Ms. Weaver welcomed members and guests to the meeting. She advised the Committee that the next tentative meeting schedule for Fiscal Year 2019-20 has been developed, and the next meeting of the EOC will be August 26.

The minutes of the April 8, 2019 meeting were approved as distributed.

Ms. Weaver introduced Frank Rainwater, Executive Director of the South Carolina Revenue and Fiscal Affairs Office, to provide a status report on the Education Funding Model. Mr. Rainwater noted that the model being developed is based on the following premise: students drive the need for resources, and the needs of students drive resources. Resources are categorized accordingly: expenditures for instruction, facilities and transportation, and district services, which totaled $8,650 per pupil. Excluded from instruction are federal funds and expenditures related to adult education and early childhood education. Using the actual, audited Fiscal Year 2016-17 expenditures by the 81 traditional school districts, Mr. Rainwater and his staff are developing the model. For instruction, the key factors that will drive the model are: the cost of a teacher; the number of teachers and student:teacher ratios; number of students, technology and cost of instructional support staff. Mr. Rainwater provided information on actual teacher salaries to wages for all government and private sector employees. In addition, Mr. Rainwater provided information on the existing student:teacher ratios in districts with the data currently available. Sen. Hembree, Rep. Alexander and Sen. Matthews asked for clarification about the data being used in the model.

Mr. Rainwater noted that once the model is completed, district comparisons will be made. The objective is to have the model completed by September 12, 2019. In the meantime, Mr. Rainwater and his staff will meet with stakeholders to verify and add missing data. He will provide an update on September 12 once data collection is better systemized. In conclusion, Mr. Rainwater noted that there are several policy issues that the EOC and others can provide input to policymakers.

Sen. Hembree questioned the removal of debt service; Mr. Rainwater stated that the focus was primarily on the EFA model. Ms. Weaver asked if RFA was looking at best practices in other
states. Rep. Felder suggested that RFA also consider using other indicators like percentage of students in a district who are not performing at grade level rather than poverty to allocate additional resources to school districts. Dr. Turner also suggested that the percentage of students with an IEP may also be an indicator of financial need. Mr. Rainwater reiterated that they are trying to get the data right before the product is used to make policy decisions. He highly encouraged school district business officers to review their district data for accuracy.

There were several special reports provided to the EOC:

*Evaluation of Professional Development and Teacher Credentials of the Full-Day 4K Program* – This evaluation was conducted by the RAND Corporation as part of the EOC’s ongoing evaluation of the full-day 4K program. Celia Gomez of the RAND Corporation participated via conference call. The report identified the teacher education qualifications of both public schools and private schools participating in the Child Early Reading Development and Education Program (CERDEP), which is state-funded, full-day 4K program and the professional development opportunities provided by the SC Department of Education and the Office of First Steps to School Readiness. The evaluation recommended more sustained professional development for teachers that identify and target competencies as well as full implementation of an early childhood workforce registry.

*Results of the 2018 Administration of the Kindergarten Assessment (KRA)* – Ms. Ward and evaluators from the University of South Carolina provided an overview of the results of the 2018 administration of the Kindergarten Readiness Assessment (KRA). Of the 54,904 kindergartners assessed by teachers using the KRA in the fall of 2018, about 37 percent of the children were at the KRA Demonstrating Readiness level in the Fall of 2018 as compared to 36 percent of children at the KRA Demonstrating Readiness level in the Fall of 2017. Demonstrating Readiness denotes children entering kindergarten with sufficient skills, knowledge and abilities to engage with kindergarten-level instruction. Across domains, a higher percentage of kindergartners reached Demonstrating Readiness in Social Foundations and Physical Development and Well-being in 2018 than in 2017. In Language and Literacy and Mathematics, a lower percentage of students reached Demonstrating Readiness in 2018 than in 2017. Analysis of the KRA data identified test results for 86 percent of children who were enrolled in CERDEP in school year 2017-18 and took the KRA as kindergartners in the fall of 2018. Approximately 36 percent of these former CERDEP students scored Demonstrating Readiness on KRA as compared to 37 percent of all other kindergartners. Dr. Stockwell asked about the information provided by the KRA and if the data can be used to inform local decisions.

*Report on Palmetto Digital Literacy Program and Update on eLearning Pilot Program* – Dr. Lee D’Andrea provided an overview of the third year of implementation of the Palmetto Digital Literacy Program. Twenty-five of thirty-six districts eligible to participate or invited to participate in the pilot elected to participate. In these districts, 34,280 individual student accounts were created serving 32 percent of the total eligible population. Districts opted to enroll for the primary reason of improving the keyboarding skills of students to prepare for on-line testing. Of the 25 districts participating, 11 completed pre- and post- assessments. The results showed a continuing demonstrated and articulated need for instructional materials in the areas of keyboarding, digital
literacy and internet safety, inquiry learning through technology integration and coding exists in schools among students K-8. There continue to be significant unmet infrastructure needs in the provision of digital learning environments for students. The effectiveness of the software is evident, yet the results are mixed due to a variety of factors outside the scope of the Learning.com product. Mrs. Barton then updated the EOC about the second-year implementation of the eLearning pilot program. Applications are due June 14. Cohort 1 districts will review the applications. Cohort 2 districts will be notified in mid-July.

The Committee then received subcommittee reports:

Academic Standards and Assessments and Public Awareness Subcommittees
Mr. Robinson reported that the two subcommittees met on May 20 and are recommending to the EOC approval of two reports required by state law along with one information item on the 2019-20 communications plan.

The first report documents the academic achievement of students who received a grant from Exceptional SC through the Educational Credit for Exceptional Needs Children or ECENC Program in Fiscal Year 2017-18. The report also describes the measures that the EOC took to collect the individual assessment data while protecting student confidentiality using the services of the South Carolina Revenue and Fiscal Affairs Office. Pursuant to Act 247 of 2018, schools participating in the ECENC program must submit to the EOC student test scores that are used to provide program level reports to determine if students participating in the program have experienced measurable improvement. While schools participating in the ECENC program had always provided school-level test scores as a condition of participation, Act 247 required the schools to provide individual student assessment data on students who received grants from the program.

The report documents the following:

- Schools participating in the ECENC program responded to the request for assessment data by providing either assessment information or a reason for not having the information for 95 percent of the 2,327 students who received grants from Exceptional SC in 2017-18 and who were enrolled in kindergarten through grade 12. Reasons why assessment data were not available included: the grade level was not assessed; the student was absent on the day of testing; the student withdrew before testing, etc.

- Actual assessment information for school year 2017-18 was obtained from schools participating in the ECENC program for approximately two-thirds of all students who received a grant from Exceptional SC in school year 2017-18. Of this data, the EOC could use test results for 60 percent of all students to calculate median percentile rankings in Reading and Mathematics.

- The assessment data showed that students who received a grant from Exceptional SC were performing slightly lower than the national norm. Remember these are students with documented disabilities being compared to a national norm of students with and without disabilities. The median Reading percentile rank was 47, and the median Mathematics
percentile rank was 40. In Reading, approximately half of the students scored higher than 47 percent of students in a national representative sample of students. In Mathematics, half of the students scored higher than 40 percent of students in a nationally representative sample of students. The mean Normal Curve Equivalents (NCEs) for Reading was 49.0 and for mathematics, 45.7, which is slightly lower than the national norm which includes students with and without exceptional needs.

- There were a limited number of assessment results for students for whom assessment scores were provided for school years 2016-17 and 2017-18. There appeared to be a slight decline in Reading scores but no difference in Mathematics scores from school year 2016-17 to school year 2017-18.

Mr. Robinson noted that the subcommittee members had a healthy conversation about how the results document that students receiving grants are doing quite well on national assessments; however, making comparisons to students in other states participating in such programs as well as to students with disabilities in our state who take assessments should not be made. The simple reason is the disabilities and socioeconomic status of the students in the ECENC program are unknown. Therefore, comparisons cannot be made between students participating in the ECENC program and students with disabilities served in public schools.

There being no further discussion, the members voted unanimously to adopt the report and submit it to the General Assembly.

Mr. Robinson then provided an overview of the second report, the results of the 2018 administration of the parent survey. As explained, annually parents whose child attends grades 5, 8 and 11 or the highest grade in a school are given a paper survey to complete. The survey is designed to measure parent satisfaction with the Learning Environment, Home and School Relations, and Social and Physical Environment of their child’s school.

The Subcommittees reviewed the results and asked staff to include additional information about survey response rates, which was done and were included in the revised report. The Subcommittees also requested the EOC staff initiate a review of the actual survey questions, which was done.

The parent responses in 2018 document:
- Between 33 and 39 percent of all eligible parents surveyed responded to the 2018 parent survey, and the percentage of completed surveys ranged from 30 to 36 percent.
- The percentage of parents satisfied with the three domains varies from 74 to 87 percent, with Home and School Relations being the lowest.
- Generally, parents of students in elementary schools had higher satisfaction levels.
- Generally, as the overall report card rating of their child’s school increased, so did parental satisfaction with the school’s learning environment, home and school relations, and physical environment of their child’s school.
• Approximately two-thirds of parents believed that the teachers and staff in their child’s school intervened to prevent bullying or that the school had an anti-bullying plan. Approximately 20 percent of parents reported that their child had been bullied.

There being no further discussion, the members voted unanimously to adopt the report, which will be provided to the SC Department of Education and to the State Board of Education, entities that have responsibility under the Parental Involvement in Their Children’s Education Act of 2000.

Ms. Yow then provided an overview of the agency’s 2019-20 Communications Plan which focuses on engaging parents and the public in understanding and using the information contained in the annual school and district report cards to improve educational outcomes. The report was received as information.

**EIA & Improvement Mechanisms Subcommittee**

Dr. Newsome reported that the EIA and Improvement Mechanisms Subcommittee met on May 20. The Subcommittee is recommending that the EOC approve two reports: (1) the results of the academic performance of military-connected students for school year 2017-18; and (2) the annual report on the SC Teacher Loan Program, which is the report for Fiscal year 2017-18.

First, the report on the educational performance of military-connected students:

• As a state, South Carolina’s reporting of the number of military-connected students has improved over time. Data provided by the South Carolina Department of Education to the EOC indicate there were 14,456 military-connected students in the state during the 2017-18 school year. Almost 70 percent of these students had at least one parent who was active duty.

• Military-connected students continue to outperform their peers on state-administered standardized tests and End-of-Course examinations.

• During the 2017-18 school year, the high school graduation rate for military-connected students remained constant at 94.1 percent, significantly above the 81 percent statewide graduation rate.

There being no further discussion, the members voted unanimously to adopt the report for submission to the General Assembly.

Dr. Newsome then highlighted the key findings of the annual report on the SC Teacher Loan Program:

• Applications for the Teacher Loan Program remained steady in 2017-18, but the number of applications approved decreased from 1,166 in 2016-17 to 1,132 in 2017-18. The primary reason for denial was the inability of the applicants to meet the academic grade point criteria.

• Overwhelmingly, applicants and recipients to the program are white females who were Teacher Cadets and enrolled as undergraduates. The percentage of male applicants remains small, especially among African American male applicants.

• No funds were used from the Revolving Loan Fund to supplement the EIA appropriation. The ending balance in the revolving fund account was $8.6 million as of June 30, 2018.
However, the Student Loan Corporation does not believe it has the authority to utilize revolving funds from previous loan repayments to fund current year loans.

- Based on the recommendation of the Teacher Loan Advisory Committee, Proviso 1A.82 was passed in the 2019-20 General Appropriation Act to increase the maximum loan amount for eligible juniors, seniors, and graduate students to $7,500 per year and the aggregate maximum loan amount to $27,500. The proviso also identifies that funds in the revolving fund may be used to award loans.

There being no further discussion, the members voted unanimously to adopt the report, which will be submitted to the General Assembly.

Ms. Weaver then called upon Ms. Barton to provide an update on the FY2019-20 General Appropriation bill and the report on the Aid to Districts Technology. Ms. Barton noted that the General Assembly increased teacher salaries by at least 4 percent and increased the statewide minimum starting from $32,000 to $35,000. Regarding the $12.0 million EIA line item for technology, the General Assembly eliminated funding. The report on the current year’s expenditure of these funds notes that approximately 12 percent of the funds were expended on non-approved technology uses.

There being no further business, the meeting adjourned.