

# Education Funding Model

## Summary of October 3, 2019 Report

*Presented to*

*The Citadel's Zucker Family Educational and  
Innovation Forum*

*November 15, 2019*

*Frank A. Rainwater  
Executive Director*

*South Carolina Revenue and Fiscal Affairs Office*



# Letter from Governor, Senate President, House Speaker

## January 17, 2019

- *“ ... to establish a new, updated funding model to guide state appropriations and local school district expenditures for public education”*
- *“to improve efficiency, transparency, accountability, and affordability”*
- *“ ... to ensure more equitable distribution of dollars to South Carolina’s school districts”*
- *“help ensure that all of our children have the necessary resources”*

# Chronology of Activity

- Ways & Means request to study line items – Fall 2017
- Letter from Governor, President of the Senate, Speaker of the House – January 2019
- Multiple meetings with superintendents, school business officers, teacher groups, S.C. Department of Education
- Report and data analysis - May 9<sup>th</sup>
- Additional meetings with education community
- Report on budget model and assumptions - October 3<sup>rd</sup>
- Next steps – receive feedback

# ... updated funding model to guide state appropriations

State Appropriations (FY 2018-19) Select Payments to 81 Regular Districts	
Education Finance Act (EFA)	\$1,725,488,586
Employer Contributions - EFA	\$763,327,227
Education Improvement Act (EIA)	\$362,918,881
Aid to Districts - Bus Shops	\$60,276,684
Guidance/Career Specialists	\$30,276,941
Student Health and Fitness	\$25,346,156
Reading Coaches	\$38,107,476
Other Aid to Districts	\$4,832,561
Education Lottery	\$14,403,069
Property Tax Relief - Estimate	\$1,208,947,938
<b>Total</b>	<b>\$4,233,925,520</b>

Statement of Expenditures (FY 2016-17) State, Local, and Federal Funds	
<b>Instruction</b>	<b>\$4,304,919,376</b>
General Instruction	
Exceptional Programs	
Preschool Programs	
Special Programs	
<b>Support Services</b>	<b>\$4,584,665,709</b>
Pupil Services	
Instructional Staff Services	
General Administrative Services	
Finance and Operations Services	
<b>Community Services</b>	<b>\$20,876,765</b>
<b>Other Charges</b>	<b>\$1,138,302,667</b>
<b>Debt Service</b>	<b>\$1,540,521,504</b>
<b>TOTAL EXPENDITURES</b>	<b>\$11,589,286,021</b>

*... to improve efficiency, transparency, accountability, and affordability*

- Align Appropriations with Expenditures
  - Instruction
  - Facilities
  - District Services
- Specify Level of Services
  - Every student is provided the same level of resources
  - Distinction between state and local responsibilities
- Equal impact on local tax base
- One formula for appropriations

*... help ensure that all of our children have the necessary resources*

- The needs of the student drive the funding in the model.
- The model calculates the funding required for a common set of services for K-12 education in Instruction, Facilities, and District Services based upon services students need and the cost of those services.
  - Cost of a teacher
  - Cost of operating a school building
  - Cost of district services
- Costs and service levels are based upon current teachers, administrators, and services.

# Exclusions from the Model

- Federal funds
- Other educational programs
  - 4-year-old kindergarten
  - Adult education
  - Pupil activities
  - New construction
- Charter and special school district funding

# Key Variables - Personnel and Salary Costs

	<i>Teacher</i>	<i>Other Instruction*</i>	<i>School Admin</i>	<i>Office Staff</i>	<i>Superintendent</i>	<i>Program Director</i>	<i>District Staff</i>
<i>Salary</i>	\$44,586	\$44,586	\$75,796	\$31,210	\$156,051	\$71,338	\$35,669
<i>Employer Contribution (28.26%)</i>	\$12,600	\$12,600	\$21,420	\$8,820	\$44,100	\$20,160	\$10,080
<i>Health Insurance</i>	\$6,798	\$6,798	\$6,798	\$6,798	\$6,798	\$6,798	\$6,798
<b><i>Total Cost</i></b>	<b>\$63,984</b>	<b>\$63,984</b>	<b>\$104,014</b>	<b>\$46,828</b>	<b>\$206,949</b>	<b>\$98,296</b>	<b>\$52,547</b>
<i># of Personnel (based on Model)</i>	45,241	4,209	3,016	3,016	81	817	817

*\*Salary and Number of Personnel figures for Other Instruction have been determined using data for Specialty Service Providers (psychologists, physical therapists, etc.), Guidance Counselors, Library/Media Specialists, and Career Specialists. Calculations do not reflect data about Guidance Support Resources or Library Aides.*



# Formula and Service Levels – Instruction

## I. Instruction

### A. Classroom and Specialized Instruction

i. One teacher for each 16.5 students classified as being affected by poverty	\$1,733,298,228
ii. One teacher for each 21.5 students classified as not being affected by poverty	\$820,761,149
iii. One aide for every kindergarten teacher	\$105,083,871
iv. One additional teacher for each 17.5 students served under IDEA (special education and speech therapy services)	\$340,661,804
v. One specialty service provider for every 120 students served under IDEA (psychologists, physical therapists, and others)	\$49,679,846
vi. Additional resources for students classified as gifted and talented, academic assistance, limited English proficiency, dual enrollment, or career and technology education	\$238,206,199

# Formula and Service Levels – Instruction, continued

## *B. Instructional Support*

- |   |               |
|---|---------------|
| i. One guidance counselor for every 350 students and one guidance resource for every 350 students | \$175,291,436 |
| ii. One library/ media specialist and one library aide for every 685 students                     | \$104,615,369 |
| iii. One career specialist for every 2,260 students   | \$20,416,057  |

## *C. Health Services*

- |  |              |
|--|--------------|
| i. One nurse for every 600 students            | \$76,900,481 |
| ii. One social worker for every 3,180 students | \$14,509,525 |

## *D. School Administration*

- |   |               |
|---|---------------|
| i. One school administrator for every 15 teachers | \$313,716,042 |
| ii. One school office staff for every 15 teachers | \$141,237,999 |

## *E. Classroom Materials and Technology*

- |   |               |
|---|---------------|
| i. An allocation of \$3,344 for classroom materials and technology allocation for every teacher | \$151,284,733 |
|---|---------------|

# Formula and Service Levels – Facilities

## II. Facilities

### *A. Facilities*

- i. 2,750 square feet per teacher (includes classrooms, common areas, and administrative space)
- ii. \$1.80 for custodial services, \$2.40 for maintenance, and \$1.50 for utilities per square foot \$709,157,789

### *B. Security and Safety*

- i. One safety staff for every 640 students \$72,094,201
- ii. An allocation of \$6,688 for security and equipment for every 640 students \$7,535,615

### *C. Transportation*

- i. One bus driver for every 110 students \$217,015,590

# Formula and Service Levels – District Services

## III. District Services

### *A. District Leadership and Services*

- |  |              |
|--|--------------|
| i. One superintendent per district   | \$16,762,870 |
| ii. Range of 6 to 20 program directors (student services, HR/finance, IT, transportation, food services, etc.); minimum of 6 increased by 1 for every 35 teachers above 350, up to a maximum of 20 program directors | \$80,307,510 |
| iii. Range of 6 to 20 district staff (student services, HR/finance, IT, transportation, food services, etc.); minimum of 6 increased by 1 for every 35 teachers above 350, up to a maximum of 20 staff               | \$42,930,738 |

### *B. District Technology*

- |  |              |
|--|--------------|
| i. An allocation of \$669 per teacher for technology at the district level | \$30,256,947 |
|--|--------------|

# Education Funding Model - Total Cost

	Total Dollars	% of Total	Average Cost per Student
<b>I. Instruction</b>			
A. Classroom & Specialized Instruction	\$3,287,691,098	60.2%	\$4,559
B. Instructional Support	\$300,322,861	5.5%	\$416
C. Health Services	\$91,410,006	1.7%	\$127
D. School Administration	\$454,954,041	8.3%	\$631
E. Classroom Materials & Technology	\$151,284,733	2.8%	\$210
<b>Total - Instruction</b>	<b>\$4,285,662,739</b>	<b>78.5%</b>	<b>\$5,943</b>
<b>II. Facilities</b>			
A. Facilities	\$709,157,789	13.0%	\$983
B. Security and Safety	\$79,629,816	1.5%	\$110
C. Transportation	\$217,015,590	4.0%	\$301
<b>Total - Facilities</b>	<b>\$1,005,803,194</b>	<b>18.4%</b>	<b>\$1,395</b>
<b>III. District Services</b>			
A. District Leadership & Services	\$140,001,118	2.6%	\$194
B. District Technology	\$30,256,947	0.6%	\$42
<b>Total - District Services</b>	<b>\$170,258,064</b>	<b>3.1%</b>	<b>\$236</b>
<b>Total</b>	<b>\$5,461,723,998</b>	<b>100.0%</b>	<b>\$7,574</b>

# Education Funding Model - Cost Summary

	Total Cost	Total Cost Per Student	State Share	State Share Per Student	State %	Local Share	Local Share Per Student	Local %
Total -Instruction	\$4,285,662,739	\$5,943	\$3,322,243,461	\$4,607	77.5%	\$963,419,278	\$1,336	22.5%
Total -Facilities	\$1,005,803,194	\$1,395	\$779,698,098	\$1,081	77.5%	\$226,105,097	\$314	22.5%
Total - District Services	\$170,258,064	\$236	\$131,983,960	\$183	77.5%	\$38,274,104	\$53	22.5%
<b>Total</b>	<b>\$5,461,723,998</b>	<b>\$7,574</b>	<b>\$4,233,925,519</b>	<b>\$5,871</b>	<b>77.5%</b>	<b>\$1,227,798,479</b>	<b>\$1,703</b>	<b>22.5%</b>

# Education Funding Model – State and Local Share

	State Share	State Share Per Student	State Share %	Local Share	Local Share Per Student	Local Share Per Student	Local Millage
<b>I. Instruction</b>							
A. Classroom & Sp. Instruction	\$2,548,616,379	\$3,534	77.5%	\$739,074,719	\$1,025	22.5%	45.1
B. Instructional Support	\$232,810,121	\$323	77.5%	\$67,512,740	\$94	22.5%	4.1
C. Health Services	\$70,860,988	\$98	77.5%	\$20,549,018	\$28	22.5%	1.3
D. School Administration	\$352,680,129	\$489	77.5%	\$102,273,912	\$142	22.5%	6.2
E. Classroom Materials & Tech.	\$117,275,844	\$163	77.5%	\$34,008,889	\$47	22.5%	2.1
<b>Total -Instruction</b>	<b>\$3,322,243,461</b>	<b>\$4,607</b>	<b>77.5%</b>	<b>\$963,419,278</b>	<b>\$1,336</b>	<b>22.5%</b>	<b>58.8</b>
<b>II. Facilities</b>							
A. Facilities	\$549,738,738	\$762	77.5%	\$159,419,051	\$221	22.5%	9.7
B. Security and Safety	\$61,728,991	\$86	77.5%	\$17,900,825	\$25	22.5%	1.1
C. Transportation	\$168,230,369	\$233	77.5%	\$48,785,221	\$68	22.5%	3.0
<b>Total -Facilities</b>	<b>\$779,698,098</b>	<b>\$1,081</b>	<b>77.5%</b>	<b>\$226,105,097</b>	<b>\$314</b>	<b>22.5%</b>	<b>13.8</b>
<b>III. District Services</b>							
A. District Leadership & Serv.	\$108,528,792	\$150	77.5%	\$31,472,326	\$44	22.5%	1.9
B. District Technology	\$23,455,169	\$33	77.5%	\$6,801,778	\$9	22.5%	0.4
<b>Total - District Services</b>	<b>\$131,983,960</b>	<b>\$183</b>	<b>77.5%</b>	<b>\$38,274,104</b>	<b>\$53</b>	<b>22.5%</b>	<b>2.3</b>
<b>Total</b>	<b>\$4,233,925,519</b>	<b>\$5,871</b>	<b>77.5%</b>	<b>\$1,227,798,479</b>	<b>\$1,703</b>	<b>22.5%</b>	<b>75.0</b>

# Model with Flexibility and Accountability Measures

	<i>Model Assumptions</i>	<i>Actual District Ratios</i>	<i>Total Model Cost</i>	<i>Actual District Cost</i>	<i>Performance Measure</i>
<b>I. Instruction</b>			<b>\$4,285,662,739</b>		
<i>A. Classroom and Specialized Instruction</i>	-Ratio of 16.5:1 for students in poverty -Ratio of 21.5:1 for students not affected by poverty -1 aide per K teacher -1 additional teacher for each 17.5 served under IDEA -1 specialty service provider for each 120 students under IDEA -Additional resources for other EIA weighted categories		\$3,287,691,098		
<i>B. Instructional Support</i>	-1 guidance counselor for every 350 students -1 guidance resource for every 350 students -1 library media specialist and library aide for every 685 students -1 career specialist for every 2,260 students		\$300,322,861		
<i>C. Health Services</i>	-1 nurse for every 600 students -1 social worker for every 3,180 students		\$91,410,006		
<i>D. School Administration</i>	-1 school admin for every 15 teachers -1 school office staff for every 15 teachers		\$454,954,041		
<i>E. Classroom Materials and Technology</i>	-\$3,344 for each teacher		\$151,284,733		



# Options for Appropriation Format

## Detail Level 2 - Subcategories

### Detail Level 1 - Broad

#### General Funds

Instruction	\$2,088,843,337
Facilities	\$490,231,133
District Services	\$82,984,230
<b>Total</b>	<b>\$2,662,058,701</b>

#### EIA

Instruction	\$284,772,340
Facilities	\$66,833,287
District Services	\$11,313,253
<b>Total</b>	<b>\$362,918,881</b>

#### Property Tax Relief

Instruction	\$948,627,784
Facilities	\$222,633,677
District Services	\$37,686,477
<b>Total</b>	<b>\$1,208,947,938</b>

<b>Total</b>	<b>\$4,233,925,518</b>
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#### General Funds

Clssrm & Sp Inst	\$1,602,429,324
Instructional Support	\$146,378,156
Health Services	\$44,553,478
School Admin	\$221,745,801
Clssrm Mtls & Tech	\$73,736,578
<b>Total -Instruction</b>	<b>\$2,088,843,337</b>
Facilities	\$345,645,379
Security	\$38,811,783
Transportation	\$105,773,972
<b>Total Facilities</b>	<b>\$490,231,133</b>
Dstrct Ldrshp & Srvc	\$68,236,915
District Tech	\$14,747,316
<b>Total District Srvc</b>	<b>\$82,984,230</b>
<b>Total - General Funds</b>	<b>\$2,662,058,701</b>

#### EIA

Clssrm & Sp Inst	\$218,459,442
Instructional Support	\$19,955,757
Health Services	\$6,073,983
School Admin	\$30,230,640
Clssrm Mtls & Tech	\$10,052,519
<b>Total -Instruction</b>	<b>\$284,772,340</b>

Facilities	\$47,121,889
Security	\$5,291,216
Transportation	\$14,420,182
<b>Total Facilities</b>	<b>\$66,833,287</b>
Dstrct Ldrshp & Srvc	\$9,302,749
District Tech	\$2,010,504
<b>Total District Srvc</b>	<b>\$11,313,253</b>
<b>Total - EIA</b>	<b>\$362,918,881</b>

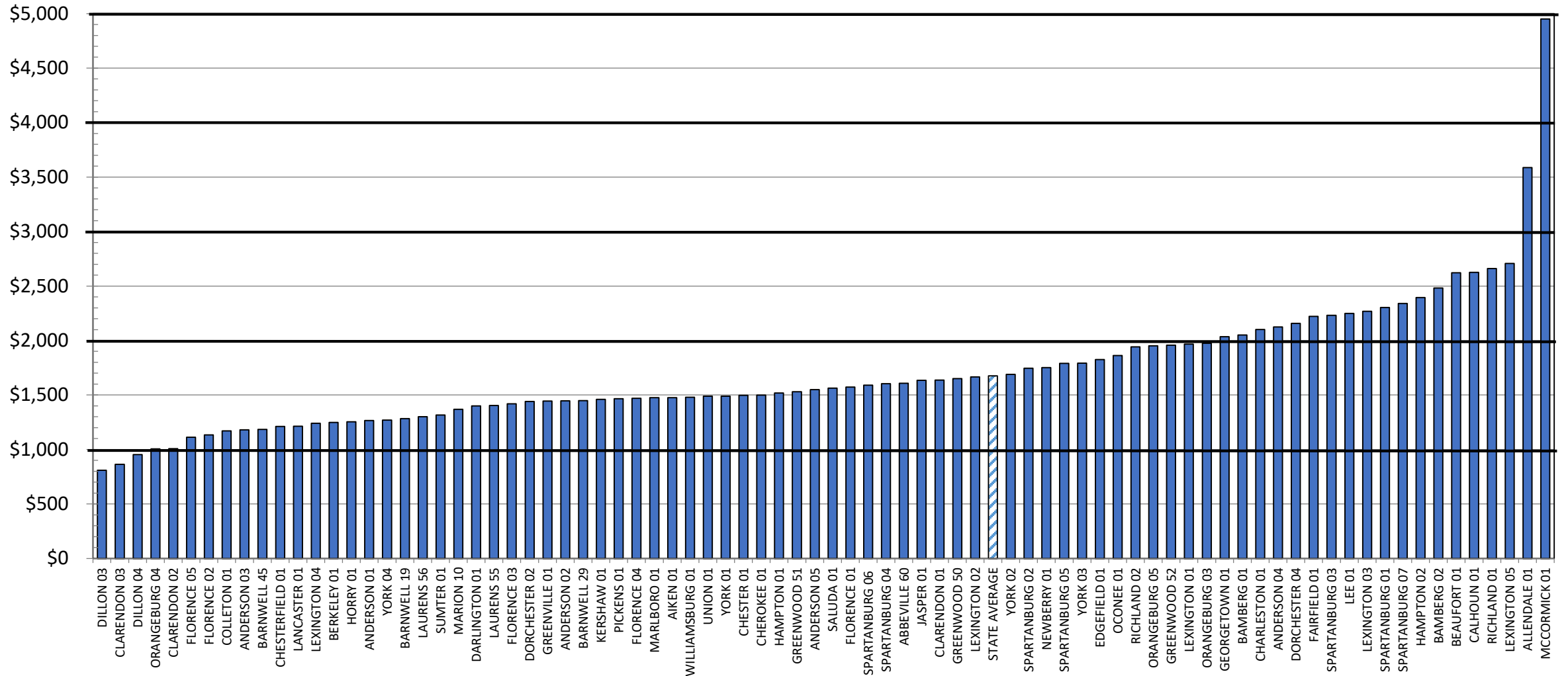
#### Property Tax Relief

Clssrm & Sp Inst	\$727,727,614
Instructional Support	\$66,476,209
Health Services	\$20,233,527
School Admin	\$100,703,688
Clssrm Mtls & Tech	\$33,486,746
<b>Total -Instruction</b>	<b>\$948,627,784</b>
Facilities	\$156,971,470
Security	\$17,625,992
Transportation	\$48,036,215
<b>Total Facilities</b>	<b>\$222,633,677</b>
Dstrct Ldrshp & Srvc	\$30,989,128
District Tech	\$6,697,349
<b>Total District Srvc</b>	<b>\$37,686,477</b>
<b>Total - Prop Tax Relief</b>	<b>\$1,208,947,938</b>

*... to ensure more equitable distribution ...*

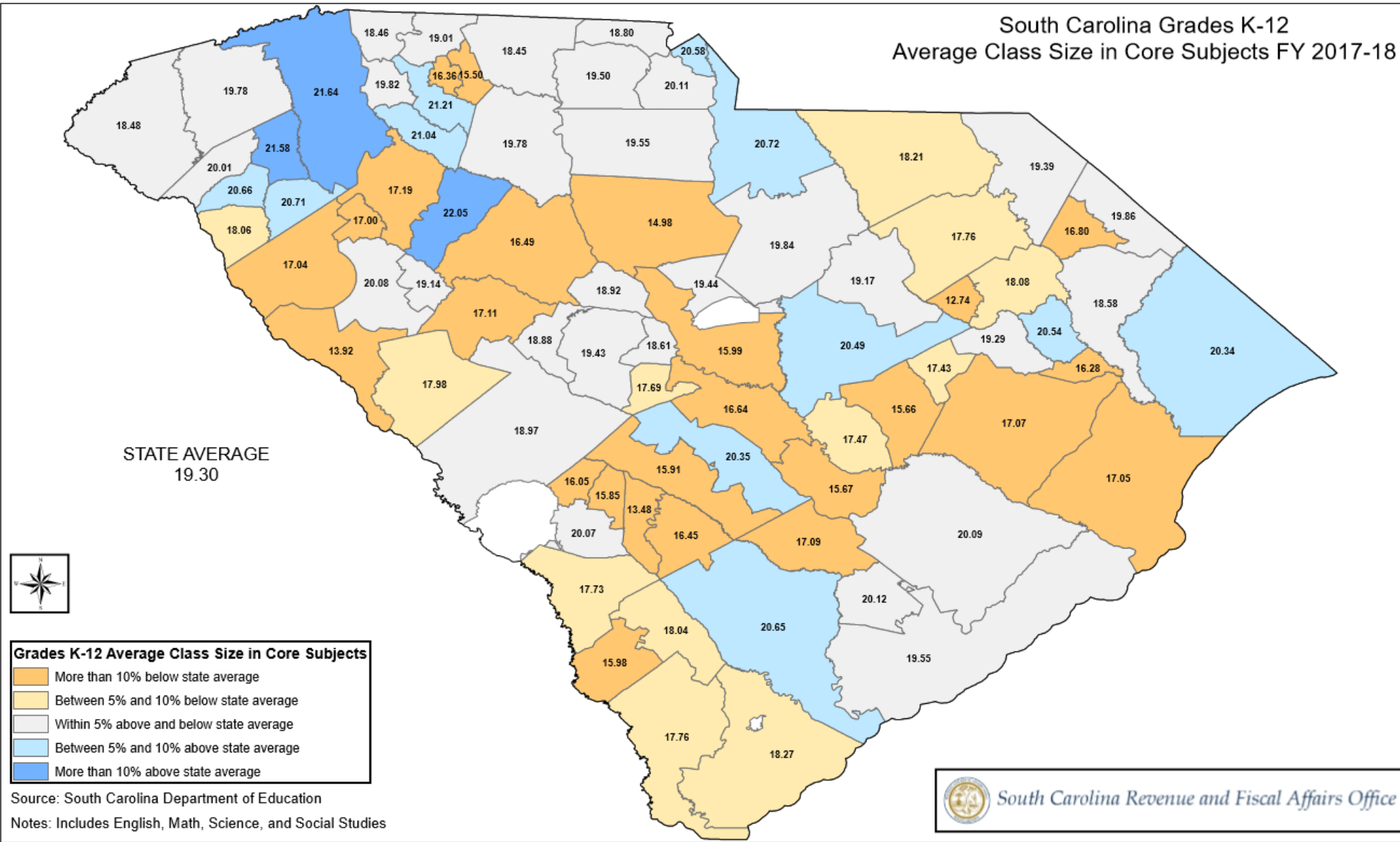
- Same level of services to all students
  - Each student receives funding for services based upon their instructional needs
- Same impact upon the local tax base
  - The model requires the same tax rate on each local tax base
- State support ranges from 39% to 96%

## STATE PROPERTY TAX RELIEF TO SCHOOL DISTRICTS PER STUDENT SCHOOL YEAR 2018-19

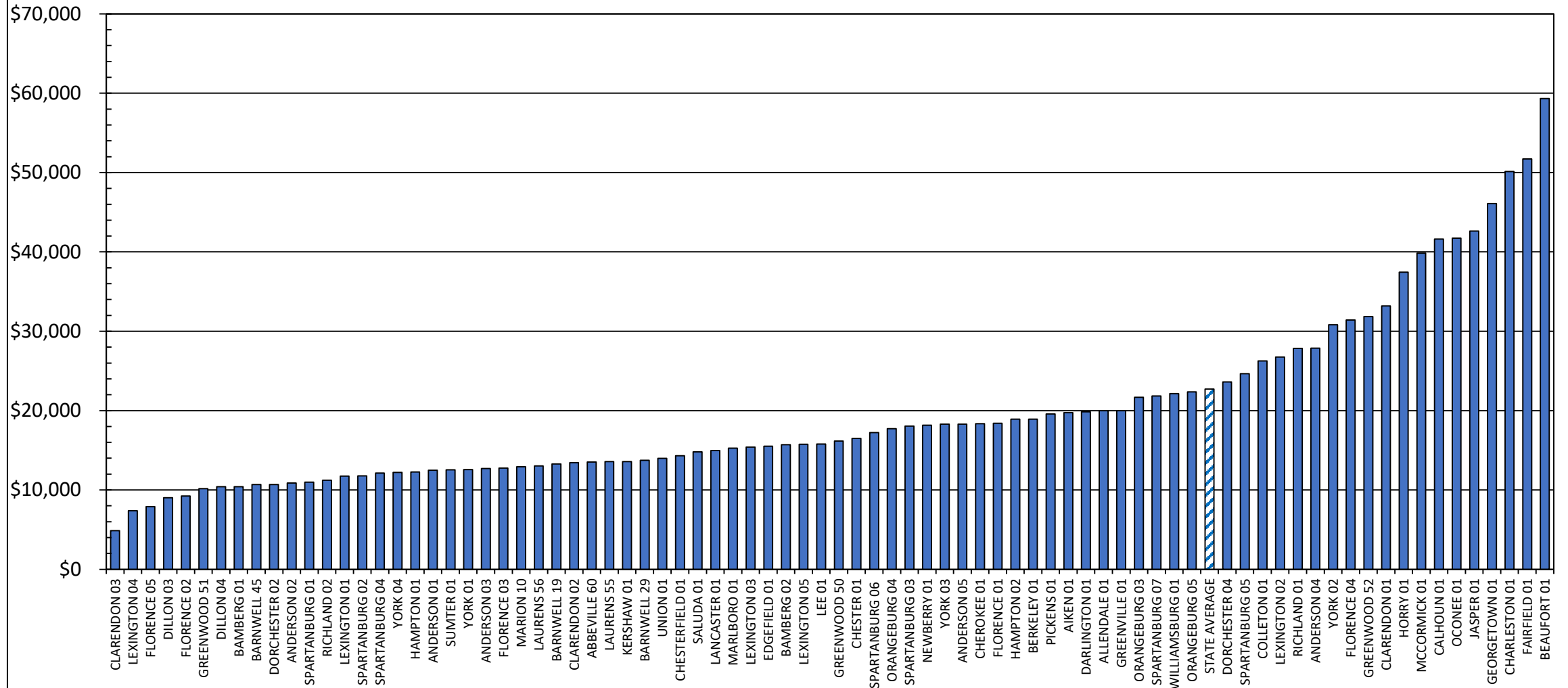


Source: Dept. of Ed 2018-19 135-day count average daily membership; FY 2018-19 property tax relief payments estimated by RFA

## South Carolina Grades K-12 Average Class Size in Core Subjects FY 2017-18

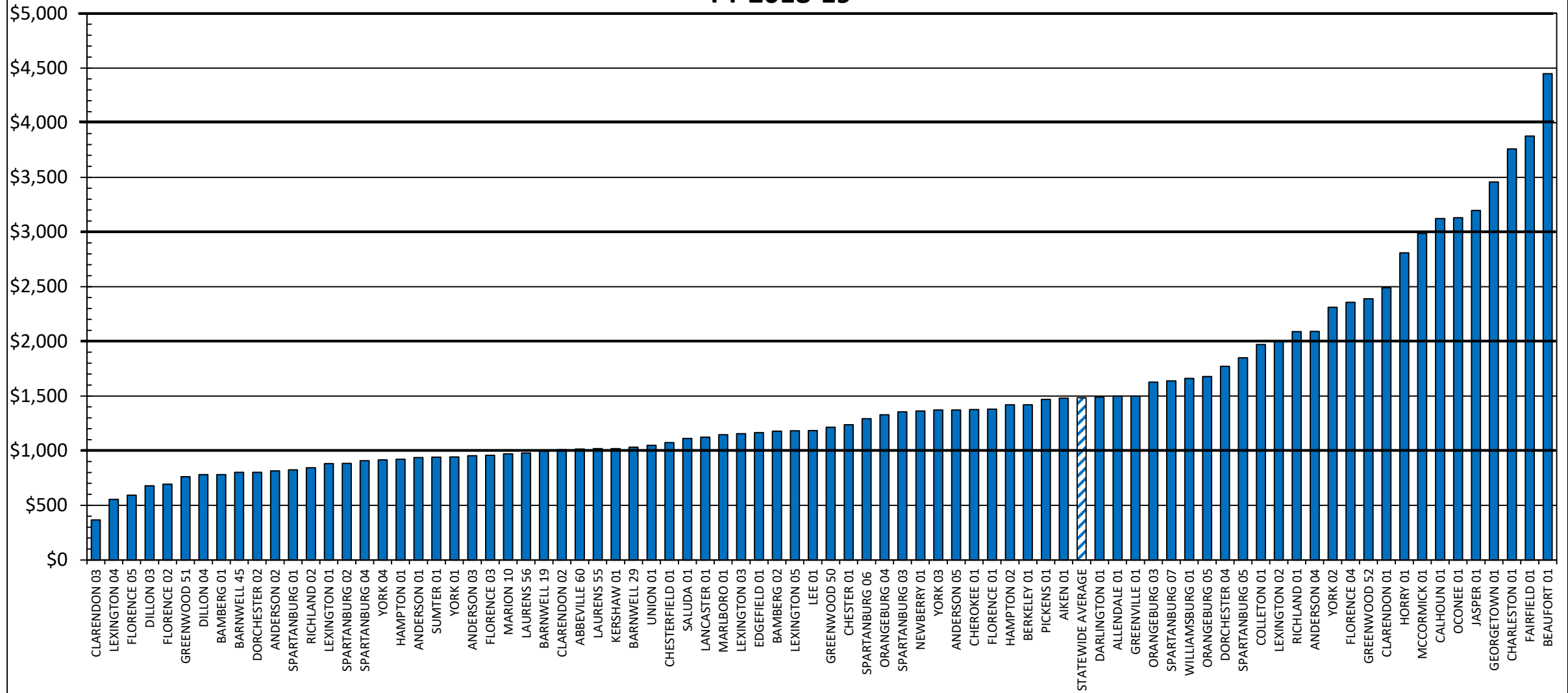


## SCHOOL DISTRICT ASSESSED VALUE PER STUDENT SCHOOL YEAR 2018-19



Source: Dept. of Revenue 2018 Index of Taxpaying Ability exc. owner occupied property; Dept. of Education 2018-19 135-day count average daily membership

# ESTIMATED REVENUE PER STUDENT FROM 75 MILLS OF SCHOOL OPERATING PROPERTY TAX FY 2018-19



Data Source: Department of Education; Department of Revenue, Index of Taxpaying Ability

# Funding Allocation - Model v Current (FY 2018-19)

	Total Cost	State Share Total \$	State Share %	Local Share Total \$	Local Share %	Local Millage	Districts with Gains	Districts with Loss
Instruction	\$4,285,662,739	\$3,322,243,461	77.5%	\$963,419,278	22.5%			
Facilities	\$1,005,803,194	\$779,698,098	77.5%	\$226,105,097	22.5%			
District Services	\$170,258,064	\$131,983,960	77.5%	\$38,274,104	22.5%			
<b>Total</b>	<b>\$5,461,723,998</b>	<b>\$4,233,925,519</b>	<b>77.5%</b>	<b>\$1,227,798,479</b>	<b>22.5%</b>	<b>75.0</b>		
<i>Redistribution</i>							<b>\$173,868,361</b>	<b>(\$173,868,361)</b>
<i>Number of Districts</i>							<b>55</b>	<b>26</b>



# Model Flexibility: Adjust Student-Teacher Ratios by Grade

- One option presented is to lower the student-teacher ratio for students in grades 1-6 and increase the ratio in 7-12. (Assumes total number of teachers is held constant.)

	Poverty	Non-Poverty	All Students
<b><u>Model</u></b>			
Grade K	16.5	21.5	(One aide for every Kindergarten Teacher)
Grades 1-3	16.5	21.5	
Grades 4-6	16.5	21.5	
Grades 7-8	16.5	21.5	
Grades 9-12	16.5	21.5	
<b><u>Option 5</u></b>			
Grade K	17.5	22.5	(One aide for every Kindergarten Teacher)
Grades 1-3	15.5	20.5	
Grades 4-6	15.5	20.5	
Grades 7-8	17.5	22.5	
Grades 9-12	17.5	22.5	

- Other examples: To lower the student-teacher ratio by one student requires an additional 2,683 teachers at a cost of \$171.7 million for salary and fringe only.



# Summary

- Realigned appropriations to match types of services
  - Defined services and resources
  - One appropriations formula – equity across districts
- Technical issues
  - Accuracy of data
- Policy issues
  - Adequacy of spending level, resources, and priorities
- Other considerations

# Questions?

- Full report and accompanying material can be found at <http://rfa.sc.gov/econ/educ/model>
- Questions and feedback may be sent to [EdFund@rfa.sc.gov](mailto:EdFund@rfa.sc.gov)



# APPENDIX

# Requested Items

- Review of current state, federal, and local appropriations, revenues, and expenditures for the operation of public schools in the state and other documents that support the options or recommendations in its report;
- Options or recommendations for simplifying and streamlining state appropriations for public education;
- Recommendations for consolidating current line item appropriations into fewer line items by major education programs;
- Options for improving the alignment of appropriations and revenues with local school district expenditures by major education programs;
- Options for standards or measures of fiscal accountability for funding categories as recommended by the SC Department of Education and options for standards or measures of student performance accountability as recommended by the SC Education Oversight Committee;

# Requested Items, continued

- Examples of reports that improve simplicity and transparency in reviewing and monitoring state and local funding and revenues, local school district expenditures, and accountability measures at the state and local level;
- Methods to simplify estimating or projecting future educational funding needs;
- A recommendation to create and maintain a competitive work force of teachers by examining the teacher salary structure and providing options to increase the min. teacher salary to \$35,000 or more;
- Options or incentives for encouraging consolidation or shared services among local school districts;
- Options to phase-in a higher percentage of state funding than is outlined in the Education Finance Act; and
- Recommendations to phase-in any funding changes over time to estimate the cost to hold harmless local school districts during a transition to a new funding method.

# Funding Option 1

- Lower State Share to 70%
- Distribute \$410 million based on current funding
- Requires \$49.6 million additional funding for hold harmless

Funding Option 1 - Lower State Share within Formula to 70%, Distribute a Portion of Funds outside Model, & Add Hold Harmless Funding								
*Reallocation of funding outside model and adding hold harmless funds creates a range of local millage rates.								
	Total Cost	State Share Total \$	State Share %	Local Share Total \$	Local Share %	Local Millage	Districts with Gains	Districts with Loss
Instruction	\$4,285,662,739	\$2,999,963,918	70.0%	\$1,285,698,822	30.0%			
Facilities	\$1,005,803,194	\$704,062,236	70.0%	\$301,740,958	30.0%			
District Services	\$170,258,064	\$119,180,645	70.0%	\$51,077,419	30.0%			
<b>Total</b>	<b>\$5,461,723,998</b>	<b>\$3,823,206,799</b>	<b>70.0%</b>	<b>\$1,638,517,199</b>	<b>30.0%</b>	<b>100.1</b>	<b>\$49,639,466</b>	<b>(\$460,358,187)</b>
<i>Distribution outside Model</i>		<i>\$410,718,720</i>						
<b>Revised Total</b>	<b>\$5,461,723,998</b>	<b>\$4,283,564,986</b>	<b>78.4%</b>	<b>\$1,178,159,013</b>	<b>21.6%</b>			
<i>Hold Harmless</i>						<b>*0.2-100.1</b>	<b>\$49,639,466</b>	<b>\$0</b>
<i>Number of Districts</i>							<b>35</b>	<b>0</b>

# Funding Option 2

- State Provides \$3,000 Per Pupil
- State and Local Share Remaining Costs 50%-50%
- Distribute \$343 million based on current funding
- Requires \$48.2 million for hold harmless

<b>Funding Option 2 - State Provides \$3,000 Per Pupil, then 50% of Remaining Costs, &amp; Add Hold Harmless Funding</b>								
<i>*Reallocation of funding outside model and adding hold harmless funds creates a range of local millage rates.</i>								
	Total Cost	State Share Total \$	State Share %	Local Share Total \$	Local Share %	Local Millage	Districts with Gains	Districts with Loss
<i>Distribution per Pupil</i>		\$2,163,366,750						
<i>50% Local Support for Remaining Costs</i>								
Instruction	\$4,285,662,739	\$2,991,598,195	69.8%	\$1,294,064,545	30.2%			
Facilities	\$1,005,803,194	\$702,098,883	69.8%	\$303,704,312	30.2%			
District Services	\$170,258,064	\$118,848,297	69.8%	\$51,409,767	30.2%			
<b>Total</b>	<b>\$5,461,723,998</b>	<b>\$3,812,545,374</b>	<b>69.8%</b>	<b>\$1,649,178,624</b>	<b>30.2%</b>	<b>*73.0-100.7</b>	<b>\$48,243,806</b>	<b>(\$391,650,477)</b>
<i>Residual outside Model</i>		\$343,406,670						
<b>Revised Total</b>	<b>\$5,461,723,998</b>	<b>\$4,282,169,325</b>	<b>78.4%</b>	<b>\$1,179,554,673</b>	<b>21.6%</b>			
<i>Hold Harmless</i>						<b>*0.2-100.7</b>	<b>\$48,243,806</b>	<b>\$0</b>
<i>Number of Districts</i>							<b>34</b>	<b>0</b>

# Funding Option 3

- Eliminate Facilities Costs
- No change to Property Tax Relief Funding
- State Funds 66.5% of Instruction and District Services
- Requires \$94 million for hold harmless

<b>Funding Option 3 - Eliminate Facilities Costs and Property Tax Relief Funding from Model &amp; Add Hold Harmless Funding</b>								
*Reallocation of funding outside model and adding hold harmless funds creates a range of local millage rates.								
	Total Cost	State Share Total \$	State Share %	Local Share Total \$	Local Share %	Local Millage	Districts with Gains	Districts with Loss
Instruction	\$4,285,662,739	\$2,851,424,302	66.5%	\$1,434,238,438	33.5%			
Facilities	\$0	\$0	66.5%	\$0	33.5%			
District Services	\$170,258,064	\$113,279,558	66.5%	\$56,978,506	33.5%			
Total	\$4,455,920,804	\$2,964,703,860	66.5%	\$1,491,216,944	33.5%	*78.0-128.6	\$94,068,010	(\$94,065,048)
<b>Revised Total</b>	<b>\$4,455,920,804</b>	<b>\$3,058,768,907</b>	<b>68.6%</b>	<b>\$1,397,151,897</b>	<b>31.4%</b>	<b>*69.4-128.6</b>		
<i>Hold Harmless</i>							<b>\$94,068,010</b>	<b>\$0</b>
<i>Number of Districts</i>							<b>66</b>	<b>0</b>



# Funding Option 4

- Eliminate District Services
- State Funds 80% of Instruction and Facilities
- Requires \$154 million for hold harmless

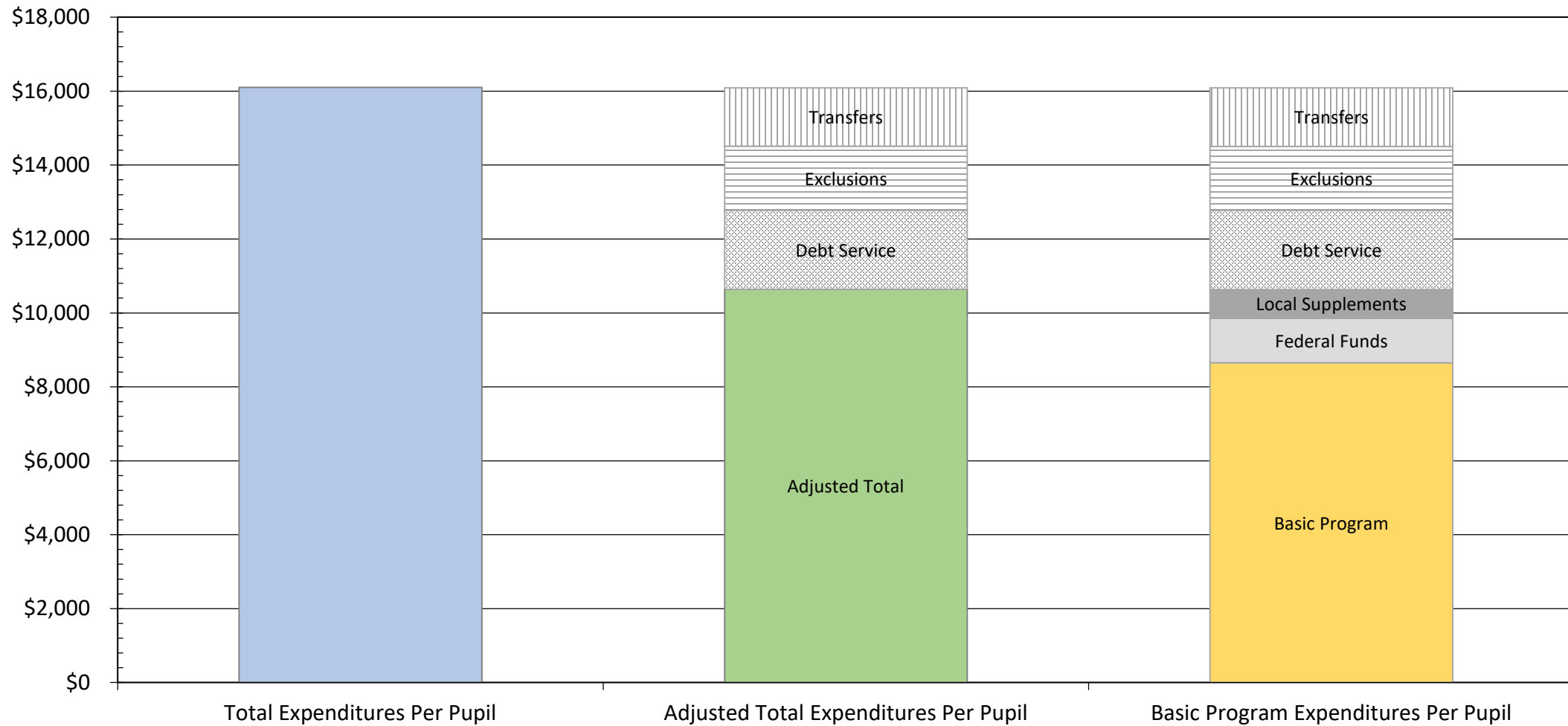
Funding Option 4 - Eliminate District Services from the Model, State Funds 80% of Instruction and Facilities & Add Hold Harmless Funding								
*Reallocation of funding outside model and adding hold harmless funds creates a range of local millage rates.								
	Total Cost	State Share Total \$	State Share %	Local Share Total \$	Local Share %	Local Millage	Districts with Gains	Districts with Loss
Instruction	\$4,285,662,739	\$3,429,136,450	80.0%	\$856,526,289	20.0%			
Facilities	\$1,005,803,194	\$804,784,838	80.0%	\$201,018,356	20.0%			
District Services	\$170,258,064	\$0	0.0%	\$170,258,064	100.0%			
Total	\$5,461,723,998	\$4,233,925,519	77.5%	\$1,227,798,479	22.5%	*66.8-255.0	\$154,311,552	(\$154,311,552)
<b>Revised Total</b>	<b>\$5,461,723,998</b>	<b>\$4,388,237,071</b>	<b>80.3%</b>	<b>\$1,073,486,928</b>	<b>19.7%</b>	<b>*0.2-255.0</b>		
<i>Hold Harmless</i>							\$154,311,552	\$0
<i>Number of Districts</i>							48	0

# Option 5 - Adjusting Student-Teacher Ratios

- Lower student teacher ratio by 1 student in grades 1-6 and increase by 1 in kindergarten and grades 1-7

	Total Cost	State Share Total \$	State Share %	Local Share Total \$	Local Share %	Local Millage	Districts with Gains	Districts with Loss
<b><u>MODEL</u></b>								
Instruction	\$4,285,662,739	\$3,322,243,461	77.5%	\$963,419,278	22.5%			
Facilities	\$1,005,803,194	\$779,698,098	77.5%	\$226,105,097	22.5%			
District Services	\$170,258,064	\$131,983,960	77.5%	\$38,274,104	22.5%			
<b>Total</b>	<b>\$5,461,723,998</b>	<b>\$4,233,925,519</b>	<b>77.5%</b>	<b>\$1,227,798,479</b>	<b>22.5%</b>	<b>75.0</b>		
<i>Redistribution</i>							\$173,868,361	(\$173,868,361)
							55	26
<b><u>OPTION 5</u></b>								
Instruction	\$4,282,150,741	\$3,321,391,453	77.6%	\$960,759,287	22.4%			
Facilities	\$1,006,221,493	\$780,461,892	77.6%	\$225,759,602	22.4%			
District Services	\$170,275,912	\$132,072,174	77.6%	\$38,203,738	22.4%			
<b>Total</b>	<b>\$5,458,648,146</b>	<b>\$4,233,925,519</b>	<b>77.6%</b>	<b>\$1,224,722,627</b>	<b>22.4%</b>	<b>74.8</b>		
<i>Redistribution</i>							\$173,877,014	(\$173,877,014)
<i>Number of Districts</i>							55	26

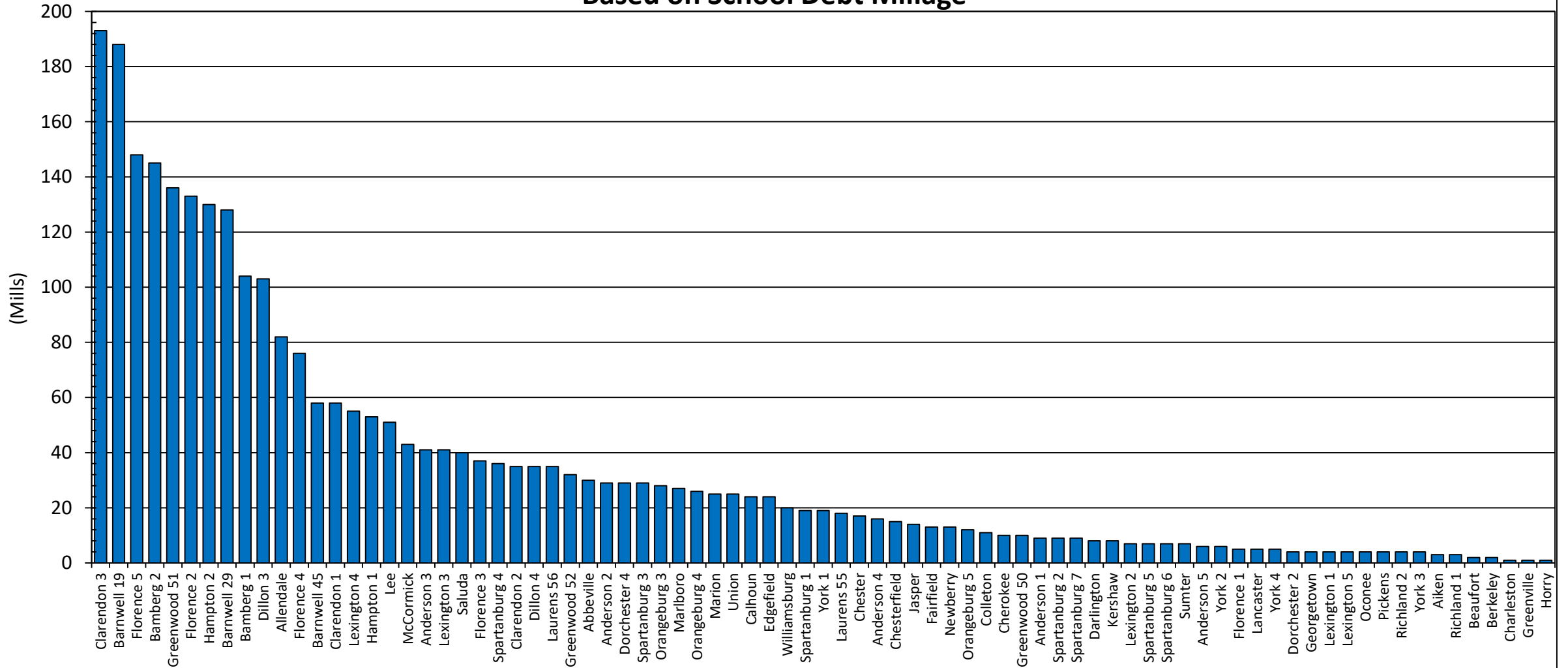
## FY 2016-17 EXPENDITURES PER PUPIL Total, Adjusted Total, and Basic Program



Data Source: S.C. Dept. of Education; calculations by S.C. Revenue and Fiscal Affairs Office RFA/248

## ESTIMATED DEBT SERVICE MILLAGE RATE TO FUND A \$20 MILLION FACILITY - TY 2017

### Based on School Debt Millage

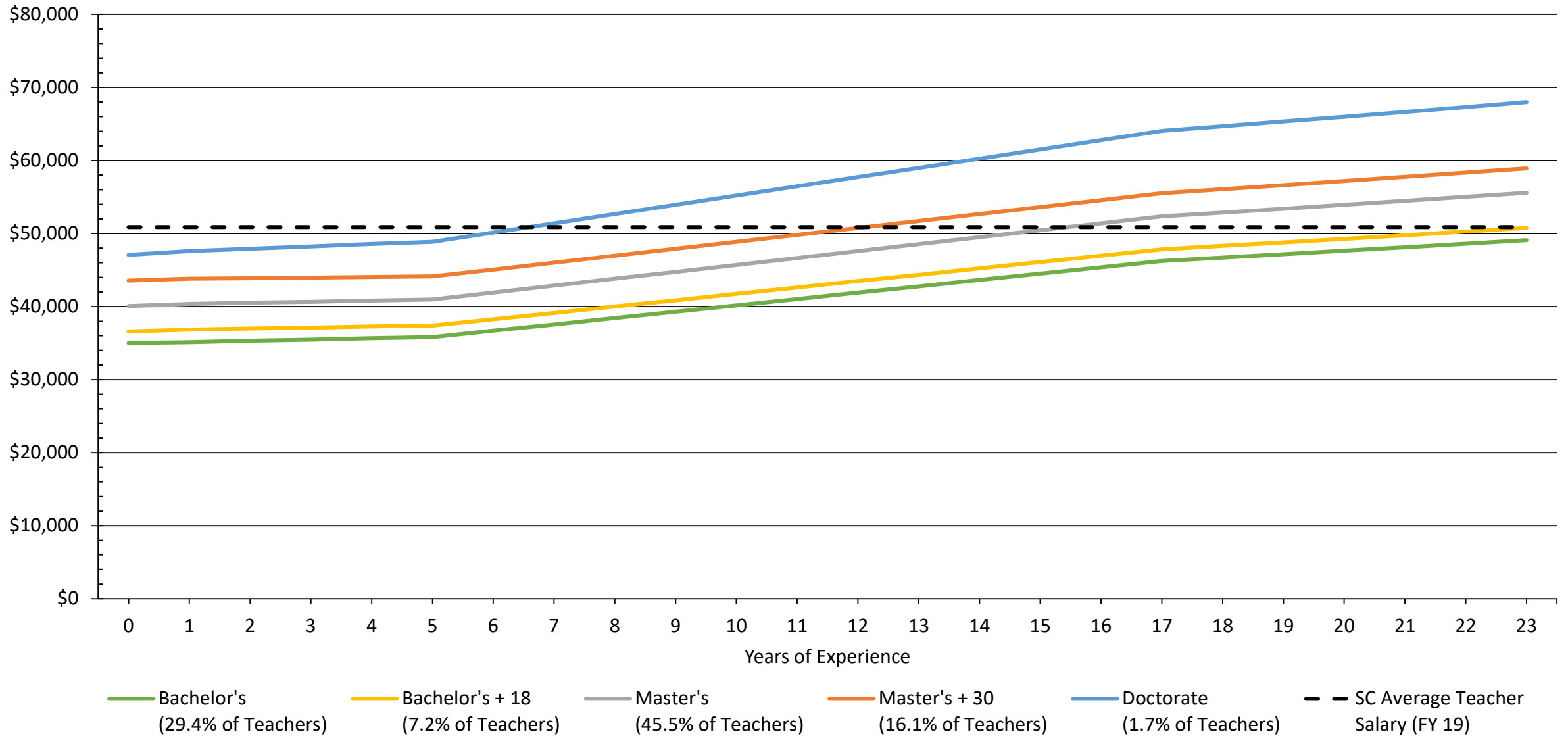


Note: Based on 5% interest and a 15 year repayment schedule

Data Source: S.C. Department of Revenue Index of Taxpaying Ability; Calculations by RFA RFA/245

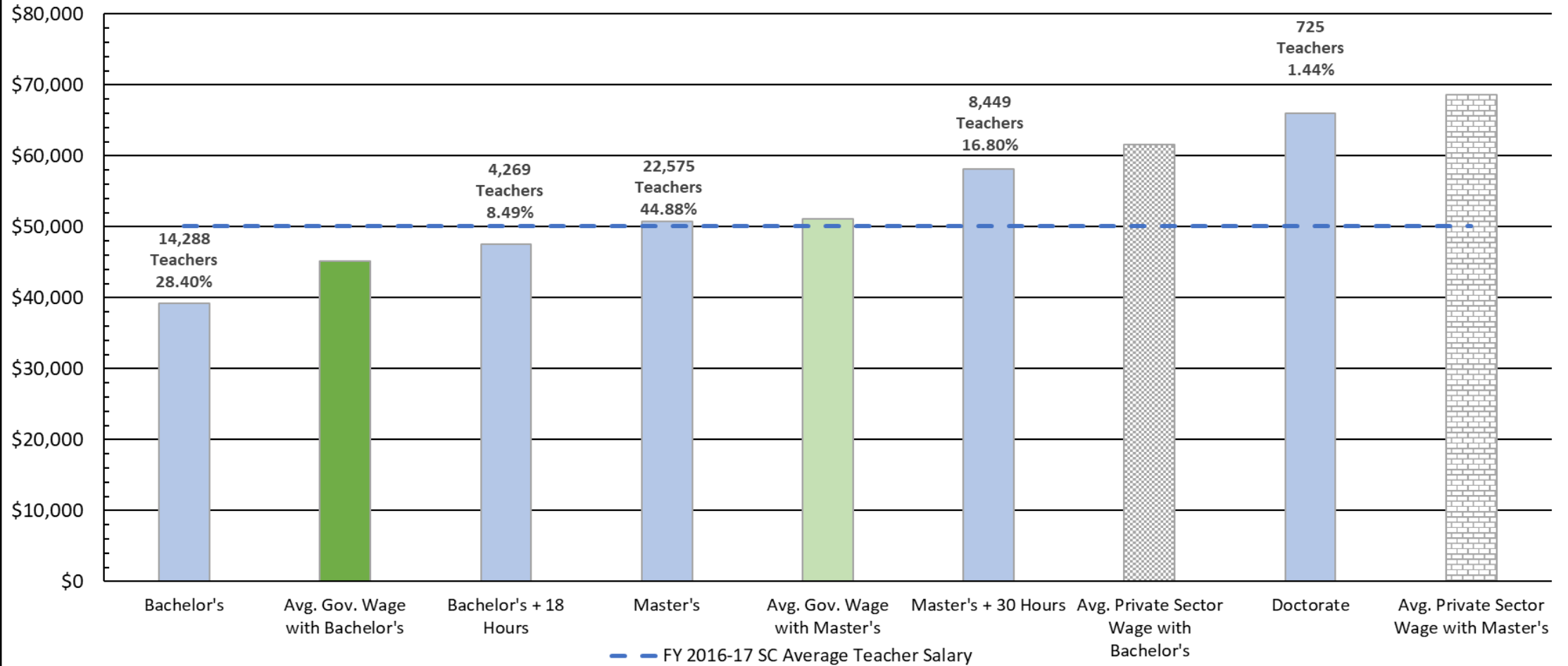


# FY 2019-20 SC STATE MINIMUM TEACHER SALARY BY CLASS AND YEARS OF EXPERIENCE



Data Source: Department of Education, PCS FY 2018-19 RFA/244

## FY 2016-17 SOUTH CAROLINA ACTUAL AVERAGE TEACHER SALARY BY DEGREE VS. 2017 AVERAGE WAGE FOR GOVERNMENT AND PRIVATE SECTORS BY DEGREE



Note: Includes regular and special district teachers in positions coded as pre-kindergarten, kindergarten, classroom, special education, and speech therapists.  
 Data Source: U.S. Census Bureau, American Community Survey 2017, Public Use Microdata Sample; S.C. Dept. of Education Professional Certified Staff Data RFA/244