average salary and a derived average minimum salary for each position were used. To obtain average minimum salaries, the average salaries were adjusted by the percentage difference between the minimum average and average teachers' salaries.

The DMP was not designed as a costing document, but it is fairly precise in defining staffing requirements at the school and classroom level. For example, a full-time principal is required for a school (grades 1-6) with more than 375 pupils and the requirements for librarians and guidance counselors are specified in a similar manner. The number of pupils in a class is regulated by maximum class sizes and an average pupil teacher ratio, which cannot be exceeded by a school.

The DMP is not as precise in defining the minimum staff requirements for the district office. The standards only state that enrollment and scope of the educational program will determine the size of the central staff. Five positions were determined to be required, or implied as required, by the DMP: superintendent, secretary, business manager,

TABLE 14
STUDY OF THE
COST OF THE DEFINED MINIMUM PROGRAM FOR FY 80-81

Cost Elements	Per-Pupil Cost	
	Minimum Salaries	State-wide Average Salaries
<u>School Level Costs</u>		
Teachers	\$515.50	\$550.69
Principals		
Assistant Principals		
Secretaries		
Librarians		
Guidance Counselors		
Library Aides		
Music, Art & P.E. Teachers		
Reading Teachers	147.02	160.36
Substitute Teachers	12.91	13.57
Instructional Supplies ¹	13.01	13.01
Library Volumes and Audio-visual Materials ¹	11.52	11.52
Support Cost	2.49	2.49
Remedial Aid ²	2.42	2.42
Subtotal School Level Costs	\$704.87	\$754.06
<u>District Level Costs</u>		
1 Superintendent		
1 Secretary to Superintendent		
1 Business Manager		
1 Administrator		
1 Secretary	\$ 12.62	\$ 13.81
1 Assistant Superintendent		
1 Psychologist		
11 Administrators/Supervisors		
2 Secretaries	42.21	45.37
Support Cost	4.00	4.00
In-Service Training ³	2.31	2.31
Statistics & Data Processing	1.72	1.72
Maintenance & Operations	133.16	133.16
Board of Trustees	3.86	3.86
Subtotal District Level Costs	\$199.88	\$204.23
TOTAL	\$904.75	\$958.29
Base Student Cost		\$913

¹The DMP minimum is \$12 per pupil for instructional supplies and library and audio-visual materials together.

²The minimum for remedial aid is \$1.10 per pupil.

³The minimum for in-service training is \$10 per professional staff, 17¢ per pupil.

administrator, and a second secretary. A review of district level staffs found that on the average there was an administrative/clerical staff position for every 331 students, so for a 6,600 student district, a total of 20 positions would be indicated by district practice. Table 14 gives the cost of the five required positions, as well as, that of the additional 15 staff.

The study also includes the cost of substitute teachers, although this element is not mentioned in the DMP. Sick leave is mandated for teachers in Section 59-1-400, and districts usually hire a substitute teacher when a classroom teacher is ill. Since substitutes have no required minimum pay, the districts' median and average costs per pupil were included. A more detailed description of the costs and methodology used in the study is included in Appendix D.

Comparison with SDE Cost Study

A study prepared for SDE by the College of Business Administration, University of South Carolina, also looked at the cost of providing the DMP. "The Defined Minimum Program Cost Study" used FY 80-81 data, but adjusted the information by 8% to approximate FY 81-82 costs. The State minimum average salaries for FY 81-82 were also adjusted to include fringe benefits. The cost of the DMP with fringe benefits was found to be \$1,187. For FY 81-82, the base student cost plus the per-pupil amount appropriated for fringe benefits was \$1,154.

Fringe benefits is a cost element specifically excluded from the Finance Act, but for comparison purposes, the Council's costs were adjusted to approximate FY 81-82 costs in the same manner as in the SDE study. Minimum average salaries for FY 81-82 with fringe benefits were

used. The Council found the DMP/fringe benefits cost to be \$1,116. The SDE study and supporting documents do not provide an indication of the per-pupil costs of the various elements included in their study. Therefore, the reasons for the differences in the total costs found by the two studies could not be determined.

Conclusion

The Council's study indicates that the funding provided under the Education Finance Act allows the State's school districts to provide the program required by the Defined Minimum Program. Yet, the cost of the DMP and the base student funding have become so closely tied that changes in any educational requirements may impact on the districts' ability to provide the DMP. Should the Legislature consider changing requirements in any education program, a study of the fiscal impact will be needed.

RECOMMENDATION

THE GENERAL ASSEMBLY SHOULD CONSIDER A
FISCAL IMPACT STUDY WHEN ANY CHANGES IN
EDUCATION LEGISLATION ARE CONSIDERED.

Student Count Method

The purpose of the weighted pupil system is to distribute funds on the basis of student need, yet the Finance Act allows a student to be counted in only one of the 14 weighted program classifications [Section 59-20-40(1)c]. This "one student, one count" method does not provide

an accurate indication of the services actually received by a district's pupils. Therefore, the average daily membership (ADM) cannot be used in computing an accurate cost of these services.

Many students do spend an entire day receiving one type of program service, but as many as 23% (140,000) of the State's total pupils receive service in areas other than the one in which they are counted. Services and service time can vary for many reasons. Because of a career preference or handicapping condition, some students receive more than one type of service and these students are not identical in their need for a particular service. The amount of time a program is needed depends on the severity of a handicap or on the particular vocational program undertaken. Therefore, counting students only once, and using the 135-day ADM based on that count, does not provide the accuracy needed for funding actual services.

In 1980, the Audit Council reported that the ADM of the various programs did not reflect the services provided by a district to its students and that determining the cost of programs based on ADM could be misleading. For example, one district reported spending \$25,400 on a visually handicapped ADM of 1.81. The ADM cost per student was \$14,000, but the program costs were actually \$1,950 per student. The Council's service survey revealed the district was providing this service to 13 students. An ADM of only "two" students was reported because the other 11 were counted in other handicapped programs in which they were also receiving service.

Four separate studies of districts' expenditures in the program classifications have found that program costs cannot be derived using ADM. In each study, the amount of time students spent in the various

programs had to be determined. The 1981 SDE study illustrates the difference between the ADM and the actual amount of service received in all programs. The full-time equivalent count represents the "number" of pupils in a program based on the total percentage of time spent in the program (see Table 15).

TABLE 15
SDE STUDY INDICATING TIME SPENT IN PROGRAMS IN FY 79-80

<u>Program Area</u>	<u>ADM Pupils</u>	<u>FTE Pupils</u>	<u>% Diff.</u>
Kindergarten	30,932.65	33,398.16	8.0%
Primary	127,708.57	141,945.62	11.1
Elementary	218,348.75	238,685.79	9.3
High School	79,745.66	146,099.20	83.2
Educable Mentally Handicapped	18,383.32	8,573.18	(53.4)
Learning Disabled	14,430.24	4,406.99	(69.5)
Trainable Mentally Handicapped	2,477.25	3,033.94	22.5
Emotionally Handicapped	4,472.63	1,699.60	(62.0)
Orthopedically Handicapped	772.01	277.92	(64.0)
Visually Handicapped	411.35	106.95	(74.0)
Hearing Handicapped	767.71	337.79	(56.0)
Speech Handicapped	22,621.71	1,790.42	(92.1)
Homebound	641.92	641.92	0
Vocational Education	100,612.29	41,328.58	(58.9)
TOTAL	<u>622,326.06</u>	<u>622,326.06</u>	<u>0%</u>

The state-wide effects of using the ADM count can be illustrated by the Speech program. The 1981-82 ADM for Speech was 20,021 students; but the Office of Programs for the Handicapped reported that 8,000 more students with other handicaps also received service in the Speech program. Based on these figures, the Speech ADM under-represented actual service by 29%.

The problem becomes more serious when Speech costs are based on ADM. The 1982 study of weights by the College of Business Administration, University of South Carolina, found Speech costs, per ADM, to be relatively equal to the costs of other handicapped programs. However, only 24% of the reported cost is for the Speech program. The ADM cost is inflated, because the costs of providing other handicapped and regular programs' services are also included. Twenty-three percent of the ADM cost occurs because many students counted in Speech receive service in either the Learning Disabilities or Educable Mentally Handicapped programs as well. However, since Speech generates more funding, these students are counted in Speech. Other handicapped service accounts for 7% of the Speech cost, while the remaining cost (46%) is for time spent in regular or vocational education programs.

Many states with weighted pupil systems use either the full-time equivalency count for funding or an "add-on" method. The "add-on" method adds weights for each service provided, so a student could receive a weight for the regular program plus a weight for service in a handicapped program. Either method would be more appropriate for a weighted pupil system and would provide the Legislature with better information on which to make funding decisions. The Council's study of the two counting methods indicates that the add-on method is less cumbersome to administer and provides easily understood information on service.

Handicapped Program Weights

The Finance Act's weights for programs for the handicapped do not reflect the relative costs of providing service to handicapped students.

Service to handicapped students is funded according to particular handicapping conditions; therefore, the weights do not take into consideration the severity of the handicap(s) and the varying amounts of time service is needed. A student generates the same amount of funding whether a handicap requires service for one period a day or for an entire day.

Reviews of program costs indicate, however, that the amount of time a handicapped student requires service and the method used to deliver the service determine funding needs. This can be illustrated by the following example. Students requiring one hour of service a day can be served by a teacher in a resource room with a daily pupil load of approximately 24. For students who require service all day in a self-contained classroom, the teacher's daily load can be approximately ten students. Using the FY 81-82 minimum average salary, the cost per pupil for the teacher would vary by more than \$800 ($\$14,536 \div 24 = \$605.67$ while $\$14,536 \div 10 = \$1,453.60$).

South Carolina is one of several states which has adopted weights to fund at least one special service or need. In some states, both the handicapping condition and the length of service are a part of the weighting system. In others, classifications for weights are based on delivery system requirements for mild, moderate, and severely handicapped students.

South Carolina's present weights encourage districts to identify student needs, but to underserve them. A district is only required to serve a student one period a day (or one period a week for Speech) to qualify for EFA funding under a handicapped program weight. Districts receive no additional funds for serving students more than the minimum

time required for Finance Act funding or for providing needed secondary handicapped services. The Council's review of 21 districts' service to the handicapped shows the wide range of service provided handicapped students (see Table 16). Three districts serve more than 85% of their handicapped students one period a day or only in Speech. They receive the same amount of funding for their students' handicapping conditions as the six districts which must serve over 35% of their handicapped students two to six periods a day.

The present weights require districts to make a choice of where to count a student with several handicapping conditions in order to obtain maximum EFA funding. For example, students with a learning disability as a primary handicap, but who also require Speech therapy, are counted in Speech in many cases. They are counted in Speech because the learning disability weight of 1.74 generated \$164 less than the 1.90 Speech weight for FY 82-83.

In 1981, the Joint Education Finance Review Committee requested the Policy Resource Center of Washington, D.C. to review the State's weighting structure and make suggestions on changes needed in the system. The Center, noting the problems outlined above, recommends a weighting system for handicapped service that would shift to funding by delivery patterns rather than by handicapping condition. The Center's proposal is based on the amount of service time and the method of service delivery.

TABLE 16

PERCENTAGE OF HANDICAPPED STUDENTS SERVED IN EACH DELIVERY MODEL^c

District ^a	Resource Room I	Resource Room II	High Service I	High Service II	Not Eligible ^b	Speech Only	Total Speech	Percent Gain (Loss) in Funds
A	42.5	15.0	17.5	-	-	25.0	40.5	.3
B	28.3	32.4	9.1	.5	-	29.7	35.6	10.6
C	22.1	-	29.0	-	-	48.8	69.1	(4.0)
D	11.4	28.4	17.0	1.4	-	41.7	53.6	8.3
E	45.0	21.8	4.2	2.9	-	26.1	36.6	5.8
F	53.0	-	5.5	-	-	41.5	45.2	(1.5)
G	39.4	6.2	29.6	2.2	-	22.6	29.9	6.8
H	8.5	19.0	22.1	1.0	14.6	34.7	42.9	(1.1)
I	46.5	11.9	3.3	-	-	38.3	45.1	(1.0)
J	67.4	.1	11.7	-	-	20.8	26.2	.6
K	29.3	10.1	12.2	-	.7	47.7	63.0	(4.9)
L	29.0	20.6	5.5	-	-	44.9	50.2	(2.5)
M	51.3	11.8	16.5	.7	-	19.7	25.2	3.1
N	55.4	10.7	3.3	2.2	2.6	25.8	38.9	2.4
O	43.0	8.0	4.0	.7	3.2	41.2	49.5	(.6)
P	20.4	9.8	20.8	3.3	7.3	38.5	45.0	(.9)
Q	41.7	21.1	7.7	.7	1.5	27.3	35.4	5.6
R	56.5	9.4	10.8	.7	-	22.6	30.6	2.8
S	30.2	12.0	24.2	.2	.9	32.6	32.6	1.9
T	32.6	20.8	10.8	2.5	1.6	31.7	42.1	4.0
U	7.5	39.9	20.6	1.3	1.0	29.6	37.7	5.4
Sample Average	33.6	18.3	13.4	1.2	1.6	31.9	40.3	2.29

^aDistricts are listed by total ADM, smallest to largest.

^bStudents served on the handicapped programs but not meeting the minimum time requirements to make them eligible for handicapped weights.

^cResource Room I: five to nine hours of service weekly. Resource Room II: ten to 15 hours of service weekly. High Service I: self-contained classroom for students who can only occasionally be mainstreamed. High Service II: self-contained classroom for students who cannot be mainstreamed. For more detail, see Appendix E.

The weights proposed in Table 17 were developed by the Legislative Audit Council using methods similar to those of the Policy Resource Center. Costs used to calculate the proposed weights were based, not on current expenditure data (for the information base is lacking), but on estimates of minimum funds needed to support an average class setting for handicapped students in each delivery system model. The State minimum average teacher salary for FY 81-82 of \$14,536 and an average indirect or support service rate of 20% or \$2,907 were used. Additional supplies and materials costs were estimated based on discussions with program specialists. Teacher class loads and delivery system schedules were assigned based on the results of the Council's service survey in 21 districts and on the Defined Minimum Program requirements. Work sheets displaying the computations for each weight are shown in Appendix E. The proposed weights do not cover the costs of equipment purchase since capital outlay is specifically not funded under the Finance Act.

TABLE 17

PROPOSED HANDICAPPED SERVICE WEIGHTING SYSTEM

<u>Service Delivery Systems</u>	<u>Proposed Weights</u>	
	<u>Add-On</u>	<u>Full Weight</u>
Speech Therapy	.30	
Resource Room I	.80	
Resource Room II	1.10	
High Service Level I		2.00
High Service Level II		4.00
Itinerant (for Blind only)	1.80	

Note: Students served by add-on weighted programs would be counted in one of the basic grade-level programs with the current EFA weights. Since High Service Level I and II students are served primarily in self-contained classrooms, the cost of their basic program is a part of the full weight proposed above. Students in Resource Rooms and High Service would also receive the Speech weight when this service is provided. See Appendix E for descriptions of each model.

The Council applied the proposed weighting system to the 21 district sample. Funding would be distributed to districts according to the actual services provided handicapped students. Districts which would receive less money with the proposed system than under the current EFA system would lose funds because of one or more of the following: pupils are counted for funding but served less than State Regulations require; 45% or more of handicapped students are served only in Speech; and 85% of students are served only for one period a day or in Speech (see Table 16).

To fund service for the handicapped under this system would have increased the need for State funds for handicapped programs in FY 82-83 by \$1.6 million; the total increase would be \$2.2 million (1.9%). If funds were also included for the vocational education programs in which handicapped students also receive service (using the weighting system and weights discussed on p. 76), an additional \$460,000 would be needed. Should the holdharmless provision be eliminated as recommended by the Audit Council, an estimated \$4.5 million would be available to cover the cost of the new handicapped weighting system. If holdharmless should be phased out, approximately \$360,000 would be available for meeting the State's share of the increase.

Vocational Education Weight

The minimum cost of providing various vocational education service areas varies considerably; the Council estimates that for FY 80-81, the minimum costs per service area varied from \$179 to \$961 per pupil. Yet, the Finance Act assigns one weight for funding students receiving vocational training (Section 59-20-40), and no adjustment is provided for the costs of different training areas.

Vocational education is divided into service areas, or programs, by the type of training offered, such as business and office occupations, trades and industries, agriculture, and health. Because of the nature of the training, these areas differ in the length of class time, class size, and the cost of materials. For example, class sizes average from five to 20 students, while material costs can vary as much as \$100 per pupil.

In 1982, the Office of Vocational Education surveyed the State's high schools and area vocational centers to identify state-wide per-pupil expenditures by program. The study found that the expenditures "differ substantially" from program to program within each school or center. With all direct and indirect costs and all sources of funds included, the median expenditure per pupil ranged from \$414 for home economics to \$1,429 for a course within the trade and industry program.

With costs so varied, funding vocational education with one weight encourages districts to steer students into the less expensive service areas and discourages districts from beginning some of the more expensive courses. The purpose of the weighting system is to "provide for relative cost differences between programs for different students" (Section 59-20-40). In order for this purpose to be better achieved, separate weights should be provided for the training areas within vocational education.

Table 18 presents weights developed by the Audit Council based on estimates of minimum funds needed to support each of six service areas and 27 trade and industrial courses. Weights were based on estimates because no information is available on actual costs which does not include Federal funds and costs specifically excluded from the Finance Act. The State minimum average teacher salary for FY 81-82 (\$14,536) and an average support service rate of 20% (\$2,907) were used. Supply costs were derived from expenditures for materials reported for the SDE study by 134 high schools and vocational centers in 63 districts. Teacher class loads were assigned based on average class size for each service area with minimums set as follows: ten students for a single-period beginning class; five for single-period

TABLE 18
PROPOSED VOCATIONAL EDUCATION WEIGHTS

<u>Vocational Programs and Courses</u>	<u>Weights</u>
<u>Group A:</u> Level I	1.30
Levels II and III	1.60
Health Occupations	
Occupational Home Economics	
Trade and Industry:	
Air Conditioning, Refrigeration and Heating	
Drafting	
Electricity	
Electronics	
Industrial Sewing	
Masonry	
Painting and Decorating*	
Tailoring*	
Tilesetting*	
<u>Group B:</u> Level I	1.32
Levels II and III	1.63
Trade and Industry:	
Appliance Repair*	
Auto Body	
Auto Mechanics	
Auto Services*	
Barbering*	
Building Construction	
Business Machine Maintenance*	
Cabinet Making*	
Cosmotology	
Small Engine Repair	
Radio and TV Repair*	
Textiles	
<u>Group C:</u> Level I	1.34
Levels II and III	1.65
Trade and Industry:	
Commercial Art*	
Graphic Communications	
Machine Shop	
Plumbing	
Sheet Metal	
Welding	
<u>Group D</u>	1.30
Agriculture, all Levels	
Business and Office, Level II	
Distributive Education, all Levels	

*The proposed weights for these trade and industrial courses, offered by one to three districts only, are based on the average cost and grouped with similar courses.

classes in the second or third years; 15 students in a multi-period beginning class; ten for multi-period second- or third-year classes. The amount of service time was assigned based on the predominant service provided by the districts responding to the SDE study and on Defined Minimum Program requirements. The computations for each weight are shown in Appendix F.

For simplicity's sake, the proposed weights take into account varying costs of the vocational education courses, while providing the same funding per academic hour as is currently received with the 1.25 high school weight. (The 1.25 high school weight divided into six "weights" for funding academic classes by periods would be: one period = .21; two periods = .42; three periods = .63; four periods = .83; five = 1.04).

The cost of equipment and equipment maintenance are not included in the proposed weights because the Finance Act specifically excludes capital outlay from funding under the foundation program. The additional cost of the 12-month contracts for vocational agriculture teachers is also not included.

It should be noted that the proposed weights do not fund consumer home economics, Level I business or pre-vocational courses above the high school weight of 1.25. The larger classes and lower median cost of materials indicate that the funding for high school covers the cost of these courses.

The proposed weights would increase the need for state-wide funding for vocational education programs by \$386,000. This represents a .3% increase in the FY 82-83 allocation of \$128.6 million. Elimination of the holdharmless provision would provide more than enough funds to implement the proposed weights.

RECOMMENDATION

THE GENERAL ASSEMBLY SHOULD CONSIDER AMENDING THE WEIGHTING SYSTEM CONTAINED IN SECTION 59-20-40(c) TO REFLECT MORE ACCURATELY THE COSTS TO DISTRICTS, INCLUDING AN "ADD-ON" METHOD OF COUNTING STUDENTS, HANDICAPPED PROGRAM WEIGHTS BASED ON THE AMOUNT OF SERVICE(S) PROVIDED, AND VOCATIONAL EDUCATION WEIGHTS BASED ON THE COSTS FOR THE DIFFERENT VOCATIONAL PROGRAMS.

Vocational Courses Questioned

The review of vocational education programs indicates that courses in the consumer and homemaking area should not receive the vocational weight. These classes do not provide training for a trade or profession and cost no more than an academic class, yet they qualify students for funding under the vocational education weight.

The State Board of Education was given the responsibility for establishing the criteria qualifying students for the various classifications in the Finance Act's weighting system. All courses listed under "vocational education" in the Defined Minimum Program were approved for qualifying students for the 1.29 weight. Webster's New World Dictionary defines vocational as "...education, training, etc., intended to prepare one for an occupation..." Although the consumer and homemaking courses are considered to be vocational, the majority of the courses do

not develop skills for employment. Such courses as Family Life Education, Consumer Education, Human Sexuality, Education for Parenthood, Foods and Nutrition have as the primary goal "to help individuals and families improve their home environment and family life." Other areas and courses listed under vocational education in the DMP have "employment" or "job opportunities" as their stated purpose.

A review of class sizes and cost of materials indicates that the minimum costs of these courses is no more than those of academic courses. In FY 81-82, 26,600 students were enrolled in consumer and homemaking courses, qualifying them for the higher vocational education weight. The Council estimates that these students could have earned an additional \$1 million for their districts, if they did not take other vocational courses that would qualify them for the vocational weight.

• In order for the State to be eligible for Federal funds for consumer and homemaking education under P.L. 94-482, and for administrative ease, these classes should continue to be listed under vocational education in the Defined Minimum Program. These courses should not, however, qualify students for the 1.29 vocational weight contained in the Finance Act.

RECOMMENDATION

THE STATE BOARD OF EDUCATION SHOULD NO LONGER ALLOW CONSUMER AND HOMEMAKING COURSES TO QUALIFY STUDENTS FOR THE 1.29 WEIGHT CONTAINED IN THE FINANCE ACT FOR THE VOCATIONAL PROGRAM.

CHAPTER IV
STATE OVERSIGHT OF EDUCATION

Introduction

This chapter examines the role of the State Board and the State Department of Education in relation to the Education Finance Act. Emphasis is placed on the State's ability to monitor school districts for compliance with the Act and to ensure the availability of an adequate educational program for every student. To this end, state-wide educational standards and monitoring and evaluation systems were reviewed.

As was done in 1980, the Audit Council has reviewed SDE's responsibilities in implementing the portion of the EFA, which requires that programmatic and fiscal planning be conducted by school and district boards of trustees (Section 59-20-60). Action taken by SDE in response to the Council's recommendations to ensure effective State oversight of this system has been examined.

The State system for the oversight of education has its basis in the State Board of Education philosophy which calls for "an annual evaluation of educational quality in each school district in the State." The Board further states, "to discharge its responsibilities for upholding educational quality and ensuring equal educational opportunity, there must be an accreditation of all...schools."

In order to be accredited, each school must meet a set of minimum standards which cover all phases of its operation. These standards are called the Defined Minimum Program (DMP) and cover such areas as: number of students allowed per class; minutes to be spent in reading and math; the financial records of the district; the length of a school

day, and the number of courses offered by a high school. Schools which are classified as "dropped" by the accreditation process are ineligible for funding under the Finance Act (Section 59-20-60).

Responsibility for monitoring school compliance is given to the Office of Accreditation and Administrative Services within the Division of Instruction. Accreditation staff members, called "supervisors," perform on-site visits to each State school and district office. Schools must first submit a listing of basic information about their programs, teachers and enrollment, as part of a data collection system called the "Basic Educational Data System" (BEDS). The BEDS, along with the on-site visit to the school, serve as the basis for determining compliance with State law and for accrediting the school as offering the required minimum program. After this review is made, the Office of Accreditation and Administrative Services recommends to the State Board an accreditation rating for each school.

The Education Finance Act directs schools and districts to perform a self-evaluation centered upon student needs and prepare an annual written report. School and district compliance to this section of the Act also are monitored during the accreditation process.

Overall Issue: Programmatic Review

Each component of the accreditation system is examined in this chapter to determine if the system provides an adequate assessment of educational quality in South Carolina. The Audit Council once more finds that accreditation of schools does not provide this assessment. Accreditation is a crucial component of the Education Finance Act because, through it, the State Board and Department of Education attempt to

fulfill the responsibilities assigned them by the Act. Accreditation then may be viewed as the most important service function of the agency.

Section 59-20-60 of the Act outlines responsibilities for the State Board and State Department as follows:

The State Board shall audit the programmatic and fiscal aspects of this chapter, including the degree to which a school meets all prescribed standards of the defined minimum program...

The State Department of Education shall ... review each district's annual fiscal report, annual and long-range plan, and its evaluation of programmatic effectiveness. On the basis of this review the department shall provide information in a published report to the local school board of trustees, the Superintendent and other administrative personnel of the district for improvement in the program and in correcting the deficiencies discovered. [Emphasis Added]

These audit mandates, all of which are administered by the Department of Education, also reinforce the State Board's philosophy that calls for an "...evaluation of educational quality..."

The Department has attempted to fulfill its EFA responsibilities by incorporating them into the accreditation process carried out by the Office of Accreditation and Administrative Services. Although SDE has adopted some to the Council's recommended changes and the State Board has appointed an Ad Hoc Committee to study accreditation, the accreditation system continues to need certain improvements (outlined in detail on pages 88 through 104) in order for the oversight mechanism to function effectively.

The State Superintendent of Education, in discussing the SDE review of school districts, has stated, by law, the local boards of trustees are responsible for the management of the districts' resources. Decisions regarding assignment, evaluation, instruction, and discipline

of individual students should be left basically to the local educators in South Carolina. The Department of Education, therefore, follows a policy of separating the monitoring for legal compliance required of the agency from the evaluation of the effectiveness of school programs.

Importantly, continuation of the current assessment practices means that little comprehensive evaluation of the educational programs of the State's school districts will be provided for the districts, the Legislature or other interested parties. While final responsibility for giving children an adequate education rests with the local boards of trustees, the State Department needs to assist the districts whenever the need is recognized. The methods used to achieve this goal are also the districts' prerogative, yet, the appropriateness of the methods should be a matter for State oversight.

The Department of Education, in fact, has demonstrated that it has the capability to perform effective program evaluations. Some staff, such as curriculum specialists, perform comprehensive evaluations of school programs but only when requested by the school district, and the Office of General Education no longer annually advises the districts that this service is available. The Offices of General Education and Accreditation have coordinated in-depth evaluations of school district curricula and instructional methods. Even more thorough evaluations have been coordinated by the Survey Section of SDE's Office of Accreditation and Administrative Services. These evaluations, called comprehensive surveys or assessments, have covered every aspect of a district's programs, services and administration. The task involved specialists in curriculum, school services, vocational and handicapped programs, and supervisors in administration and finance. Both the programmatic and

comprehensive evaluations provided comments on the strengths and weaknesses of the various district and school programs. Recommendations were made for strengthening and improving the schools' curricula and services.

Currently, SDE is conducting a pilot program of coordinated compliance reviews. During these reviews, schools and districts are checked only for compliance to the DMP and other State and Federal laws and regulations using the same review processes that were used prior to the pilot program. The Sections from the Division of Instruction involved in the pilot program include: Accreditation; General Education, Basic Skills Assessment; Handicapped Programs; Federal Programs; and Vocational Education. Although SDE calls these reviews "comprehensive," they should not be confused with the comprehensive programmatic reviews conducted in the past. The intent of the Audit Council's recommendation for an "integrated" review has not been adopted by SDE and an in-depth assessment of instructional program quality has not been included in the pilot program.

According to SDE staff, an assessment of instructional program quality is not part of the coordinated compliance reviews because it does not have a statutory base. The Office of General Education's Curriculum Development Section, which has performed programmatic reviews, is not a participant in the pilot program.

To fulfill the Department's historical role of regulation, technical assistance and leadership, a routine and objective evaluation of each district's program, providing suggestions of ways to improve effectiveness, is needed. The Department's policies and procedures need to be changed in order to judge the "quality of worth" of district educational

programs, as required by the Education Finance Act and the Basic Skills Assessment Act. Without comprehensive and ongoing evaluations, the Legislature will find it more difficult to determine whether the following purpose of the EFA has been met: "To guarantee...at least minimum educational programs and services...substantially equal to those available to other students..." (Section 59-20-30).

Summary of Recommendations

The accreditation system does not adequately fulfill the State Department's responsibilities for monitoring and evaluating school districts and providing technical aid. With some reorganization of staff and a change in focus, the State Department could expand the accreditation system to become an ongoing comprehensive assessment. The "model" for this type of assessment is found in the programmatic and/or comprehensive assessments that SDE performs upon the request of the districts.

The purpose of a comprehensive assessment should be to provide district boards and superintendents with an objective view of district strengths and weaknesses. The assessment should provide an integrated, comprehensive evaluation of district performance and plans, resulting in a guide for needed training and program improvement. Schools and districts also should be checked for compliance to the DMP, other State regulations and Federal regulations. These assessments would serve both to improve school programs and to accredit schools as eligible for State funding.

In order to initiate a comprehensive assessment system, the State Department needs to improve or reorganize its current monitoring capabilities:

- (1) The "Assurances" should be discontinued as a part of the BEDS monitoring system. A review of such requirements should be made during comprehensive on-site visits.
- (2) SDE should expand the reviews of districts to allow for an in-depth assessment of program quality, along with an integrated examination of compliance to standards.
- (3) The State Board of Education should pursue a complete revision of the accreditation rating system, emphasizing the purpose of the accreditation process, and defining the scale so as to clarify the meaning of the levels of accomplishment, programs and compliance.
- (4) The Department of Education should develop written policies on the process to be followed in determining preliminary accreditation ratings and assigning final ratings. Guidelines for SDE staff and school and district personnel should be published which further explain the accreditation process, purpose, and standards.
- (5) The State Board of Education should develop and/or improve the minimum standards and should consider the following criteria in revising the Defined Minimum Program: (1) requirements should focus upon student performance, as well as the use of resources; (2) DMP standards should incorporate the intent and directives of the Basic Skills Assessment Act; (3) standards should be expressed in clear, measurable terms; (4) procedures for demonstrating compliance should be simple and require a minimum of paperwork.
- (6) SDE guidelines for advisory councils should include uniform record-keeping practices and the date by which advisory councils should be constituted.

- (7) The State Board of Education should strongly consider the advantages of having an independent staff capability, in order to more effectively exercise those powers provided by Section 59-5-60. The cost of such staff should be taken from existing education funds within the State Department of Education. A minimum of two staff members with fiscal and programmatic capabilities should be assigned to the board.

Basic Educational Data System

The Basic Educational Data System (BEDS) needs to be improved in order to provide adequate information for use in monitoring compliance with the Defined Minimum Program requirements. The Council found the process to be inappropriate for monitoring some of the non-quantifiable requirements of the DMP. Also, problems prevent the BEDS from accurately reflecting the conditions in the State's districts and schools.

One type of information contained in the BEDS is a checklist which is used to monitor the non-quantifiable aspects of the DMP, the "Assurances." This checklist is a certification by each school principal that certain requirements of the DMP are being met. Such requirements as "principal spends 50% of his time improving instruction," "adequate audio-visual aids are supplied," and "there is a well-organized staff development plan" are among the assurances to be checked "yes or no" and maintained in the computer for review.

The Assurances are an inadequate method of monitoring the "non-quantifiable" aspects of the DMP. District personnel feel that it is extremely difficult to monitor compliance with the DMP by use of the Assurances. As the Assurances are worded, there is a wide range of

interpretation and definition of the requirements. They are considered by district personnel merely a "checkoff of intentions." If an attempt is going to be made to carry out the listed requirements, they are checked off as being in compliance. SDE staff, however, maintain that the Assurances are an effective method of informing district personnel of DMP standards.

The Ad Hoc Committee to Study Accreditation has considered the use of Assurances as a method of monitoring DMP standards. Although the Committee has made no formal recommendations, it has taken the position that the process of using the Assurances as a method of data collection for accreditation should be continued¹.

A second type of information contained in BEDS is a report on quantifiable aspects of the DMP. Requirements, such as teacher class size, courses offered, teacher certification status and salary, are reported by each school. In 1980, the Audit Council raised questions about the reliability of the BEDS data when it was found that information was missing and inconsistent. According to school principals and an SDE supervisor, teacher error results in many reporting problems. Further errors occur when the reported data is computerized. In addition, BEDS data can be manipulated to reflect conditions which do not exist. Both district and SDE personnel stated there are principals who complete the BEDS forms with less than actual information in an effort to receive a satisfactory accreditation rating when they have not met the minimum requirements.

¹The Ad Hoc Committee to Study Accreditation presented its recommendations to the State Board of Education after the Council completed its review. The Committee's report is found in Appendix G.

A responsibility of the Ad Hoc Committee is to review and make recommendations concerning the accuracy and validity of BEDS. The Committee has taken no action in this area¹. However, SDE staff state BEDS data should be more reliable due to a new computer, installed at SDE in November 1981. This year, additional edit cycles will not be sent back to the district several times for corrections. The Office of Accreditation will be able to edit BEDS data using computer terminals in the office. The computer is not fully operational; however, SDE is in the process of developing new computer programs which are expected to improve the efficiency and effectiveness of data handling.

The Basic Educational Data System can provide needed information on compliance with the quantitative requirements of the DMP. Before this is possible, continuing efforts must be made to increase the adequacy of the data.

RECOMMENDATIONS

THE "ASSURANCES" SHOULD BE DISCONTINUED
AS A PART OF THE BEDS MONITORING SYSTEM.
A REVIEW OF SUCH REQUIREMENTS SHOULD BE
MADE DURING COMPREHENSIVE VISITS.

On-site Visits

The Accreditation system used by the State Department of Education includes on-site visits made to local districts and schools. These on-site

¹The Ad Hoc Committee to Study Accreditation presented its recommendations to the State Board of Education after the Council completed its review. The Committee's report is found in Appendix G.

visits are limited in scope and provide the SDE with little opportunity to perform a comprehensive assessment.

The authority for monitoring compliance with the DMP has been delegated primarily to the Office of Accreditation and Administrative Services. The Office's procedure is to visit at least every school with a probation rating and as many others as time allows each year. During the 1981-82 school year, 472 (41%) of the State's 1,155 schools were visited by one of the Accreditation supervisors between the schools' September opening and the April accreditation deadline. These visits, which average approximately half a day per school, are considered by the Accreditation supervisors to be an important part of their monitoring procedure.

Section 59-20-60 of the EFA mandates that the degree to which schools are meeting all prescribed standards of the DMP is to be monitored. As part of this monitoring process, the on-site visit has several purposes. First, the correctness of the data reported for BEDS purposes is to be checked; second, the accuracy of the compliance statements made by principals when filling out the Assurances is to be confirmed; and third, annual school reports and staff development plans are to be reviewed with the principal. In addition, the supervisor attempts to speak with teachers and visit their classrooms. The result is that a review of a school's programs, facilities, and administration is to be conducted in a visit lasting, on the average, about three hours.

The supervisors who conduct the on-site visits have backgrounds primarily in administration. Specialists in the curriculum and various school services, whose area of expertise is programmatic evaluation, are seldom included in the on-site visits. Therefore, the recommendations which result from on-site visits would have to be limited in scope.

SDE is currently conducting coordinated compliance reviews as a pilot program. During these reviews, schools and districts are checked for compliance to the DMP and other State and Federal laws and regulations. The Sections from the Division of Instruction involved in the pilot program include: Offices of Accreditation; General Education, Basic Skills Assessment; Handicapped Programs; Federal Programs; and Vocational Education.

The monitoring efforts of the sections are conducted separately, generally following the same review process that was used prior to the pilot program. Following the review process, each section files a separate report of its findings. All sections, however, perform their reviews of a district within a specified two-week period. Six districts were reviewed during the 1981-82 school year as a part of the pilot program and 12 reviews are scheduled for the 1982-83 school year.

The Accreditation Section is employing different procedures in the pilot program than are used during on-site visits. The list of Assurances is used as a checklist when performing the pilot reviews. Also, upon completion of a review, a standard report, which lists the accreditation deficiencies and makes a general statement of findings and recommendations, is filed by the Office of Accreditation and Administrative Services. Other than the pilot program reports, no formal record of school and district reviews is retained by the Accreditation Section, except for letters sent as a follow-up, discussing findings of deficiencies with DMP requirements. Neither the pilot program nor the on-site visits assess program quality. SDE staff state that such an assessment has no statutory base. The Office of General Education's Curriculum Development Section, whose report was recommended in 1980 as the

"model" for programmatic review, is not a participant in the pilot program.

The Ad Hoc Committee is considering the feasibility of the inclusion of comprehensive monitoring as a component in the accreditation process. No formal recommendations have been made by the Committee¹.

RECOMMENDATION

SDE SHOULD EXPAND THE REVIEWS OF DISTRICTS TO ALLOW FOR AN IN-DEPTH ASSESSMENT OF PROGRAM QUALITY, ALONG WITH AN INTEGRATED EXAMINATION OF COMPLIANCE TO STANDARDS. THIS TYPE OF PROGRAMMATIC ASSESSMENT, CONDUCTED ON A THREE TO FIVE YEAR CYCLE, COULD PROVIDE A COMPREHENSIVE EVALUATION OF DISTRICT PERFORMANCE AND PLANS, RESULTING IN A GUIDE FOR NEEDED TRAINING AND PROGRAM IMPROVEMENT.

Accreditation Classification

The purpose of accreditation classifications is to indicate the extent to which school districts and individual schools comply with the State standards prescribed in the Defined Minimum Program. The five classifications - all clear, advised, warned, probation and

¹The Ad Hoc Committee presented its recommendations to the State Board of Education after the Council completed its review. The Committee's report is found in Appendix G.

dropped - are poor indicators of the degree of compliance with State standards and of the quality of education. In 1980, the Audit Council found that, generally, the severity and number of deficiencies in meeting the standards do not determine the classification a school receives. Rather, the length of time a particular deficiency has existed determines the rating. Further, according to school principals and district superintendents, the ratings do not provide a true reflection of the quality of the local educational programs, or of the status of the district or school in meeting all requirements of the DMP. Accreditation personnel expressed the concern that the public and local school boards would assume "all clear" meant that a quality educational program was in place, when this is not necessarily the case. On the other hand, the system lacks ratings to designate the extent to which districts provide more than the minimum requirements.

Depending on program, point in time, pupils, and financial ability, the State's districts differ in how they utilize their resources. The classification system provides little indication of the progress a school or district is making in improving its programs and achieving its educational goals. The Council's review of accreditation classification systems in other states found three factors which promote the ability of ratings to indicate the status of educational programs. First, the purpose of accreditation is stated in positive terms. Second, there is recognition of the various components of accreditation, such as (1) compliance to laws, (2) progress in meeting district goals and objectives, and (3) student performance. Third, the system uses a scale which indicates the progress a school or district is making in improving educational programs.

The Ad Hoc Committee, appointed by the State Board of Education, has been directed to study other states' accreditation systems, but no formal recommendations have been made¹. Until the classification system is reworked, each school and district will not be evaluated in light of local policies and situations and will not gain a knowledge of the relative status of its programs in comparison to other district programs. Also, the long-range planning and programmatic review and improvement, mandated by the Education Finance Act (Section 59-20-60), will not be reinforced by and integrated with the accreditation process.

RECOMMENDATIONS

THE STATE BOARD OF EDUCATION SHOULD PURSUE A COMPLETE REVISION OF THE ACCREDITATION RATING SYSTEM, EMPHASIZING THE PURPOSE OF THE ACCREDITATION PROCESS, AND DEFINING THE RATINGS SO AS TO CLARIFY THE MEANING OF THE LEVELS OF ACCOMPLISHMENT, PROGRESS AND COMPLIANCE.

THE DEPARTMENT OF EDUCATION SHOULD DEVELOP WRITTEN POLICIES ON THE ACCREDITATION PROCESS TO BE FOLLOWED IN DETERMINING PRELIMINARY RATINGS AND ASSIGNING FINAL RATINGS. GUIDELINES FOR SDE STAFF AND

¹The Ad Hoc Committee presented its recommendations to the State Board after the Council completed its review. The Committee's report is found in Appendix G.

SCHOOL AND DISTRICT PERSONNEL SHOULD BE
PUBLISHED WHICH FURTHER EXPLAIN THE ACCREDI-
TATION PROCESS, PURPOSE, AND STANDARDS.

Defined Minimum Program

As presently designed and implemented, the Defined Minimum Program (DMP) does not encourage schools and districts to inquire into the status of the academic performance of their students, or to objectively evaluate the programs offered. In 1980 the Audit Council reported that, with the DMP, the State Board had attempted to define the resources necessary for the education process, but that the effective use of those resources in meeting individual students' needs was not fully addressed.

The DMP was developed to fulfill the State Board's legal responsibility of insuring "a system of public education which provides adequate opportunities to every student." The DMP sets the minimum educational standards for the public schools of the State, establishes accreditation criteria and serves as the basis for calculating the base student cost. Therefore, the Defined Minimum Program is a crucial component of South Carolina's educational system for both programmatic and fiscal matters.

The DMP standards focus largely upon requiring that certain types and amounts of resources be available. The standards infrequently address the use of those resources in upgrading the educational process and improving learning. Such broad topics as qualifications of personnel, curriculum description, and administrative organization are components of the standards. DMP standards include few measures of the success of educational programs and of individual skills learned.

Educational standards may be divided into two categories: procedural standards and performance standards. Procedural standards, which are input-related, constitute the main criteria by which SDE accredits schools and programs. Though it should be included as a part of the mandatory accreditation criteria, this type of standard should not comprise the majority of the basic principles and standards in the DMP.

This emphasis on resources can result in standards which are so specific on "quantities" that districts are hindered in focusing on students' needs. At the same time, the standards can be so vague on performance criteria that their importance is diminished. The current standards, for example, define rigid instructional time requirements for elementary and middle school students which make it difficult for districts to schedule instructional time based on student needs. Yet, the standards are vague when discussing the establishment of school and district goals and standards, for example:

Each school shall have a continuous evaluation program to determine how well it is meeting the needs of the individual pupil. Evaluation is an integral part of planning and developing experiences. Progress or lack of progress should always be appraised in terms of the goals sought.

Providing resources is the first step in setting minimum standards, but these standards are incomplete without guidelines and criteria for districts to use in evaluating the use of those resources. The current move toward "quality in education" focuses on the progress of the student. Guidelines set forth in the DMP can enable schools and districts to set goals, recognizing the differences among students and districts. Each student's progress can be measured against the proficiency held at the outset of the program. With performance standards, it is understood

that social and economic factors have an impact; however, progress for all types of students is highlighted as the primary responsibility of the educational system.

Both the Education Finance Act and the Basic Skills Assessment Act stress education based on student needs. The Basic Skills Act requires that standards be set for student performance and that instructional programs aid deficient students to improve performance (Section 59-30-30). However, it is the Defined Minimum Program which sets the overall tone of the State's education system. Therefore, the establishment of minimum standards, which stress both the effective use of resources and improvement of student performance, is a sound practice and should lead to an emphasis on quality education.

The Ad Hoc Committee appointed by the State Board of Education has been directed to study the Defined Minimum Program for recommending changes in the standards and procedures. The Committee is to look at other states' accreditation systems to identify accountability components that could be used with the current DMP and to consider the feasibility of including such components. No formal action has been taken by the Committee in this area thus far¹.

RECOMMENDATIONS

THE STATE BOARD OF EDUCATION SHOULD DEVELOP
AND/OR IMPROVE THE MINIMUM STANDARDS TO
PROVIDE THOSE WHICH ARE MORE CONSISTENT

¹The Ad Hoc Committee presented its recommendations to the State Board after the Council completed its review. The Committee's report is found in Appendix G.

WITH LEGISLATIVE, STATE BOARD AND LOCAL
EDUCATION GOALS. THE STATE BOARD SHOULD
CONSIDER THE FOLLOWING CRITERIA IN REVISING
THE DEFINED MINIMUM PROGRAM:

- (1) REQUIREMENTS SHOULD FOCUS UPON STUDENT
PERFORMANCE, AS WELL AS DEFINING THE
RESOURCES WHICH SHOULD BE AVAILABLE.
GUIDELINES FOR SETTING PERFORMANCE
STANDARDS SHOULD ADDRESS THE USE OF
RESOURCES IN MEETING INDIVIDUAL STUDENT
NEEDS.
- (2) STANDARDS SHOULD INCORPORATE THE
INTENT AND DIRECTIVES OF THE BASIC
SKILLS ASSESSMENT ACT AND REQUIRE THE
ESTABLISHMENT OF A STRUCTURE IN EACH
SCHOOL SYSTEM FOR CONTINUALLY MONI-
TORING STUDENT PERFORMANCE, REPORTING
RESULTS, AND TAKING APPROPRIATE REMEDIAL
ACTION.
- (3) STANDARDS SHOULD BE EXPRESSED IN
TERMS WHICH ARE CLEAR AND MEASURABLE.
- (4) PROCEDURES FOR DEMONSTRATING COMPLIANCE
WITH STANDARDS SHOULD BE SIMPLE AND
REQUIRE A MINIMUM OF PAPERWORK.

Advisory Councils and School Reports

Introduction

Section 59-20-60 of the Education Finance Act requires that a school advisory council be established for every school by the school district board of trustees. Elected parents, teachers and students must comprise at least two-thirds of the council's membership. The school principal may appoint up to one-third of the members. Together, school officials and the advisory council are to prepare an annual report which outlines, at the minimum, programmatic needs, objectives, and strategies.

The school's annual report is submitted to the district board of trustees and a summary of the report is made available to all parents. The district board of trustees is to use the annual school reports for input into district-wide planning, budgeting and assessment of community needs and to prepare the district annual report submitted to SDE.

In 1980, the Audit Council recommended several measures to strengthen and improve the effectiveness of the system. Progress has been made toward improving the system and some of the recommended changes have been implemented. These changes and areas which can still be strengthened are outlined below.

Advisory Council Role Can Be Improved

In 1980 the Council found that the performance of the school advisory councils could be improved with training and the development of expanded guidelines for their operation. Since that time, the Legislature has taken steps to expand guidelines and SDE has provided training for advisory councils. However, there are still several measures

that should be taken by SDE to continue to improve the effectiveness of advisory councils.

No guidelines have been developed by SDE on the date by which advisory councils should be constituted or on uniform record-keeping practices. Currently, individual school boards decide when to constitute councils. Establishing a date by which the councils should begin work will facilitate the smooth, orderly conduct of council business and assure that councils have adequate time to provide input on school reports. Furthermore, uniform record-keeping guidelines would facilitate the continuity of report development from year to year as council membership changes. SDE guidelines suggest simply that minutes of meetings be kept. With expanded guidelines and additional training, the performance of school advisory councils should be improved.

The Office of Accreditation and Administrative Services has identified, as an objective, the implementation of programs to promote improved effectiveness of advisory councils. This is to be accomplished by working directly with principals, conducting training programs and providing other services for advisory council members upon the request of school districts or local school officials. SDE has begun working with local officials and will conduct regional meetings with principals and advisory council chairmen to present programs on improving advisory council effectiveness.

In addition, training that advisory council members receive from districts is now to be reviewed by SDE. The FY 82-83 Appropriation Act requires school districts to include in their annual report, a summary of training opportunities provided, or to be provided, to the school advisory council members and professional educators in regard to

council-related tasks. Adequate training for advisory council members should enhance the effectiveness of the councils.

RECOMMENDATION

SDE GUIDELINES FOR ADVISORY COUNCILS SHOULD
INCLUDE UNIFORM RECORD-KEEPING PRACTICES
AND THE DATE BY WHICH ADVISORY COUNCILS
SHOULD BE CONSTITUTED.

State Board of Education Staffing

During its review of the Education Finance Act in 1980, the Audit Council conducted a series of interviews with each member of the State Board of Education. In addition, the role of the Board and the intent of its authority were examined. Results of this review indicated that the Board needed a limited research and staff capability to fully implement the powers entrusted to it by law.

The Board has a wide range of responsibility and must deal with a broad spectrum of issues. For example, a recent State Board of Education meeting covered issues ranging from the cost of providing the Defined Minimum Program to the approval of school building projects and from budget reductions to regulations on the manner in which handicapped children are served.

Board members said that they must deal with a tremendous volume of information pertaining to education. However, while two-thirds of the Board explicitly stated that they did not feel the need for independent staff for the Board, most Board members admitted having difficulty in understanding one of the following: (1) the information provided by the State Department of Education prior to Board meetings, (2) the

budget document annually presented by the Superintendent for Board approval, or (3) the details of the Education Finance Act.

The Council recommended in its 1980 audit that the State Board should strongly consider the advantages of having independent staff capability. However, the State Board of Education has taken no action to employ independent staff to work for the Board. The dependence of the Board on SDE personnel for information can serve to obscure the distinction between the roles of the State Department of Education and the State Board of Education. Two independent research staff with fiscal and programmatic expertise should enhance the Board's capability to effectively exercise the powers, provided by Section 59-5-60, to adopt policies, rules, and minimum standards necessary to provide adequate educational opportunities:

	<u>FY 81-82</u> <u>Estimated Salary</u>
(1) Programmatic analyst - to review programmatic information provided by the State Department and provide summaries to Board members, and to supply detailed information to individual Board members in the areas of educational evaluation and monitoring.	\$24,888
(2) Fiscal analyst - to review the financial and budgetary areas of State Department activity and provide periodical reports to the Board in these areas, as well as to research requests on the part of individual Board members relating to financial or budgetary matters.	21,991
(3) Clerical or secretarial - to handle the Board's correspondence and provide clerical assistance to the two analysts.	11,740
Subtotal	<u>\$58,619</u>
(4) Estimated Fringe Benefits	<u>9,830</u>
TOTAL STAFF ESTIMATE	<u>\$68,449</u>

RECOMMENDATION

THE COUNCIL RECOMMENDS THAT THE STATE BOARD OF EDUCATION STRONGLY CONSIDER THE ADVANTAGES OF HAVING AN INDEPENDENT STAFF CAPABILITY, IN ORDER TO MORE EFFECTIVELY EXERCISE THOSE POWERS PROVIDED BY SECTION 59-5-60. THE COST OF SUCH STAFF SHOULD BE TAKEN FROM EXISTING EDUCATION FUNDS WITHIN THE STATE DEPARTMENT OF EDUCATION. A MINIMUM OF TWO STAFF MEMBERS WITH FISCAL AND PROGRAMMATIC CAPABILITIES SHOULD BE ASSIGNED TO THE BOARD.

APPENDIX A



Charlie G. Williams
State Superintendent of Education

STATE OF SOUTH CAROLINA

DEPARTMENT OF EDUCATION

COLUMBIA 20201

April 27, 1983

TO: Mr. George Schroeder, Director
Legislative Audit Council

FROM: Charlie G. Williams, *CGW* State Superintendent of Education

SUBJECT: State Department of Education's Response to Legislative Audit
Council Report on the Education Finance Act

We commend the staff of the Legislative Audit Council on their ultimate conclusion that the Education Finance Act is working and is providing an equity in education that did not exist prior to the Act.

While it is obvious that the Finance Act is working well and carrying out the original intent of the General Assembly, it is also obvious that we should continue to refine and fine tune its operation. Improvements and refinements have taken place as a result of study during the initial years and other improvements are targeted as a result of studies either recently completed or nearing completion.

In our comments to the Audit Council's report, we have responded to recommendations based on the perception of the Council as to ways that the Education Finance Act could be improved. In some instances we have agreed with these perceptions but in others we have disagreed.

The following is our response to the Audit Council's recommendations and is based on the draft copy of the report made available to us for review in the Council's Conference Room on Monday, March 7, 1983 and minor changes revealed to us on April 5, 1983. Any subsequent changes that may be made in the report as a result of our discussions with staff or that may be made as a result of our reply could not be addressed in this response and thereby should not be construed as concurrence.

CHAPTER I

Analysis of the EFA FundingA. Hold Harmless Provision

The Legislative Audit Council recommends that the Hold Harmless provision in the Education Finance Act be repealed. If the Hold Harmless provision is not repealed, the Council proposes phasing out Hold Harmless by eliminating the inflation factor when calculating Hold Harmless districts' state allocations. Additionally, the Council reported the State Department of Education overpaid Hold Harmless districts in FY 1983.

The State Department of Education believes the finding presented by the Audit Council that the Department overpaid hold harmless districts is incorrect and based upon a misinterpretation of the effect of the 2.19 percent budget reduction. There was no overpayment and this fact is supported by the following:

1. The Council's report states that the Department should not have included the 2.19 percent budget reduction mandated by the Budget and Control Board for FY 1982 in the base for calculating FY 1983 allocations to hold harmless districts. The Council maintains that including the 2.19 percent reduction in the base resulted in overpaying \$247,618 to hold harmless districts in FY 1983.

The State Department of Education in consultation with the State Auditor, Mr. Edgar A. Vaughan, Jr., determined that the 2.19 percent reduction would have to be restored for calculating the allocations for FY 1983. There were three premises for the decision: (a) The 2.19 percent reduction by the Budget and Control Board was a temporary cut but would have been a permanent cut for the hold harmless districts if the Audit Council's position had been applied and would have been contrary to Legislative position for treatment of these reductions for state agencies or school districts for FY 1982. (b) The Council's position is based on the language in the Finance Act that states hold harmless funding shall be determined from the actual funds received in the prior year. It is our thesis that the action with respect to the appropriation for FY 1982 was not a permanent cut and therefore supersedes general law. (c) If the funds had not been treated in this manner, the hold harmless districts would not have been able to utilize the flexibility granted to them by the Budget and Control Board in its letter dated January 4, 1982, which stipulated that the school districts would have the option of taking the reduction in any program or programs they selected.

2. The Audit Council reported that the Department made a computation error in projecting the funding for hold harmless districts in fiscal year 1983 amounting to \$4,012. The projected allocations for the hold harmless districts were over estimated by the amount of \$4,012. The allocations for FY 1983 will be adjusted to reflect the correct amount. This adjustment will prevent any overpayments.

3. The Audit Council stated that the Department overpaid Orangeburg #6 by \$5,321 in fiscal year 1982. This overpayment was the result of an error in the computer programs for calculating hold harmless funding. This error has been corrected and the funds are being recouped by the State Department of Education.

Under the current provisions of the Education Finance Act our projections of the future hold harmless payments

reveal that a few districts will continue to receive hold harmless funds for an extended period of time. The State Department of Education concurs that consideration should be given by the Legislature for accelerating the phase-out of the hold harmless clause.

B. Teacher Incentive Provision

The Legislative Audit Council recommends that the Teacher Incentive Proviso be eliminated, and these funds included in the base foundation program. If the Teacher Incentive Proviso is not eliminated, the Council proposes a new method for the distribution of funds.

The State Department of Education believes there is insufficient data to support a recommendation for a change in the Teacher Incentive Proviso. While there are problems with the Proviso, it must be recognized that it was placed in the Finance Act as a compromise to assist districts in the transition from the prior categorical state aid system to the mechanism of the Finance Act. Under the categorical aid system there was a greater incentive to employ higher certified teachers than under the Proviso and many districts hired the higher certified staff members with the realization that their state aid would be increased. Therefore, the Teacher Incentive Proviso was implemented by the General Assembly to help these districts absorb the cost of the higher certified staff. To judge the Proviso simply in terms of its effects on financial equity is not consistent with the purpose of the Proviso.

In terms of the effectiveness of the Teacher Incentive Proviso in districts hiring the higher certified staff there are a couple of outside factors which need consideration. The districts have been in a tight budget situation in the last few years which have caused the districts to keep expenditures to a minimum. Hiring individuals on the lower end of the salary schedule is one means of lowering expenditures. Additionally, the funding level for the Teacher Incentive Proviso has not increased in relationship with the increases in the minimum salary schedule. Both of these factors have been working against the purpose of the Proviso.

The Department agrees a change in the Teacher Incentive Proviso should be considered but only after a more definitive study on the immediate and long range desire of the State of South Carolina to provide better trained and qualified teachers has been conducted.

C. Impact of the Finance Act

The Legislative Audit Council's analysis show that the Education Finance Act is providing funding more equitably for minimum educational programs to property poor and high need school districts.

The conclusion that the Legislative intent of the Finance Act is being accomplished is shared by the

Department in that the Act is guaranteeing to each student in the public schools of South Carolina the availability of at least minimum educational programs and services appropriate to the students needs.

Chapter II

District - Level Financial Information

A. Financial Reports to the Legislature

The Council states that financial information provided the Legislature on school district finances is unreliable. Additionally, the Council contends that the Department is not providing the reports required under the Education Finance Act to the Legislature.

The State Department of Education takes exception to the statement of the Council that the financial information submitted by the school districts is unreliable. Comparisons of the data submitted in the Annual Financial Reports with the audited financial reports have not revealed the major discrepancies indicated by the Legislative Audit Council. The apparent concern of the Audit Council appears to be the use of unaudited financial data versus audited financial data for reports to the General Assembly and Governor. The Department of Education has no bias if the reports are to be generated from the audited reports or the unaudited reports. The only reason unaudited data are included in the reports is to meet the reporting cycle requirements established by Legislation. It seems appropriate that the Legislature should consider the alternatives of timely data versus audited data.

The State Department of Education is currently developing a standard format for audit reports. The format will be completed prior to July 1, 1983. If the time difference between the submission date for the audit reports and the submission date of reports to the General Assembly can be reconciled by the Legislature, the school district's annual CPA audit can serve as the district's annual financial report thus eliminating the need for submitting unaudited data. This change in submission date should alleviate the concern of the Audit Council.

The Department also disagrees with the statements of the Council that the Department has not complied with the reporting provisions of the Finance Act. The Education Finance Act required the Department to institute massive changes in the financial reporting system to concur with the requirements of the Act. These changes have been made and the system provides all of the reports required by the EFA and they are included in the Superintendent's Annual Financial Report. The major difference of opinion is that the Audit Council apparently feels that the Department

should develop a separate report to the Governor and the General Assembly.

B. District Fiscal Accounting Practices

The Council recommends that the Department expand financial technical assistance to the schools and districts.

The State Department of Education is currently providing technical assistance to the LEA's in the area of fiscal management. With current State budget cutbacks it does not appear likely that these services can be expanded.

Chapter III

Review of the Weighting System

A. Base Student Cost

This section of the Council's report contained a recommendation that a cost impact study should be made prior to the enactment of any new education legislation.

The State Department of Education concurs with the Audit Council's recommendation in regards to impact studies being required before any legislation affecting public education is considered.

B. Handicapped and Vocational Education Weights

The Legislative Audit Council recommends an amended weighting system for the Handicapped and Vocational Categories.

The State Department of Education agrees that an updating of the current pupil weighting system is needed. Several reports in the past from different sources have indicated the need for changes. It is the Department's position that no changes be made in the system until the proposed Governor's Committee to Study the Education Finance Act has been appointed and has prepared its report. The study conducted for the Department by the College of Business Administration, University of South Carolina, and the South Carolina Administrators Association is a very definitive study and will provide the proposed Governor's Committee with a firm base for making its report.

C. Vocational Courses Questioned

The Legislative Audit Council recommends that the State Board of Education should no longer allow Consumer and Homemaking courses to qualify students for the 1.29 weight contained in the Finance Act for the Vocational program.

It is the Department of Education's position that no change be made in the Finance Act weightings until the study cited in Section B above has been completed.

Chapter IV

State Oversight of Education

In response to the December 16, 1980, Legislative Audit Council study on implementation of the Education Finance Act of 1977, the State Board of Education appointed an ad hoc committee of five Board members to study the accreditation system of South Carolina public schools. The Board also appointed a 30-member special task force representative of all the geographic areas of the state, as well as organizations that serve the educational interests of our state, to assist the ad hoc committee in the study. The task force was chaired by State Board of Education member Wilbur Smith and composed of representatives of the following groups: six district superintendents, one vocational director, two Senators, two House members, two from the School Boards Association, two from the Palmetto State Teachers Association, three from the Association of Elementary and Middle School Principals, two from the Secondary Principals Association, two from the Association of School Superintendents, one from the PTA, one from the Governor's Office, two from the Legislative Committee to Study Public Education, and one from the Citizens Coalition for South Carolina Public Schools. The State Board ad hoc committee and special task force reported their recommendations to the State Board of Education on March 9, 1983. The State Board of Education voted to approve the recommendations of this committee.

The 1983 Legislative Audit Council report included five recommendations which were made in their report of December 16, 1980. These five recommendations were studied by the State Board of Education ad hoc committee and special task force.

A. Basic Educational Data System.

The Legislative Audit Council recommends that "Assurances" be discontinued as a part of the BEDS monitoring system. A review of such requirements should be made during comprehensive on-site visits.

The State Department of Education disagrees with this recommendation. The State Board of Education's ad hoc committee reported that after consideration of the use of "Assurances" as a method for monitoring standards that are not quantifiable, the use of assurances as a part of the accreditation process should be continued.

B. On-Site Visits.

The Legislative Audit Council recommends that the State Department of Education expand the reviews of districts to allow for an indepth assessment of program quality, along with an integrated examination of compliance to standards. This type of programmatic assessment, conducted on a three- to five-year cycle could provide a comprehensive evaluation of district performance and plans, resulting in a guide for needed training and program improvement.

The State Department of Education disagrees with this recommendation. The present method of conducting a selected number of annual consolidated (comprehensive) audits in conjunction with on-site visits by accreditation supervisors provides a more comprehensive system of monitoring for compliance and quality than would infrequent three- to five-year comprehensive evaluations. Based on the study of the ad hoc committee, which reviewed accreditation data collected during the 1981-1982 school year, the man-hours required and the costs involved in conducting comprehensive audits, the State Board of Education accepted the recommendations of the committee to continue on-site comprehensive audits as part of the accreditation process.

C. Accreditation Classification

The Legislative Audit Council recommends that the State Board of Education should pursue a complete revision of the accreditation rating system, emphasizing the purpose of the accreditation process, and defining the ratings so as to clarify the meaning of the levels of accomplishment, progress, and compliance.

The Council further recommends that the Department of Education should develop written policies of the accreditation process to be followed in determining preliminary ratings and assigning final ratings. Guidelines for State Department of Education staff and school and district personnel should be published which further explain the accreditation process, purpose and standards.

The State Department of Education agrees with this recommendation and recognizes the need for changes in the present rating system during the next revision of the Defined Minimum Program. The DMP advisory committee will consider recommendations for changes in the present rating system. Written policies for State Department of Education staff and school and district personnel will be included in any changes made to the present rating system.

D. Defined Minimum Program

The Legislative Audit Council recommends that the State Board of Education develop and/or improve the minimum standards to provide those which are more consistent with legislative, State Board of Education, and local education goals. The State Board should consider the following criteria in revising the Defined Minimum Program:

- (1) Requirements should focus upon student performance, as well as defining the resources which should be available. Guidelines for setting performance standards should address the use of resources in meeting individual student needs.
- (2) Standards should incorporate the intent and directives of the Basic Skills Assessment Act and require the establishment of a structure in each school system for continually monitoring student performance reporting, results, and taking appropriate remedial action.
- (3) Standards should be expressed in terms which are clear and measurable.
- (4) Procedures for demonstrating compliance with standards should be simple and require a minimum of paperwork.

The State Department of Education is charged with the task of ensuring educational quality for each school district in keeping with the philosophy of the State Board of Education. The Department agrees with the emphasis placed on student performance as expressed in the Legislative Audit Council Report. However, the State Department of Education disagrees that the Defined Minimum Program be revised in a performance-based format. The State Board of Education task force studied the accreditation systems for the other 49 states and found no system more effective than South Carolina's system. The 1980 Legislative Audit Council Report made reference to the states of North Carolina and Texas incorporating accountability and student achievement components into their standards. The ad hoc committee found that North Carolina had discontinued its original plan of a three-tiered accreditation system because of the inordinate amount of paperwork. The Texas system was not found to be based upon performance standards.

The State Board of Education accepted the recommendation of the ad hoc committee that the results of the evaluation of the Effective Schools Pilot Program, being implemented in five South Carolina school districts during the 1982-83 school year, be used to determine whether the current accreditation procedure should be modified to include processes known to be related to effective schools.

The Defined Minimum Program revision committee will study and consider the statutory provisions of the Education Finance Act and the Basic Skills Assessment Program for the inclusion into the Defined Minimum Program. Philosophical and ambiguous statements in the Defined Minimum Program will be deleted.

E. Advisory Councils and School Reports

The Legislative Audit Council recommends that the State Department of Education's guidelines for advisory councils should include uniform record-keeping practices and the date by which advisory councils should be constituted.

The State Department of Education disagrees that guidelines for advisory councils should include uniform record-keeping practices. Such administrative procedures are more suitable to direction by local school districts where record-keeping procedures may be designed to meet local needs and capabilities.

The State Department of Education will recommend to the State Board of Education that an appropriate date for constituting school advisory councils be established.

F. State Board of Education

The Legislative Audit Council recommends that the State Board of Education consider the advantages of having an independent staff capability in order to more effectively exercise those powers provided by Section 59-5-60.

South Carolina has a unique system of an appointed seventeen-member State Board of Education required by State statute to carry out certain responsibilities and duties and an elected State Superintendent of Education who is the chief administrative officer of the public education system and also serves as the secretary and administrative officer for the State Board of Education. The State Superintendent organizes, staffs, and administers a State Department of Education to carry out the policies of the State Board of Education and duties of the agency. This system requires an interdependency and a close working relationship which does not support the concept of independent State Board of Education staff.

Currently the State Department of Education is providing positive and professional staff assistance to the Board. Each Committee of the Board has one or more assigned consultants to assist the Committee in providing data, information and other resources. This system is highly successful in providing advance study and input for board members to use in the decision-making process. With this positive and effective working relationship between State Department staff and State Board members, it would be a mistake to change the system that is working.

It would be appropriate for the General Assembly to consider increasing the State Board's appropriation. This would allow the Board to conduct its business at a level consistent with statewide responsibility.

APPENDIX 9
EFFECTS OF THE PROPOSED METHOD OF TEACHER INCENTIVE
ALLOCATION ON DISTRICTS FOR FY 81-82

District	Entitlement Per Higher Degree FY 81-82		Total Dollar Difference Between Current and Proposed Methods	Percentage Change In Incentive Funds
	Current	Proposed		
Abbeville	4288	4619	\$ 26,738	53%
Aiken	431	594	62,172	27
Allendale	177	586	15,244	70
Anderson #1	770	611	(24,428)	(26)
Anderson #2	732	602	(12,648)	(22)
Anderson #3	402	552	6,215	27
Anderson #4	369	346	(1,400)	(7)
Anderson #5	626	536	(27,149)	(17)
Bamberg #1	736	685	(2,416)	(7)
Bamberg #2	846	668	(8,815)	(27)
Barnwell #19	26	693	11,793	96
Barnwell #29	408	586	3,869	30
Barnwell #45	403	602	5,476	20
Beaufort	340	363	5,171	6
Berkeley	516	578	27,529	11
Calhoun	349	272	(5,476)	(28)
Charleston	574	536	(38,740)	(7)
Cherokee	828	586	(73,970)	(41)
Chester	632	627	(761)	(1)
Chesterfield	-0-	627	63,781	100
Clarendon #1	-0-	635	11,558	100
Clarendon #2	364	660	14,657	45
Clarendon #3	129	718	10,074	82
Colleton	192	536	34,968	64
Darlington	429	561	35,524	24
Dillon #1	-0-	693	7,730	100
Dillon #2	62	685	36,781	91
Dillon #3	649	710	2,248	9
Dorchester #1	827	643	(8,286)	(29)
Dorchester #2	583	635	10,146	8

APPENDIX B (CONTINUED)

District	Entitlement Per Higher Degree FY 81-82		Total Dollar Difference Between Current and Proposed Methods	Percentage Change in Incentive Funds
	Current	Proposed		
Dorchester #3	5-0-	506	\$ 7,235	100%
Edgefield	53	619	28,683	91
Fairfield	310	520	18,294	40
Florence #1	500	561	17,541	11
Florence #2	536	668	3,640	20
Florence #3	390	685	23,470	43
Florence #4	-0-	585	11,806	100
Florence #5	597	511	379	2
Georgetown	203	545	51,424	63
Greenville	641	520	(177,882)	(23)
Greenwood #50	562	594	6,342	5
Greenwood #51	460	602	3,725	24
Greenwood #52	599	487	(5,500)	(23)
Hampton #1	226	635	16,540	64
Hampton #2	-0-	676	3,944	100
Horry	373	495	46,689	25
Jasper	50	610	22,990	92
Kershaw	590	553	(7,489)	(7)
Lancaster	860	660	(64,356)	(30)
Laurens #55	552	627	8,817	12
Laurens #56	387	627	16,403	38
Lee	-0-	643	30,096	100
Lexington #1	726	644	(17,604)	(13)
Lexington #2	693	586	(30,796)	(18)
Lexington #3	381	627	10,848	39
Lexington #4	466	520	1,960	10
Lexington #5	772	569	(64,372)	(36)
McCormick	130	635	13,716	80
Marion #1	413	660	13,863	37
Marion #2	-0-	676	20,963	100
Marion #3	-0-	718	4,645	100

APPENDIX B (CONTINUED)

District	Entitlement Per Higher Degree FY 81-82		Total Dollar Difference Between Current and Proposed Methods	Percentage Change in Incentive Funds
	Current	Proposed		
Marion #4	1-0-	1725	\$ 2,219	100%
Marlboro	-0-	660	59,714	100
Newberry	364	594	24,710	39
Oconee	663	495	(48,746)	(34)
Orangeburg #1	-0-	701	12,276	100
Orangeburg #2	440	685	4,868	36
Orangeburg #3	36	635	27,442	94
Orangeburg #4	757	635	(5,635)	(19)
Orangeburg #5	785	569	(42,678)	(38)
Orangeburg #6	701	685	(433)	(2)
Orangeburg #7	325	693	5,454	53
Orangeburg #8	726	577	(806)	(7)
Pickens	684	589	(41,912)	(26)
Richland #1	635	495	(119,105)	(28)
Richland #2	812	594	(70,861)	(37)
Saluda	12	635	20,704	98
Spartanburg #1	711	619	(9,710)	(15)
Spartanburg #2	586	635	6,951	8
Spartanburg #3	548	470	(8,486)	(17)
Spartanburg #4	578	619	2,354	7
Spartanburg #5	500	561	5,308	11
Spartanburg #6	653	512	(34,248)	(28)
Spartanburg #7	735	553	(72,141)	(33)
Sumter #2	418	685	42,769	39
Sumter #17	706	619	(18,127)	(14)
Union	524	643	15,475	19
Willametteburg	-0-	668	68,285	100
York #1	859	644	(23,361)	(33)
York #2	763	611	(11,710)	(25)
York #3	782	586	(71,707)	(33)
York #4	870	611	(22,632)	(42)

APPENDIX C

A COMPARISON OF DISTRICT PROPERTY WEALTH, TAX EFFORT,
LOCAL AND STATE REVENUES, SPECIAL EDUCATIONAL NEEDS
AND PERSONAL INCOME FOR FY 79-80 AND FY 80-81

In order to compare district property wealth to educational revenues generated for each district, the Council ranked the State's 92 school districts by adjusted assessed property valuation per pupil and listed each district's local tax effort, local and State revenues per pupil, special educational needs for the handicapped and personal income of taxpayers. The Council used the State Tax Commission's adjusted property assessments for school years 1979-80 and 1980-81 divided by each district's 135 day average daily membership (ADM) to rank the districts.

The Council examined district tax efforts, which are important components in determining the fiscal capacity of the school districts to support education. The Council calculated a tax effort index by dividing the revenues raised locally for education (levies for current operations, delinquent taxes, other taxes and county equalization taxes) by each district's adjusted assessed property value. This index represents the tax burden that local taxpayers have chosen in order to raise local revenues for educational services. Thus, an index less than 1.00 shows that a district's tax effort is below its ability, according to wealth, and conversely, an index above 1.00 indicates a tax effort greater than the district's ability. The Council examined district tax efforts in relation to local and State revenues per pupil and found that local taxpayers have chosen to raise revenues above those required by EFA although with differing tax efforts. This index is for comparison purposes and does not reflect local effort required by the Education Finance Act.

The State Superintendent's annual reports for FY 79-80 and FY 80-81 served as the basis for local and State revenues for the districts. Corrections were made to the figures using CPA reports and were confirmed by letters to the districts. To obtain the local and State revenues per pupil, district revenues (excluding funds for debt services, adult education, summer school, building and construction, community services and fringe benefits) were divided by the districts' 135 day ADM. Where applicable, district revenues included a pro rata share of funds for the district's county board and area vocational centers.

To compare the distribution of State funds, based on pupil needs, to local property wealth, the Council calculated a measure of each district's educational needs for handicapped pupils. The special educational need index shows the ratio of districts' weighted pupil units to the total number of students enrolled. The larger the index, the greater the level of a district's special education needs in relation to the district's 135 day ADM. The Council found that both the lowest

and highest per pupil property wealth districts have high special pupil needs, but differ substantially in local tax effort.

The Council also compared the personal income per pupil of taxpayers in relation to each district's property wealth per pupil. This comparison has not been made since 1972. With district personal income data unavailable, the Council calculated the total personal income of each district by using the South Carolina Tax Commission's adjusted gross income data from 1979 and 1980 State tax returns, reported by zip codes. Because the income data was grouped, the number of tax returns in each group was multiplied by the group's median income. The Council used the "Directory of South Carolina Schools" and the "Zip Code Directory" to group the zip codes by school district. Income information from zip codes in two or more districts was pro rated according to the number of school buildings in the respective school districts. Each district's total personal income was divided by the district's 135 day ADM.

Spearman's Correlation Coefficient measured the relationship between property wealth and personal income. For FY 79-80 and FY 80-81, the correlation was .59 and .57, respectively, indicating that personal income of the districts was moderately related to property wealth. Since these two factors are generally viewed as affecting the taxes which can be levied within a district, the parallel relationship indicates property wealth, as measured by the index of taxpaying ability, is an adequate measure of a district's ability to support education.

APPENDIX C (CONTINUED)

FY 79-80

In Rank Order, Low to High, by Property Wealth Per Pupil

Districts	Property Valuation Per Pupil	Tax Effort Index	Local Revenues Per Pupil	State Revenues Per Pupil	Special Educational Need Index	Personal Income Per Pupil
Marion 4	\$ 2,064	1.31	\$ 440	\$ 775	1.43	\$13,417
Dillon 3	2,113	1.14	391	727	1.17	11,077
Clarendon 3	2,246	.81	232	734	1.29	12,238
Marion 3	2,280	1.25	340	756	1.17	3,438
Sumter 2	2,300	.71	273	716	1.14	15,457
Bamberg 1	2,327	.87	305	753	1.18	13,758
Orangeburg 7	2,356	.91	319	751	1.26	22,129
Florence 4	2,438	.67	231	754	1.24	22,252
Dillon 1	2,456	1.02	437	753	1.20	11,040
Orangeburg 1	2,500	1.03	419	789	1.29	17,707
Orangeburg 6	2,508	.92	290	751	1.11	15,252
Hampton 2	2,530	.89	295	728	1.21	12,494
Orangeburg 2	2,599	1.25	515	769	1.28	11,176
Florence 3	2,615	.64	276	740	1.19	16,513
Lancaster	2,661	1.18	444	740	1.24	23,427
Bamberg 2	2,727	.78	327	753	1.34	15,214
Dillon 2	2,774	.85	386	664	1.15	13,115
Barnwell 19	2,812	1.07	482	713	1.19	12,565
Orangeburg 8	2,822	1.27	570	724	1.15	15,577
Lee	2,994	.53	248	753	1.34	14,406
Dorchester 2	3,007	.68	384	621	1.12	19,703
Williamsburg	3,046	.51	245	694	1.19	12,188
Clarendon 2	3,059	.54	284	703	1.16	16,908
Orangeburg 3	3,091	.78	341	706	1.14	10,253
Florence 2	3,159	.74	402	773	1.27	13,742
Spartanburg 2	3,203	1.41	645	652	1.16	20,706
Dorchester 1	3,237	.75	340	692	1.19	17,496
Allendale	3,254	.84	398	704	1.19	13,733
Marion 2	3,256	.96	456	719	1.10	18,292
Orangeburg 4	3,282	.87	477	784	1.18	10,455
York 2	3,343	1.31	579	722	1.22	26,058
Hampton 1	3,356	.74	385	654	1.12	19,903
Lexington 4	3,370	.97	623	671	1.21	25,064
Union	3,407	.71	438	711	1.20	22,359
York 1	3,469	1.30	572	778	1.20	21,810
Marlboro	3,485	.59	305	682	1.12	13,233
York 4	3,491	1.07	547	681	1.16	19,330
Spartanburg 1	3,500	1.27	560	733	1.23	26,110
Chesterfield	3,510	.84	434	666	1.12	17,559
Clarendon 1	3,525	.54	228	688	1.16	7,236
Abbeville	3,641	.90	552	700	1.23	20,437
Laurens 55	3,643	.71	397	717	1.17	23,239
McCormick	3,648	.52	270	695	1.17	14,480
Lexington 1	3,650	.93	641	639	1.21	21,919
Sumter 17	3,651	.77	409	719	1.23	19,470
Fairfield	3,689	.89	433	718	1.27	15,969

APPENDIX C (CONTINUED)

Districts	FY 79-80					
	Property Valuation Per Pupil	Tax Effort Index	Local Revenues Per Pupil	State Revenues Per Pupil	Special Educational Need Index	Personal Income Per Pupil
Edgefield	\$ 3,718	.63	\$ 408	\$ 685	1.27	\$23,605
Spartanburg 4	3,757	1.09	622	643	1.16	25,043
Chester	3,761	.86	392	718	1.22	22,286
Jasper	3,773	.71	351	661	1.16	13,102
Marion 1	3,870	.89	494	769	1.23	19,182
Laurens 56	3,883	.74	394	657	1.16	23,832
Anderson 1	3,889	.50	490	737	1.26	25,687
Lexington 3	3,917	.79	422	674	1.20	30,004
Saluda	3,970	.59	342	676	1.24	14,345
Anderson 2	4,022	.68	468	707	1.17	26,785
Florence 5	4,035	.70	381	706	1.20	16,308
Greenwood 50	4,072	.96	667	665	1.16	27,506
Berkeley	4,170	.66	369	619	1.12	15,083
Barnwell 45	4,194	.94	578	680	1.25	18,712
Barnwell 29	4,212	1.07	648	684	1.27	22,338
Greenwood 51	4,244	1.10	626	687	1.22	20,149
Newberry	4,244	.55	392	652	1.20	24,258
York 3	4,247	1.02	526	658	1.11	25,421
Richland 2	4,290	1.15	705	683	1.18	24,225
Lexington 5	4,326	1.35	827	602	1.12	21,692
Lexington 2	4,450	1.13	706	662	1.15	28,765
Aiken	4,484	.61	430	661	1.19	25,295
Cherokee	4,576	.90	548	665	1.20	20,945
Florence 1	4,621	.65	499	639	1.16	23,952
Spartanburg 5	4,637	.96	687	639	1.14	20,387
Orangeburg 5	4,655	.98	572	680	1.16	26,089
Charleston	4,842	.75	505	673	1.18	27,406
Colleton	5,047	.75	406	651	1.19	16,913
Spartanburg 6	5,048	1.03	809	617	1.15	24,513
Anderson 5	5,084	.84	558	657	1.17	30,581
Pickens	5,096	.60	378	655	1.18	28,261
Spartanburg 7	5,116	1.42	910	684	1.27	27,916
Darlington	5,217	.73	560	638	1.19	19,485
Georgetown	5,372	.67	419	606	1.17	19,936
Anderson 3	5,431	.55	426	614	1.21	16,670
Kershaw	5,522	.75	602	685	1.24	24,857
Greenville	5,676	.79	572	659	1.25	32,312
Oconee	6,327	.76	638	658	1.20	22,615
Dorchester 3	6,399	.60	479	609	1.25	26,311
Richland 1	6,456	1.05	801	660	1.17	33,932
Horry	7,125	.53	531	596	1.21	19,637
Spartanburg 3	7,846	1.08	1,118	583	1.23	32,396
Greenwood 52	7,929	.76	797	650	1.21	18,534
Anderson 4	8,504	.64	848	548	1.17	18,502
Beaufort	9,100	.59	694	618	1.18	25,091
Calhoun	15,155	.45	801	642	1.33	16,791
State Average	\$ 4,113	.86	\$ 489	\$ 689	1.19	\$19,865

APPENDIX C (CONTINUED)

FY 80-81

In Rank Order, Low to High, by Property Wealth Per Pupil

Districts	Property Valuation Per Pupil	Tax Effort Index	Local Revenues Per Pupil	State Revenues Per Pupil	Special Educational Need Index	Personal Income Per Pupil
Clarendon 3	\$ 2,087	.86	\$ 317	\$ 896	1.27	\$18,334
Marion 4	2,180	1.27	427	882	1.24	14,486
Marion 3	2,258	1.11	373	967	1.16	4,825
Dillon 3	2,425	.92	355	884	1.15	14,604
Sumter 2	2,642	.66	307	838	1.13	16,972
Florence 4	2,653	.69	272	884	1.25	23,751
Orangeburg 1	2,665	.92	439	908	1.49	18,482
Dillon 1	2,674	.77	377	881	1.16	14,109
Bamberg 1	2,685	.84	329	878	1.19	14,655
Orangeburg 7	2,756	.82	318	974	1.32	26,019
Florence 3	2,867	.72	350	863	1.21	18,205
Barnwell 19	2,870	1.14	518	855	1.21	13,357
Orangeburg 6	2,880	.94	322	1,006	1.53	17,160
Hampton 2	2,961	.84	371	877	1.19	13,080
Dillon 2	2,997	.70	328	836	1.15	14,604
Marion 2	3,015	.96	518	798	1.09	19,963
Marlboro	3,064	.69	320	830	1.04	14,812
Orangeburg 2	3,174	1.05	467	922	1.28	12,607
Orangeburg 8	3,188	1.61	744	843	1.18	17,048
Lancaster	3,201	.95	377	860	1.22	26,371
Florence 2	3,256	.81	567	878	1.23	14,846
Lexington 1	3,295	1.03	625	764	1.21	24,582
Williamsburg	3,341	.59	307	845	1.18	13,212
Bamberg 2	3,366	.76	364	898	1.39	16,467
Clarendon 2	3,421	.60	395	823	1.20	18,334
Allendale	3,501	.81	404	836	1.18	14,445
Orangeburg 4	3,512	.83	481	863	1.17	11,789
Dorchester 2	3,567	.67	390	771	1.12	22,234
Hampton 1	3,593	.77	443	753	1.06	20,813
Spartanburg 2	3,616	1.15	768	778	1.13	23,083
Marion 1	3,622	1.04	599	814	1.22	20,338
Lee	3,700	.52	296	886	1.31	16,199
Union	3,703	.70	458	830	1.19	24,001
Dorchester 1	3,717	.81	419	824	1.21	20,144
Orangeburg 3	3,823	.69	375	827	1.16	11,364
York 1	3,844	1.27	608	894	1.33	23,862
Lexington 3	3,855	.86	456	795	1.22	32,834
Laurens 55	3,876	.78	456	774	1.16	25,309
McCormick	3,886	.58	318	818	1.16	16,494
Chesterfield	3,906	.83	463	782	1.13	19,283
York 4	3,939	1.15	621	810	1.15	23,075
Chester	3,960	.89	429	810	1.20	23,010
York 2	3,995	1.17	787	987	1.20	29,937
Spartanburg 1	4,006	1.10	783	829	1.18	30,455
Abbeville	4,035	.89	598	813	1.23	22,135
Sumter 17	4,116	.75	420	813	1.22	21,417
Laurens 56	4,124	.77	475	760	1.28	26,152

APPENDIX C (CONTINUED)

Districts	FY 80-81					
	Property Valuation Per Pupil	Tax Effort Index	Local Revenues Per Pupil	State Revenues Per Pupil	Special Educational Need Index	Personal Income Per Pupil
Anderson 1	\$ 4,141	.61	\$ 589	\$ 873	1.23	\$27,733
Spartanburg 4	4,214	1.06	681	763	1.15	28,311
Edgefield	4,284	.63	484	790	1.30	25,873
Clarendon 1	4,302	.45	281	826	1.26	8,147
Saluda	4,307	.58	344	747	1.26	15,592
Jasper	4,406	.86	494	779	1.16	14,924
York 3	4,409	1.06	562	735	1.12	28,502
Richland 2	4,473	1.22	756	788	1.17	27,144
Anderson 2	4,527	.77	585	804	1.19	29,614
Barnwell 45	4,532	1.02	634	780	1.24	20,318
Florence 5	4,534	.76	452	818	1.15	17,469
Greenwood 50	4,611	.86	697	759	1.16	31,284
Greenwood 51	4,666	1.02	686	786	1.22	22,953
Barnwell 29	4,739	1.10	707	808	1.27	24,606
Newberry	4,742	.56	460	766	1.17	27,367
Lexington 2	4,774	1.08	783	762	1.16	32,423
Lexington 5	4,800	1.27	912	697	1.12	24,198
Aiken	4,949	.68	483	760	1.19	28,710
Orangeburg 5	5,054	.94	669	771	1.15	29,420
Cherokee	5,078	.85	610	761	1.20	22,415
Spartanburg 5	5,197	.94	739	727	1.15	22,723
Lexington 4	5,262	1.16	829	764	1.20	27,901
Florence 1	5,266	.64	505	729	1.17	26,532
Pickens	5,444	.64	386	819	1.17	31,764
Berkeley	5,457	.58	435	686	1.14	17,173
Darlington	5,492	.76	612	726	1.19	21,087
Anderson 3	5,577	.66	519	689	1.12	17,975
Kershaw	5,700	.80	674	767	1.23	27,257
Spartanburg 7	5,701	1.45	1,052	780	1.26	31,719
Charleston	5,841	.72	596	759	1.18	32,097
Georgetown	5,879	.71	481	690	1.17	22,494
Colleton	5,884	.67	433	736	1.20	18,511
Anderson 5	5,996	.76	591	743	1.17	33,857
Spartanburg 6	6,314	.96	888	678	1.13	28,241
Greenville	6,358	.71	632	733	1.24	36,500
Fairfield	6,938	.60	533	798	1.23	17,509
Oconee	6,974	.84	811	715	1.21	25,642
Richland 1	6,978	1.06	873	737	1.17	38,970
Dorchester 3	7,086	.71	602	750	1.24	29,879
Horry	7,203	.68	658	653	1.19	22,416
Spartanburg 3	7,894	1.24	1,252	646	1.23	35,180
Greenwood 52	8,187	.79	870	709	1.24	20,712
Beaufort	9,934	1.10	805	650	1.19	28,291
Anderson 4	10,251	.63	975	595	1.18	21,439
Calhoun	15,258	.60	1,150	715	1.31	19,273
State Average	\$ 4,559	.85	\$ 551	\$ 799	1.20	\$22,189

APPENDIX D

STUDY OF THE COST OF THE DEFINED MINIMUM PROGRAM

FOR FY 80-81 - METHODOLOGY

School Level Costs

Teachers	Twenty-six elementary students (including handicapped served in resource rooms) to one teacher
Other School Personnel	As required by the DMP, prorated to include only elementary students
Substitute Teachers	Districts' actual expenditures, prorated same as above
Instructional Supplies	Districts' actual expenditures, prorated same as above
Library Volumes and Audio-visual Materials	Districts' actual expenditures prorated same as above
Support Cost for Elementary Program	Districts' actual expenditures prorated same as above
Rentals	
Travel	
Printing & Binding	
Remedial Aid	Districts' actual expenditures prorated same as above

District Level Costs

District Personnel	DMP minimum requirement and districts staff to pupil ratios, as indicated by district practice
Support Cost for Central Office	
Management Services	
Rentals	
Travel	
Advertising	
Printing & Binding	
Supplies	
Equipment	
Dues and Fees	
Insurance and Judgements	
In-service Training	Districts' actual expenditures divided by weighted pupil units

APPENDIX D (CONTINUED)

Statistics and Data Processing	Districts' actual expenditures divided by weighted pupil units ¹
Maintenance and Operations	Districts' actual expenditures divided by weighted pupil units ¹
Regular Salaries	
Temporary Salaries	
Overtime Salaries	
Group Health & Life Ins.	
Employee Retirement	
Social Security	
Unemployment Compensation Tax	
Other Employee Benefits	
Public Utilities	
Cleaning	
Repairs and Maintenance	
Property Insurance	
Rentals	
Other Property Services	
Travel	
Communication	
Printing & Binding	
Supplies	
Equipment	
Vehicles	
Dues and Fees	
Insurance Judgments	
Board of Trustees	Districts' actual expenditures divided by weighted pupil units ¹
Legal and Audit Fees	
School Visitation	
Annual Reports	
Policy Manuals	
Insurance on Vehicles	
School Board Meetings	
Liability Insurance for Board Members	
Advertising for Bond Sales	
Personnel Recruitment, etc.	
Board of Elections	

¹ District level costs are divided by weighted pupil units so these costs are not included again when pupils are weighted for services other than the elementary program (base student).

APPENDIX EWEIGHT RECOMMENDATION FOR HANDICAPPED PROGRAM WEIGHTSADD-ON WEIGHT FOR RESOURCE ROOM I

- Expected teacher-student contact time would be from five to nine hours weekly per student with one hour per day being the minimum service provided.
- Teacher case load averages 24 students.
- Delivery model - a teacher could hold skill building classes five days a week in one or more schools. Students, who normally attend the class one period a day, would be grouped in classes of five or more.
- Cost estimates -

direct salary	\$14,536
indirect support	2,907
supplies	<u>600</u>
	\$18,043

Then: $\$18,043 \div 24 = \$751.79$

Then: $\$751.79 \div \$941.75^* = .798$

.8 Weight

Homebound students and visually impaired students served by itinerant model would be funded under this delivery model.

*1981-82 Base Student Cost.

APPENDIX E (CONTINUED)WEIGHT RECOMMENDATION FOR HANDICAPPED PROGRAM WEIGHTSADD-ON WEIGHT FOR RESOURCE ROOM II

- Expected teacher-student contact time would be from 10 to 15 hours weekly per student, with 2 to 2½ hours per day being the predominant service schedule.
- Teacher case load averages 18 students.
- Delivery model - a teacher meets one class of eight or nine students in the morning and a similar size class each afternoon (a larger size class and an aide could also be used). Note that while the milder handicapped students in Resource Room I programs meet in groups of five students for one hour, these more seriously handicapped students, while in groups of eight or nine, would be available for longer time blocks where an entire integrated language arts block could be organized.
- Cost estimates -

direct salary	\$14,536
indirect support	2,907
supplies	<u>1,170</u>
	\$18,613

Then: $\$18,613 \div 18 = \$1,034.05$

Then: $\$1,034.05 \div \$941.75^* = 1.098$

1.1 Weight

*1981-82 Base Student Cost

APPENDIX E (CONTINUED)WEIGHT RECOMMENDATION FOR HANDICAPPED PROGRAM WEIGHTSFULL WEIGHT HIGH SERVICE LEVEL I

- Expected teacher-student contact time would be from 20 to 30 hours weekly per student. These programs are for students who could only occasionally be mainstreamed, for example one hour per day for vocational education.

- Teacher case load averages ten students.

- Delivery model - this is basically a self contained classroom. Additional students to cover the cost of an aide is a possibility.

- Cost estimates -

direct salary	\$14,536
indirect support	2,907
supplies	<u>1,400</u>
	\$18,843

Then: $\$18,843 \div 10 = \$1,884.30$

Then: $\$1,884.30 \div \$941.75^* = 2.0$

2.0 Weight

*1981-82 Base Student Cost.

APPENDIX E (CONTINUED)WEIGHT RECOMMENDATION FOR HANDICAPPED PROGRAM WEIGHTSFULL WEIGHT HIGH SERVICE LEVEL II

- Expected teacher-student contact time is full time or 30 hours per week, except when related services are required.
- Teacher case load averages eight students.
- Delivery model - totally a self-contained classroom or where numbers permit, in the case of deaf or blind, a sharing of specialists is possible. An aide is generally needed. Much of the instruction or care is on a periodic one-to-one basis.
- Cost estimates -

direct teacher's salary	\$14,536
indirect support	2,907
direct aide's salary	8,635
supplies & equipment	<u>4,000</u>
	\$30,078

Then: $\$30,078 \div 8 = \$3,759.75$

Then: $\$3,759.75 \div \$941.75^* = 3.99$

4.0 Weight

*1981-82 Base Student Cost.

APPENDIX E (CONTINUED)WEIGHT RECOMMENDATION FOR HANDICAPPED PROGRAM WEIGHTSADD-ON WEIGHT FOR SPEECH

- Expected teacher-student contact time should be from one-half to four hours weekly with a one hour average per student.
- Teacher case load averages 64 students per week.
- Delivery model - a teacher could serve students in approximately 20 class meetings weekly of two to four students each.
- Cost estimates -

direct salary	\$14,536
indirect support	2,907
supplies	<u>640</u>
	\$18,083

Then: $\$18,083 \div 64 = \$282.55$

Then: $\$282.55 \div \$941.75^* = .30$

.30 Weight

*1981-82 Base Student Cost.

APPENDIX E (CONTINUED)WEIGHT RECOMMENDATION FOR HANDICAPPED PROGRAM WEIGHTSADD-ON WEIGHT FOR ITINERANT (BLIND)

- Expected teacher-student contact time would be five hours weekly per student for students who meet the criteria provided in Section 43-25-20^a. (Visually impaired students served by itinerant model are funded as Resource Room I students.)
- Teacher caseload averages ten students.
- Delivery model - Specialized instructional materials and/or equipment are delivered within the framework of a regular education setting.
- Cost estimates -

direct salary	\$14,536
indirect suport	<u>2,907</u>
	\$17,443

Then: $\$17,443 \div 10 = \$1,744$

Then: $\$1,744 \div \$941.75^* = 1.8$

1.8 Weight

^aIn 1981-82, 250 students met this criteria.

*1981-82 Base Student Cost.

APPENDIX F

EXAMPLE COMPUTATIONS FOR PROPOSED

VOCATIONAL EDUCATION WEIGHTS

Group A

- Predominant service is a three-period class (150 minutes).
 - Teacher load averages 30 students for Level I and 20 students for Levels II and III.
 - Materials cost for the programs is \$46 per pupil.
- | | |
|-----------------------------------|-----------------|
| - Cost estimates - teacher salary | \$14,536 |
| indirect support | <u>2,907</u> |
| | <u>\$17,443</u> |

	<u>Level I</u>	<u>Levels II and III</u>
Teacher and support	\$17,443	\$17,443
Supplies and materials	<u>1,380</u>	<u>920</u>
	\$18,823	\$18,363
	$\$18,823 \div 30 = \$627.43$	$\$18,363 \div 20 = \$918.15$
	$\$627.43 \div \$941.75^a = .67$	$\$918.15 \div \$941.75^a = .97$
Vocational program	.67	.97
High School program ^b	<u>.63</u>	<u>.63</u>
	<u>1.30</u>	<u>1.60</u>
	Weights	

^a1981-82 Base Student Cost.

^bThe High School Weight of 1.25 was divided into the following weights for:

5 periods in regular program	1.04
4 periods	.83
3 periods	.63
2 periods	.42
1 period	.21

APPENDIX F (CONTINUED)Group B

- Service and teacher load the same as for Group A.
- Materials cost for the programs is \$69 per pupil.

	<u>Level I</u>	<u>Levels II and III</u>
Teacher and support	\$17,443	\$17,443
Supplies and materials	2,070	1,380
	<u>\$19,513</u>	<u>\$18,823</u>
	$\$19,513 \div 30 = \$650.43$	$\$18,823 \div 20 = \$941.15$
	$\$650.43 \div \$941.75^a = .69$	$\$941.15 \div \$941.75^a = .999$
Vocational program	.69	1.00
High School program	.63	.63
	<u>1.32</u>	<u>Weights 1.63</u>

Group C

- Service and teacher load the same as for Group A.
- Materials cost for the programs is \$89 per pupil.

	<u>Level I</u>	<u>Levels II and III</u>
Teacher and support	\$17,443	\$17,443
Supplies and materials	2,670	1,780
	<u>\$20,113</u>	<u>\$19,223</u>
	$\$20,113 \div 30 = \$670.43$	$\$19,223 \div 20 = \$961.15$
	$\$670.43 \div \$941.75^a = .71$	$\$961.15 \div \$941.75^a = 1.02$
Vocation program	.71	1.02
High School program	.63	.63
	<u>1.34</u>	<u>Weights 1.65</u>

^a1981-82 Base Student Cost.

APPENDIX F (CONTINUED)Group D

- Most service is a one-period class, but some two- and three-period classes are offered.
- Teacher load will vary from 30 to 75 pupils; the average class size is 15 for all class levels.
- Materials cost for the programs is \$26 per pupil.

	<u>One-Period Class</u>	<u>Two-Period Class</u>
Teacher and support	\$17,443	\$17,443
Supplies and materials	<u>1,950</u>	<u>1,170</u>
	\$19,393	\$18,613
	$\$19,393 \div 75 = \$258.57$	$\$18,613 \div 45 = \$413.62$
	$\$258.57 \div \$941.75^a = .27$	$\$413.62 \div \$941.75^a = .44$
Vocational program	.27	.44
High School program	<u>1.04</u>	<u>.83</u>
	<u>1.31</u>	<u>1.27</u>
	<u>Three-Period Class</u>	
Teacher and Support	\$17,443	
Supplies and Materials	<u>780</u>	
	\$18,223	
	$\$18,223 \div 30 = \$607.43$	
	$\$607.43 \div \$941.75^a = .65$	
Vocational program	.65	
High School program	<u>.63</u>	
	<u>1.28</u>	
	<u>Weight Assigned 1.30</u>	

^a1981-82 Base Student Cost.

APPENDIX G

March 9, 1983

TO: State Board of Education
 FROM: Wilbur G. Smith, Jr., Chairman
 Ad Hoc Committee
 SUBJECT: Report and Recommendation of the Ad Hoc Committee
 Appointed to Study the Accreditation System of South
 Carolina Public Schools

In 1981, Mr. Robert E. Livingston, Chairman, State Board of Education, appointed an ad hoc committee of five State Board of Education members to study the accreditation system of South Carolina public schools.

Mr. Livingston also appointed a thirty-member special task force representative of all geographic areas of the state, as well as organizations that serve the educational interest of our state, to assist the ad hoc committee in the study.

The ad hoc committee and special task force met first on November 18, 1981, and the special task force was divided into three subcommittees to study various areas of the accreditation system.

Subcommittee I

This subcommittee studied existing accreditation standards and accreditation procedures for the purpose of recommending appropriate changes. Additionally, the subcommittee studied the use of "assurances" as part of the accreditation process.

Findings and Recommendations

Subcommittee I recommends that (1) philosophical and ambiguous statements in the current Defined Minimum Program for South Carolina School Districts be deleted (attachment I)¹, (2) statutory provisions of the South Carolina Education Finance Act of 1977 and Basic Skills Assessment Program be included in the next revision of the Defined Minimum Program for South Carolina School Districts, but are not included in this report, (3) after consideration of the use of assurances as a method for monitoring standards that are not quantifiable, the subcommittee concluded that use of assurances as a part of the

¹The Appendix does not include Attachments I and II referred to in this report.

accreditation process should be continued, (4) Recommendations for additions and revisions to the Defined Minimum Program are shown (attachment II)¹.

On February 8, 1983, the State Board of Education ad hoc committee met and studied revisions recommended by the ad hoc committee appointed to study the accreditation system of South Carolina public schools. Attachments I and II describe the recommended deletions, additions, and revisions to the Defined Minimum Program for South Carolina School Districts and recommend that the State Board of Education adopt these revisions as shown in Attachments I and II¹. In order to initiate this action and comply with the permanent promulgation provisions of Act 176 of 1977, as amended, the following motion is presented to the State Board of Education for consideration.

Motion of Intent to Promulgate Regulations (Amend)

The State Board of Education, by authority of Section 59-5-60(3) of the 1976 South Carolina Code of Laws, hereby announces its intent to promulgate on April 13, 1983, amendments to existing regulations relative to the Defined Minimum Program for South Carolina School Districts in accordance with the 1977 Acts and Joint Resolutions of the South Carolina General Assembly, as amended.

Recommendations from Subcommittees II and III do not require State Board of Education action, but the findings appear to be worthy of further study and consideration by State Department of Education staff.

Subcommittee II

Subcommittee II studied other accreditation systems for the specific purpose of identifying additional accountability components that may be used with the current standards and procedures for accreditation purposes. The feasibility of the inclusion of performance standards and annual school and district reports as components of the accreditation system were examined.

Findings and Recommendations

Subcommittee II reviewed the accreditation systems in operation throughout the United States and each member received a document that summarized the various accreditation systems. The performance standards being used in Texas, North Carolina, New Jersey, and Georgia were reviewed. Dr. Harold Patterson contacted state department personnel and superintendents in North Carolina and Tennessee regarding their systems.

¹The Appendix does not include Attachments I and II referred to in this report.

of accreditation. The subcommittee discussed the accreditation systems in operation in North Carolina, Connecticut, Tennessee, and Texas. Dr. Patterson reported that North Carolina has discontinued its original plan of a three-tiered accreditation system because of the inordinate amount of paperwork. The Tennessee accreditation system appears to be virtually nonexistent. The Texas accreditation system is not based upon performance standards.

A report was presented on research in the area of school effectiveness. The literature on factors that contribute to effective schools and the report of the Legislative Audit Council relative to the accreditation system in South Carolina were reviewed.

A subcommittee within Subcommittee II was appointed by Chairman Patterson to study and make recommendations as to possible alternatives to the current accreditation system. After receiving the report and recommendations relative to possible alternatives to the accreditation system, Subcommittee II voted to go on record that it has not been able to find an accreditation system in operation in other states that was more effective than the present system in South Carolina. However, the subcommittee recommends that the results of the evaluation of the effective schools pilot programs in which the State Department of Education is providing technical assistance to five school districts during 1982-83 and 1983-84 be used to determine whether or not current accreditation procedure should be modified to include processes known to be related to effective schools.

Subcommittee III

Subcommittee III studied (1) guidelines used by local school districts in carrying out advisory council recommendations; (2) the accuracy and validity of the Basic Educational Data System (BEDS) as it relates to the accreditation process; and (3) the feasibility of the inclusion of comprehensive on-site monitoring as a component in the accreditation system.

Findings and Recommendations

This subcommittee reviewed accreditation information collected through the Basic Educational Data System for the 1981-82 school year. In addition, information was collected and a study was conducted on the number of hours required for implementing a system of comprehensive on-site monitoring as a component of the accreditation process.

Subcommittee III recommends that a consolidated on-site monitoring system be considered for implementation by the offices of the State Department of Education that have monitoring responsibilities. The monitoring should be coordinated to allow these offices to perform the monitoring visits during specified periods of time mutually determined by the State Department of Education and the local school district officials. These audits will allow for the verification of information collected through the Basic Educational Data System and a method for monitoring compliance with the Advisory Council provisions of the South Carolina Education Finance Act of 1977.

DISTRICT PROFILE INDICATORS OF DISTRICT PERFORMANCE

	This District	Change from Last Year	Districts With Students Like Ours	Median District
DISTRICT				
• Dollars per student	\$8,852	N/A	\$7,359	\$8,464
• Pre-Instructional time	87.2%	Down from 88%	88.6%	89.4%
• Student-teacher ratio	14 to 1	N/A	17.4 to 1	20.2 to 1
• Vocational programs	1.8%	N/A	3.6%	0.6%
• In-line weeks	17.5	N/A	17.4	17.5
STUDENTS (n=1,885)				
• Advanced placement/Int'l baccalaureate program exam success ratio	0%	N/A	0%	43.8%
• Attendance Rate	95.4%	Up from 94.5%	95.7%	95.7%
• Taking PACT (ELA) off grade level	11.2%	N/A	9.8%	5.8%
• Taking PACT (Math) off grade level	7.9%	N/A	8.6%	5.4%
• Retention rate	15.4%	Up from 9.6%	8.3%	6.0%
TEACHERS (n=104)				
• Professional development days per teacher	8.1 Days	Down from 7.6	8.2 Days	7.8 Days
• Attendance rate	94%	Down from 95%	94.4%	95.2%
• Advanced Degrees	29.9%	Down from 34.8%	34.1%	44.1%
• Continuing contracts	68.5%	Down from 70.1%	70.3%	81.4%
• Out-of-field permits	8.1%	Down from 6.3%	5.4%	2.2%
• Teachers returning from the previous year	75%	Down from 78.7%	78.8%	89.5%
• Average salary	\$53,281	Up 1.1%	\$54,558	\$37,443

DISTRICT FACTS

DISTRICT				
• Annual dropout rate	8.5%	Up from 2.2%	3.5%	2.9%
• Percentage spent on teacher salaries	47.5%	N/A	47.5%	50.9%
• Superintendent's years in the district	2	N/A	6.8	3.5
• Parent conferences	81.9%	N/A	71.3%	81.0%
• Opportunities in this area	5	N/A	6,000	Excellen
• Number of schools	5	No change	4	8
• Number of alternative schools	0	No change	0	0
• Number of charter schools	0	No change	0	0
• Number of magnet schools	0	N/A	0	0
• Portable classrooms	4.2%	N/A	8.3%	8.5%
• Attendance rate of district office staff	94%	Down from 96.9%	95.9%	97.5%
• Average administrative salary	\$62,979	Up 4.9%	\$63,383	\$64,098
STUDENTS				
• Enrollment in adult education GED or diploma programs	N/A	N/A	N/A	N/A
• Percent of completions in adult education GED or diploma programs	N/A	N/A	N/A	N/A
• Suspensions and expulsions	41	N/A	41	100
• Percent eligible for state gifted and talented programs	18.8%	Up from 16.4%	4.5%	10.5%
• Percentage with disabilities other than speech	8.9%	Up from 8.1%	9.6%	10.5%

Allendale School District
P. O. Box 458
Allendale, SC 29810



Grades K-12
Enrollment: 1,885 Students
Superintendent John E. Tindal 803-584-4603
Board Chair Charlie G. Cave 803-584-2007

THE STATE OF SOUTH CAROLINA

Annual District
Report Card

2001

DISTRICT SUPERINTENDENT'S REPORT

The Education Accountability Act (EAA) of 1998 mandated school districts to provide specific information about the schools and the district to the community in the form of a report card. We are pleased to provide you with the first edition of the Allendale County School District Annual Report Card to the Community. During the previous two (2) years, the district has experienced gains on the following assessments: High School Exit Exam, SAT, PACT, and CSAB. While we have made some achievement gains and have been moving in the right direction, we must make greater gains and at a more rapid pace. To help us do this, we also have made progress in the area of technology moving from almost last among the 86 school districts to an above average district. Again, we must ensure that all teachers receive appropriate professional development in the use of technology in the classroom. The district also has fourteen (14) teacher specialists on site with at least two or more at all schools. The teacher specialists on site work directly with teachers on lesson planning, modeling demonstration lessons and utilizing "best teaching practices." One principal specialist is employed at the high school. The district has extended-day programs at all schools where students in need of academic assistance receive two (2) hours of assistance per day three (3) days per week. High academic achievement is our most important job, and this continues to be our primary goal. We believe a strong educational program depends on the support of the home and the community. We see the need to enlarge community participation and to enhance communication between the school and community. The administrative staff has studied the information contained in this report card, and we have developed strategies to address the areas we need to enhance. Your input regarding this report is meaningful to the district administration, the South Carolina State Superintendent of Education, and the Allendale County School District Board of Trustees. If you have any comments or questions about the report, please send them to John Tindal, PO Box 458, Allendale, SC 29810 or e-mail tindalj@acs.k12.sc.us.

Thank you for your continued cooperation and support.

Sincerely,
John Tindal, Superintendent

**PLAINTIFF'S
EXHIBIT
1320E**

South Carolina Performance Goal:

By 2010, South Carolina's student achievement will be ranked in the top half of the states nationally. To achieve this goal, we must become one of the five fastest improving systems in the country.

For more information, visit our website at
www.myschools.com

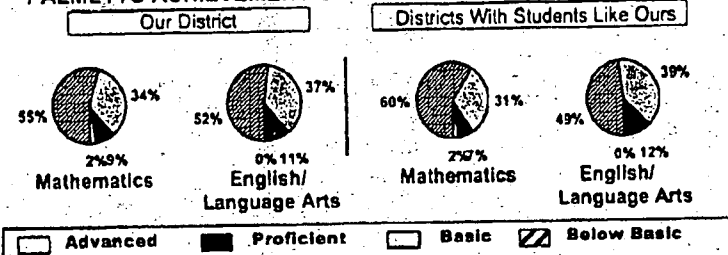
ABSOLUTE RATING: Below Average
IMPROVEMENT RATING: Average

Number of districts with students like ours: 10.
 The absolute ratings for those districts ranged from unsatisfactory to below average.
 For improvement ratings, the range was from below average to good.

Definitions of District Rating Terms

Excellent: District performance substantially exceeds the standards for progress toward the 2010 SC Performance Goal.
Good: District performance exceeds the standards for progress toward the 2010 SC Performance Goal.
Average: District performance meets the standards for progress toward the 2010 SC Performance Goal.
Below Average: District is in jeopardy of not meeting the standards for progress toward the 2010 SC Performance Goal.
Unsatisfactory: District performance fails to meet the standards for progress toward the 2010 SC Performance Goal.

PALMETTO ACHIEVEMENT CHALLENGE TESTS (PACT) RESULTS



DEFINITIONS OF CRITICAL TERMS:

- **Advanced** - Student performance exceeded expectations.
- **Proficient** - Student performance met expectations.
- **Basic** - Student performance met minimum performance expectations.
- **Below Basic** - Student performance did not meet minimum performance expectations.

PERFORMANCE BY STUDENT GROUPS

Student Group	Percent of Seniors Passing the Exit Exam	Percent of Seniors Qualifying for LIFE Scholarships	Percent of Students Scoring Basic or Above on the PACT	
			ELA	Math
All Students	78.5%	3.5%	48.5%	45.5%
Students with disabilities other than Speech	0.0%	0.0%	47.5%	28.3%
Students without disabilities	77.2%	3.7%	48.5%	47.2%
Gender				
Male	72.5%	4.5%	40.9%	43.1%
Female	78.0%	2.4%	55.6%	48.2%
Ethnic Group				
African-American	75.3%	3.7%	47%	44.3%
Hispanic	N/A	0.0%	N/A	N/A
White	75.0%	0.0%	75%	66.7%
Other	N/A	N/A	N/A	N/A
Lunch Status				
Free/ Reduced-Price Lunch	72.9%	2.0%	46.4%	43%
Pay for Lunch	81.8%	5.7%	66.2%	73.5%

TENTH GRADE PASSAGE OF ONE OR MORE SUBTESTS OF THE EXIT EXAM

	First-time Examinees		
	1999	2000	2001
Our district			
Passed all 3 subtests	24.5%	18.2%	21.7%
Passed 2 subtests	15.3%	15.2%	15.0%
Passed 1 subtest	25.5%	13.1%	8.7%
Passed no subtest			
Districts with students like ours			
Passed all 3 subtests	28.0%	23.9%	20.0%
Passed 2 subtests	17.7%	18.5%	16.1%
Passed 1 subtest	16.0%	16.7%	13.6%
Passed no subtest			

LIFE scholarships at four-year institutions

	Eligible	Percent of Seniors Meeting Grade Point Average Requirement	Meeting SAT/ACT Requirement
Our District	3.5%	29.4%	3.5%
Districts Like Ours	4.0%	28.0%	4.1%

College Admissions Tests: Tests that are frequently used in the college admissions process.

	SAT Verbal	SAT Math	SAT Total	ACT English	ACT Math	ACT Reading	ACT Science	ACT Total
2000 2001	2000 2001	2000 2001	2000 2001	2000 2001	2000 2001	2000 2001	2000 2001	2000 2001
State	484 485	482 488	966 974	18.7 18.8	19.2 19.3	19.5 19.5	19.2 19.2	19.3 19.3
Nation	605 606	570 571	1019 1019	20.3 20.3	20.7 20.7	21.3 21.3	21.0 21.0	21.0 21.0

These tests were administered to samples of students.

Terra Nova Test: A national, norm-referenced achievement test.
 Percent scoring in upper half

	Reading		Language		Math		Total	
	State	Nation	State	Nation	State	Nation	State	Nation
Grade 4	47.8	50.0	43.1	50.0	56.4	50.0	50.8	50.0
Grade 7	45.8	50.0	59.4	50.0	54.7	50.0	53.9	50.0
Grade 10	59.6	50.0	59.6	50.0	62.4	50.0	59.9	50.0

National Assessment of Education Progress: A national, criterion-referenced achievement test.

Test	Grade	Year	Percent of Students			
			Advanced	Proficient	Basic	Below Basic
Reading	4	1998	42	37	18	3
Writing	8	1998	0	1	15	23